

STANDARD OPERATING PROCEDURE (SOP)

LOCAL SOP TITLE	Environmental Purchasing Policy		
LOCAL SOP NO.	EO-GEN-004D	NO. OF REVISION	2
DEPARTMENT	Sustainability	EFFECTIVE DATE	1 November, 2025
FOR	CROSSROADS Maldives	APPLICABLE TO	All Business Units
SUPERSEDE SOP #	EO-GEN-004B EO-GEN-004C	RELATED DOCUMENTS	N/A

RECORD OF REVISIONS

REV NO.	REV DATE	BRIEF DETAILS	ENTERED BY
01	16-Nov-2023	Crossroads Branding: Replaced: Cover page footer as per brand standard Replaced: Crossroads logo with tagline	Executive Office
02	16-Nov-2023	Replaced: Signatory of the policy	Executive Office
03	01-Nov-2024	Replaced: Signatory of the policy	Executive Office
04	01-Nov-2025	Replaced: Signatory of the policy	Executive Office

Purpose

The purpose of this policy is to support the purchase of eco-friendly and environmentally preferred products in order to minimise environmental impacts relating to our work. CROSSROADS Maldives recognises that our team members can make a difference in favour of environmental quality. We strongly recommend the purchase of environmentally preferable products whenever they perform satisfactorily and are available at a reasonably competitive price.

This policy sets the guidelines and principles that must be observed in all procurement activities across the resort and which particularly aim at ensuring a procurement management system that:

- Is fair, transparent and efficient;
- Is in accordance with applicable legislation;
- Promotes our Company values and standards;
- Adds value for our Company and our guests;
- Drives a greener supply chain;
- Is conducive to supporting organisational development needs as they arise.

CROSSROADS Maldives shall adopt and promote the use of eco-friendly, recycled/recyclable, compostable and biodegradable supplies and materials as a business priority. In so doing, the business shall:

- Encourage waste reduction, reusing and recycling of waste materials, whenever possible.
- Market development and use of eco-friendly, recycled/recyclable, compostable and biodegradable materials through lease agreements, contractual relationships and purchasing practices with suppliers, contractors, businesses and Governmental agencies.
- Adopt waste reduction, reusing and recycling and use of eco-friendly, recycled supplies/materials as a business priority.
- Generate less waste material by reviewing how supplies, materials and equipment are manufactured, purchased, packaged, delivered, used, and disposed of.
- Serve as a mode for our region to influence the reduction of waste, reusing, recycling and procurement efforts.

Waste Prevention or Waste Reduction

This means any action undertaken by an individual or organisation to eliminate or reduce the amount of toxicity of materials before they enter the municipal solid waste stream. This action is intended to conserve resources, promote efficiency, and reduce pollution.

Reusing

Means any action or practice of using an item, whether for its original purpose or to fulfil a different function. It should be distinguished from recycling, which is the breaking down of used items to make raw materials for the manufacture of new products.

Recycling

This means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become solid waste and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products, which meet the quality standards necessary to be used in the marketplace.

Eco-friendly

Means earth-friendly or not harmful to the environment. This term most commonly refers to products that contribute to green living or practices that help conserve resources like water and energy. Eco-friendly products also prevent contributions to air, water and land pollution.

Recycled Products

Are products manufactured with waste material that has been recovered or diverted from the waste stream? Recycled material may be derived from post-consumer waste (material that has served its intended end-use and been discarded by a final consumer), industrial scrap, manufacturing waste and/or other waste that otherwise would not have been utilised.

Biodegradable

Biodegradable products are those that can be consumed by living microorganisms like fungi or bacteria. This helps to break them down into compounds that are found in nature.

Compostable

Compostable is used to describe a product that can disintegrate into non-toxic, natural elements. It also does so at a rate consistent with similar organic materials. Compostable products require microorganisms, humidity, and heat to yield a finished compost product (CO₂, water, inorganic compounds, and biomass).

Environmentally Preferable Products

This means products that have a lesser impact on human health and the environment when compared with competing products. This comparison may be considered raw. Printed on recycled paper, naturally! Materials acquisition, production, manufacturing, packaging, distribution, reuse, operation and/or disposal of the product.

Practical

Means enough in performance and reasonably available at a reasonably competitive cost.

Policies

- All CROSSROADS Maldives team members will specify recycled and environmentally preferable products whenever practical
- All CROSSROADS Maldives shall solicit the use of recycled and other environmentally preferred products in its procurement documents as appropriate
- All CROSSROADS Maldives departments/divisions shall practice waste prevention/reduction whenever practical

- It is prohibited to import the following items from 1st June 2023.

