

# **SUSTAINABLE PROCUREMENT POLICY.**

## **1. Purpose**

Emmbi Industries Limited is committed to integrating sustainability into its procurement processes to minimize environmental impact, enhance social responsibility, and support economic growth. This policy establishes guidelines for making sustainable purchasing decisions, ensuring that our supply chain reflects our values and corporate sustainability goals.

## **2. Scope**

This policy applies to all procurement activities undertaken by Emmbi Industries and encompasses all employees involved in sourcing goods and services, including suppliers, contractors, and service providers.

## **3. Objectives**

The objectives of this Sustainable Procurement Policy include:

- 3.1 To reduce the environmental impact associated with the procurement of goods and services.
- 3.2 To promote social responsibility and ethical labor practices within the supply chain.
- 3.3 To encourage the use of sustainable materials and products.
- 3.4 To engage with suppliers who demonstrate a commitment to sustainability and corporate social responsibility.

## **4. Key Principles**

The following principles guide EIL's sustainable procurement practices:

### **4.1 Environmental Sustainability**

**Resource Efficiency:** Preference will be given to suppliers that demonstrate efficient use of resources, such as energy and water, in their operations.

**Eco-Friendly Products:** Emmbi Industries encourages the sourcing of products that have a reduced environmental footprint, including:

Products made from recycled or sustainable materials.

Energy-efficient and low-emission products.

Biodegradable or compostable materials.

**Waste Reduction:** Suppliers are expected to implement waste minimization strategies and promote recycling and responsible disposal of materials.

### **4.2 Social Responsibility**

**Fair Labor Practices:** Suppliers must adhere to fair labor standards, including working conditions and fair wage distribution, and ensure that they do not engage in child labor, forced labor, or discriminatory practices.

Diversity and Inclusion: Emmbi Industries actively seeks to engage suppliers that promote diversity, equity, and inclusion within their workforce and supply chains.

Community Impact: Preference will be given to suppliers that contribute positively to the communities in which they operate, such as supporting local economies and social initiatives.

### **4.3 Economic Viability**

Cost-Effectiveness: While prioritizing sustainability, Emmbi Industries will strike a balance between cost considerations to ensure that procurement decisions are economically viable.

Supplier Collaboration: Emmbi Industries strives to establish long-term partnerships with suppliers dedicated to on-going improvement in their sustainability practices.

## **5.0 Supplier Selection and Evaluation**

5.1 Suppliers will be selected and evaluated based on their ability to meet Emmbi Industries Limited's sustainability criteria. The evaluation process will include:

5.2 Sustainability Criteria: Suppliers will be assessed on their environmental performance, social responsibility practices, and compliance with labor standards.

5.3 Certifications: Preference will be given to suppliers with recognized sustainability certifications (e.g., ISO 14001, LEED, Fair Trade).

5.4 Performance Tracking: On-going monitoring of supplier performance against sustainability metrics will be conducted to ensure compliance and identify areas for improvement.

## **6. Training and Awareness**

Emmbi Industries will provide training and resources to its procurement team to enhance their understanding of sustainable procurement practices. This includes:

Sustainability Training: Regular training sessions on sustainable procurement principles, environmental issues, and ethical sourcing.

Supplier Workshops: Emmbi Industries will organize workshops for suppliers to share best practices in sustainability and encourage collaboration.

## **7. Monitoring and Reporting**

Emmbi Industries will implement a monitoring and reporting framework to evaluate the effectiveness of this policy. Key components include:

Regular Audits: Periodic audits of suppliers to ensure compliance with sustainability standards and practices.

Performance Metrics: Establishing key performance indicators (KPIs) to measure the impact of sustainable procurement initiatives.

Continuous Improvement: Using feedback from audits and supplier performance data to enhance procurement practices and drive continuous improvement.

## **8. Communication and Transparency**

Emmbi Industries is committed to transparency in its procurement processes. This includes:

Supplier Communication: Clear communication of sustainability expectations to suppliers and stakeholders.

