

Sourcing Policy

PURPOSE

To ensure the Group sources products in a responsible and consistent manner while working with suppliers to improve their social and environmental practices.

POLICY APPLICATION

The principles of this policy must be complied with as stated in this policy or incorporated into policies within the division, business unit or Corporate Office (as applicable).

POLICY

(a) Each division/business unit must adopt policies and procedures to ensure that suppliers engaged by the division/business unit to supply goods for resale through its retail network, no matter where they are located and operate within the world, are:

(i) Contractually required to comply with all local, national and other applicable laws and regulations in the areas in which they operate;

(ii) Contractually required to take all reasonable steps to comply with the minimum standards set out in Annexure A (Minimum Standards);

(iii) Encouraged to exceed the minimum standards, and promote best practice and continuous improvement;

(iv) Monitored for compliance with the Minimum Standards through supplier assessment processes, taking into account all relevant risk factors such as country risk and product risk; and

(v) Subject to termination rights in the event the supplier is unable or unwilling to work towards full compliance with the Minimum Standards.

(b) Each division/business unit must monitor and regularly review the effectiveness of the policies and procedures referred to in paragraph (a) above, taking into account their suitability, adequacy and effectiveness.

(c) The Corporate Office must comply with the requirements in paragraphs (a) and (b) in relation to the Corporate Office.

Machinery & Others Materials purchasing procedure & policy

Policy Statement:

It is our company policy to ensure:

- Avoid the using of low grade materials & ban in manufacturing process.
- To buy more energy efficiencies & sustainable machineries.
- Purchase appropriate amount of materials.

Purchasing procedure:

- a) At first, store officer requisition for materials that are need to be purchased and send this proposal to purchase team.
- b) When purchase team makes decision to purchase specific & certain amounts of materials, they should follow **“the purchase policy”** and the following steps should be followed.
 - At first, Purchase team discuss with store officer & maintenance officer before purchasing any kind of materials.
 - Purchase team & store officer & maintenance officer finalize the materials supplier on the basis of their reputation.
 - It must be confirmed by materials supplier that their materials do not have any problem.
 - If supplier agree to provide appropriate quality certificate, then targeted materials can be brought from this supplier otherwise cannot be brought.
 - Don't deal with potential complicit of interest.

Machinery & Others Materials Purchase procedure flow chart:

Create demand & proposal send to purchase team

Purchase team discuss with store officer & maintenance

officer to select appropriate supplier



Supplier confirms that materials do not have any problem.



Purchase team make order to purchase materials form Supplier