Prohibited Items to Import Effective 01 June 2023

#	Product Name	Date of Prohibition	Chapter
1	Plastic drinking straw		
2	Single-use plastic-based plates, cutlery and stirrers.		
3	Styrofoam lunch box.		
4	Plastic shopping bags below 30 x 30cm (including Oxo-degradable and synthetic polymer-based biodegradable plastic).		
5	Plastic shopping bags below 50-micron thickness (including Oxo-degradable and synthetic polymer-based biodegradable plastics).		
6	Imported sweet areca nuts in plastic wrapping.		
7	Single-use plastic cups below 250ml.		
8	Cotton buds with plastic stems.		
9	Shampoo and soap bottles in plastic packaging that are 50ml or below.		
10	Shampoo and soap bottles in plastic packaging from 50ml to 200ml.		
11	All imported beverages in PET bottles below 500ml (water, carbonated and non-carbonated drinks).		
12	All imported water that is 1 litre or below is packed in PET packaging.		

POLICY & PROCEDURE

1. OUR PROCUREMENT MANAGEMENT SYSTEM

Purchasing activities are conducted as per the following:

- All procurement activities at the property level shall be conducted through the property purchasing department, where all purchase orders shall be issued. If specificities are required, these shall be communicated to the property Purchasing Manager by the requesting department, such as Engineering, Kitchen, IT, Food & Beverage or Spa.
- The dedicated procurement team shall provide guidance and expert assistance to facilitate procurement activities across the resort. Procurement activities shall include:
 - Continuous identification of new suppliers and supplies;
 - Periodical evaluation and rating of vendors in accordance with predefined criteria which include quality of goods, reliability, price, delivery, customer service, warranty and sustainable practices stated in the Code of Conduct for Business Partners (ref. section 2b);
 - Maintenance of a Vendor-Product-Rating database for ease of selection;
 - Establishment of standard procurement procedures to ensure consistency with the Company standards and good governance practices.

2. RESPONSIBLE PROCUREMENT

The conduct of responsible procurement requires the participation of our suppliers. While applying the principles stated hereunder, we shall be careful not to place unnecessary obstacles in the way of individuals or small

companies and shall ensure that suppliers having the necessary abilities to be of service to us have a fair opportunity to secure our business.

- a. A Code of Conduct for Business Partners has been developed so that our business partners, including our suppliers, are aware of the principles and standards of conduct that we expect them to uphold throughout our business relationship.
- b. A copy of the Code shall be remitted to all suppliers who will be required to sign and return the attached Acknowledgement form to the property purchasing department, where appropriate records shall be kept.
- c. Compliance with the Code shall be considered in supplier rating and as a means to assess compliance:
 - Periodical surveys shall be conducted
 - Visits may be organised to the premises of a particular supplier if deemed necessary
- d. Thus, we shall look beyond the traditional parameters of price, quality, reliability, etc. and favour suppliers who
 - certified and follow the best environmental and social practices
 - conduct their business in an ethical and responsible manner
 - are nearest to our location, to avoid unnecessary transport energy
 - use clean technology or cause less pollution
 - supply their goods in reusable packaging and willingly accept them back
- c. While guests' satisfaction and our company's standards remain at the forefront, we will choose products that have the least potential for health and safety concerns or impact on the environment, either in terms of the product or the associated work practices. Insofar as items serving the same purpose are available, we will opt for products that are:
 - Eco-labelled or eco-friendly
 - Compostable or biodegradable
 - Antibiotic-free
 - Power efficient
 - Made from reusable, returnable and recycled material
 - Seasonal and locally produced - endangered species, products thereof, or items stemming from unsustainable practices will not be purchased

This includes ensuring such items are not consumed, sold, traded or displayed within CROSSROADS Maldives properties.

 - Organic
- d. As far as possible, we will buy in bulk to reduce packaging waste.
- e. Preference will be given to product suppliers who provide and take back reusable packaging and shipping containers/pallets.
- f. Waxed cardboard packaging will be avoided where available and applicable.