Public Reporting: Regular reporting on the progress of sustainable procurement initiatives and the overall impact on EIL's sustainability goals.

## **9. Compliance and Accountability**

All employees involved in procurement are expected to adhere to this policy. Non-compliance may result in corrective actions, including:

Supplier Corrective Actions: Suppliers failing to meet sustainability standards will be required to develop corrective action plans to address deficiencies. Contractual Implications: Continued non-compliance may result in the termination of contracts or business relationships.

## **10. Review and Revision**

This Sustainable Procurement Policy will be reviewed and revised regularly to ensure its effectiveness and relevance. Feedback from stakeholders and changes in regulations or industry standards will be taken into consideration during the review process.

## **SUPPLIER CODE OF CONDUCT.**

### **1.0 Purpose**

EIL is committed to conducting business in an ethical, responsible, and sustainable manner. This Supplier Code of Conduct outlines the principles and standards that EIL expects from its suppliers, contractors, and business partners. The goal is to ensure that all suppliers adhere to EIL's values concerning legal compliance, labor practices, health and safety, environmental protection, and ethical business practices.

### **2.0 Scope**

This Code applies to all suppliers and business partners engaged in supplying goods or services to EIL, including their employees, agents, subcontractors, and other third parties.

### **3.0 Compliance with Laws and Regulations**

3.1 Suppliers must comply with all applicable national, state, and local laws, regulations, and industry standards in the countries where they operate, including but not limited to:

3.2 Labor Laws: Ensuring compliance with local employment laws regarding wages, working hours, and benefits.

3.3 Health and Safety Regulations: Adhering to safety laws to protect the well-being of employees.

3.4 Environmental Regulations: Compliance with laws governing environmental protection and pollution control.

3.5 Anti-Corruption Laws: Compliance with anti-corruption, bribery, and money laundering regulations.

### **4.0 Labor and Human Rights**

EIL is committed to upholding fair labor practices and protecting human rights. Suppliers must:

#### **4.1 No Child Labor**

4.1.1 Suppliers shall not employ individuals below the minimum legal working age as per local laws. In any case, child labor or any form of exploitation of children is strictly prohibited.

#### **4.2 No Forced or Compulsory Labor**

4.2.1 Suppliers must not engage in any form of forced, bonded, or involuntary labor. All work must be voluntary, and workers must be free to leave after giving reasonable notice.

#### **4.3 Fair Compensation**

4.3.1 Suppliers must pay wages that meet or exceed the legally mandated minimum wage and provide all legally required benefits. Employees should receive timely payment and be compensated for overtime in accordance with local laws.

#### **4.4 Non-Discrimination and Equal Opportunity**

4.4.1 Suppliers must not engage in any discriminatory practices in employment, including hiring, promotion, compensation, and access to training, based on race, colour, gender, age, national origin, disability, religion, sexual orientation, or any other protected characteristic.

#### **4.5 Freedom of Association**

4.5.1 Suppliers must respect the rights of employees to freely associate, join labor unions, seek representation, or bargain collectively as permitted by law.

#### **4.6 Health and Safety**

EIL Limited expects suppliers to provide a safe and healthy working environment for their employees, contractors, and visitors. This includes:

##### **5.1 Workplace Safety**

5.1.1 Suppliers must comply with all applicable occupational health and safety regulations. They must implement policies to identify and address workplace hazards, prevent accidents, and ensure the safety of their workforce.

##### **5.2 Emergency Preparedness**

5.2.1 Suppliers must have adequate emergency response procedures in place, including fire safety, evacuation plans, medical emergency responses, and regular safety drills.

##### **5.3 Workplace Conditions**

5.3.1 Workplaces should be maintained in a clean, orderly, and safe manner, with appropriate measures taken to ensure the well-being of employees, including access to clean drinking water and sanitary facilities.

#### **6.0 Environmental Responsibility**

Suppliers must conduct their business in a manner that actively minimizes environmental impact, in line with EIL's commitment to sustainability. Suppliers are expected to:

##### **6.1 Environmental Compliance**

6.1.1 Comply with all applicable environmental laws and regulations, including those relating to pollution control, hazardous waste management, and the conservation of resources.

##### **6.2 Waste Management**

6.2.1 Suppliers must adopt practices to minimize waste generation and ensure proper disposal of waste, particularly hazardous waste, in an environmentally responsible manner.

##### **6.3 Resource Efficiency**

6.3.1 Suppliers should strive to use resources, including energy and water, efficiently and seek to reduce their environmental footprint through conservation and the use of renewable energy.

6.3.2 Climate Change Mitigation

6.3.3 Suppliers are encouraged to implement measures to reduce greenhouse gas emissions, promote energy efficiency, and contribute to EIL's environmental sustainability goals.

## **7.0 Ethical Business Practices**

EIL holds all suppliers to the highest standards of integrity and ethical conduct. Suppliers must:

### **7.1 Anti-Corruption and Bribery**

7.1.1 Suppliers must not engage in any form of bribery, corruption, extortion, or embezzlement. They must comply with anti-bribery and anti-corruption laws, including the UK Bribery Act, the U.S. Foreign Corrupt Practices Act, and any other applicable laws.

### **7.2 Fair Competition**

7.2.1 Suppliers must engage in fair business practices and compete honestly. Anti-competitive practices such as price-fixing, collusion, or market allocation are strictly prohibited.

## **Intellectual Property Protection**

7.2.2 Suppliers must respect and protect EIL Limited's intellectual property and the intellectual property of others. Confidential information, including trade secrets and sensitive business data, must be handled responsibly and protected from unauthorized disclosure.

## **8.0 Data Privacy**

8.1 Suppliers must comply with applicable data protection and privacy laws. They are required to safeguard personal and business data from unauthorized access, loss, or misuse.

8.1.2 Accurate Records and Reporting

8.1.3 Suppliers must maintain accurate records of their business activities, which reflect the true nature of transactions. Any falsification or manipulation of records is strictly prohibited.

## **9.0 Supply Chain Diversity, Equity, and Inclusion (DEI)**

EIL is committed to promoting diversity, equity, and inclusion within its supply chain. Suppliers are encouraged to:

9.1 Promote DEI: Include businesses owned by women, ethnic minorities, people with disabilities, and other underrepresented groups in their supplier networks.

9.2 Provide Equal Opportunities: Ensure that all employees, regardless of background, are treated fairly and equitably in recruitment, promotion, and access to opportunities.

9.3 Eliminate Bias: Take steps to eliminate bias and discrimination within their operations and supply chains.

## **10.0 Monitoring and Compliance**

EIL reserves the right to monitor and audit its suppliers to ensure compliance with this Code of Conduct. Suppliers are expected to:

### **10.1 Audit Cooperation**

10.1.1 Cooperate fully with any audits or assessments conducted by EIL or its designated third parties, providing access to relevant documentation, records, and facilities.

### **10.2 Corrective Action**

10.2.1 In the event of non-compliance, suppliers must implement corrective action plans to address and resolve issues promptly. Continued non-compliance may result in the termination of business relationships.

10.2.2 Whistle blower Protection

10.2.3 Suppliers must establish mechanisms for their employees to report concerns or violations of this Code without fear of retaliation. Suppliers should take appropriate action in response to such reports.

## **11.0 Continuous Improvement**

EIL encourages its suppliers to continuously improve their operations, focusing on innovations that enhance sustainability, employee welfare, and ethical practices. Suppliers are urged to:

11.1 Pursue Certifications: Seek relevant certifications that demonstrate compliance with international standards for labor practices, environmental protection, and safety (e.g., ISO 14001, ISO 45001).

11.2 Implement Sustainable Practices: Adopt and implement best practices in environmental sustainability, resource management, and the promotion of social responsibility.

**Managing Director**  
**EMMBI INDUSTRIES LTD.**