3. PROCUREMENT ETHICS

The conduct of team members involved in the company's procurement activities shall reflect the highest standards of integrity in all business dealings. Thus, the procurement team operating at the property and corporate levels shall:

- a. Avoid conflicts between their official duty and their private interests. As soon as they become aware of any such conflict, they shall inform Management and shall not participate in decisions regarding the particular dealing.
- b. Not accept any gift or consideration that might influence or appear to influence their business decisions;
- c. Act in compliance with relevant laws and regulations;
- d. Not show favour or disfavour to any individual or organisation and ensure all suppliers are given a fair opportunity to secure business with our company;
- e. Look out for anti-competitive behaviour, for example, suppliers acting in concert to fix prices;

- f. Act in accordance with established procurement procedures, which include:
 - Obtaining the necessary pre-approvals before initiating a request,
 - Obtaining at least 3 quotations prior to vendor selection,
 - Allowing sufficient time for control procedures preceding final approval;
- g. Emergency purchases shall be made with such competition as is practicable under the circumstances and shall be limited to those supplies or services necessary to meet the immediate emergency;
- h. Any fraudulent or unethical transactions in the supply chain shall be reported to the Managing Director / General Manager and the Central Purchasing Manager. Disciplinary measures shall be taken accordingly and in a timely manner.
- i. Procurement ethics shall be promoted and supported by appropriate systems and procedures.

4. BEST PRACTICES

- Environmentally friendly building materials to be used for new construction and/or renovation.
- VOC and lead-free paints to be used in all areas of the facility.
- Trash can liners with a minimum of 10% post-consumer material and/or fully compostable material will be used whenever possible and practical.
- External printing services for items including hotel and corporate collateral should use environmentally certified processes or recycled/FSC-certified paper and eco-certified inks.
- Printing and writing papers (including all imprinted letterhead paper, envelopes, copy paper and business cards), when practical, shall contain a minimum of 30% post-consumer recycled content or tree-free fibre or be PEFC or FSC labelled products.
- Unbleached cotton napkins to be purchased whenever available and practical.
- Amenities (soap, shampoo, etc.) used in the guest rooms, public bathrooms, spa and fitness centre are bio-degradable or eco-friendly.
- Paper products, including paper napkins, tissue paper, toilet paper, C-fold towels, etc., to be made with a minimum of 30% recycled content or tree-free fibre or are PEFC or FSC labelled products.
- Environmentally friendly supplies to be purchased whenever possible, such as recycled or non-traditional paper, organic food, certified wood and others.
- Recycled plastic outdoor wood substitutes, including plastic, lumber, benches, fencing, signs and posts.
- Organic products to be used for garden fertiliser.

5. WASTE PREVENTION PRACTICES

Our team members are encouraged to reduce their consumption of resources by incorporating the following practices into their daily activities:

- Consider the durability and reparability of products before purchase.
- Use duplex features on laser printers and copiers. Specify duplex on print jobs.
- Create electronic letterhead for use by all CROSSROADS Maldives' Departments/Divisions. Send and store information electronically whenever possible. This includes e-mail, website and electronic fax.
- Review record retention policies and implement document-imaging systems.

6. RESPONSIBILITIES OF ALL DEPARTMENTS/DIVISIONS

Each CROSSROADS Maldives Department/Division shall be responsible for the implementation of this Policy and shall:

- Practice waste prevention/reduction, whenever possible.
- Continue to utilize re-using and recycling programs and expand them where possible.
- Procure recycled/recyclable/compostable/biodegradable products, whenever practical.
- Develop, evaluate and maintain information about environmentally preferable and/or recycled goods
- Use products containing the maximum practical amount of recycled materials.

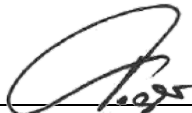
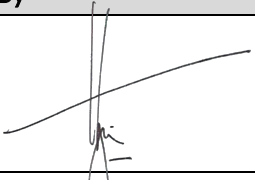
- Cross-feed information to other Departments/Divisions when the potential use of a product exists
- Develop specifications used in public bidding aimed at eliminating barriers to recycled content products, such as outdated or overly stringent product specifications and specifications not related to product performance
- Ensure that procurement documents issued by the Departments/Division require environmentally preferred alternatives, whenever practical
- Educate and promote this policy through appropriate team members. This will include documentation of successes, pitfalls, changes, etc.

Responsibilities of the Purchasing Departments

The Purchasing Manager / Store Manager

- Maintain and use information about environmentally preferable and eco-friendly products containing the maximum practical amount of recycled materials and encourage the Departments/Divisions to purchase such products, whenever possible.
- Provide Departments/Divisions with suppliers' supplier-specific information about eco-friendly products and environmental procurement opportunities.
- Inform all suppliers of our Environmental Purchasing Policy.
- Inform all suppliers of our Code of Conduct for Business Partners and obtain signed copies, proving that they have agreed to comply with it.
- Structure applicable contracts to offer and/or feature recycled-content products, whenever possible, (e.g., office supplies, lubricating oils and cleaning supplies).
- Encourage the development of specifications used in public bidding aimed at eliminating barriers to recycled-content products, such as outdated or overly stringent product specifications and specifications not related to product performance. All requests for proposals shall encourage vendors to offer eco-friendly products whenever practical.

Approval / Signature:

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