

External Suppliers Policy

Staycold Export Ltd

(Company Name)

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Introduction

Staycold are committed to developing and marketing products which have excellent environmental characteristics and which set the standards for current best practice. Staycold understands that the greatest contribution it can make is to build products that are more efficient and sustainable than the competition. To this end Staycold has adopted BS EN 62430: 2009 which is a standard that aims towards reduction of the carbon footprint of the appliance from its manufacture and service life, through to disposal and recycling at end of life.

Purpose

External suppliers constitute an important part of Staycold's environment. Whilst we may rely on a range of external suppliers for the provision of products and service we continue to have an obligation to ensure we manage all risks to achieving our business objectives including those within our supply network.

Why this Policy is Important

Compliance with this policy will allow Staycold to achieve the following positive impacts

- Effectively select our suppliers balancing costs with risks
- Effectively manage the risks to Staycold posed by our suppliers
- Minimize the occurrences of contractual disputes
- Compliance with our adopted BS EN62430:2009 standard

Failure to appropriately select, contract with and manage our external suppliers may result in damage to our reputation, brand and financial performance.

Key Principles for all Staycold People

Staycold employees must not engage in the selection of external suppliers without seeking timely input from procurement managers

1. Knowing our External Suppliers – all suppliers and partners to our business are required to sign the suppliers code. The signed document is stored in our database for future reference. This forms a key part of our regular risk analysis as well as on-site audits.
2. Selecting our External Suppliers – We select our key external suppliers diligently, ensuring they are a good fit with Staycold and our business needs and achieving a balance between risk and value for money.
3. Contracting with External Suppliers – We ensure appropriate contractual agreements are in place with our Key External suppliers covering the relevant product or service requirements.
4. Managing our External Suppliers – We continuously monitor and manage the performance of our suppliers to ensure they continue to meet our business needs.

This document is approved by the management team and all members endorse the goals and motivate all departments of our business to comply.

How our procurement is organised

Procurement is organised as below within Staycold. Each department reports into the management team in the UK and procurement is categorised into materials and services.

Staycold Managing Director –

- Accountable for implementation of and compliance with all the policies within Staycold UK Function

Financial Controller –

- Responsible for driving the operation of the policy within their department
- Responsible for ownership of the overall policy implementation plan and key priorities
- Responsible for providing guidance and training as required within their department
- Responsible for monitoring compliance of their department to the policy and reporting appropriately
- Ensure employees in their department are responsible for making outsourcing and procurement decisions are aware of their obligations under this policy
- Responsible for communicating and promoting awareness about how compliance with this policy should be achieved across their department
- Maintain an up to date schedule that contains a list of all external suppliers along with their contracts and any risks identified as part of the due-diligence process.

Employees responsible for making outsourcing or procurement decisions –

Ensure engagement with the financial controller and Managing Director as part of engagement with external suppliers

Ensure the procurement process has been followed in line with requirements

Ensure appropriate contracts are in line with requirements

Ensure appropriate due diligence is carried out when selecting and external supplier

Ensure the impact on other teams is considered

Definitions

External Supplier – Any third party that provides Staycold with products or services

Key External Supplier – Any supplier with whom we have a formal written contract and with whom we spend in excess of £100k per year, or the supplier or products or services we deem high risk to Staycold

Critical or Important Function - an operation, process, procedure or activity that is fundamental in Staycold's ability to carry out its business. Any weakness or failure of critical or important functions that would damage Staycold's reputation and ability to deliver satisfactory services to its customers.

Our goals are set out as follows

- Raise supplier awareness of the company's sustainable procurement code of conduct
- Decrease probability of supplier violation on local environment and or social laws which consequently disrupt supply chain.
- All suppliers are required to sign and follow the supplier code
- Each supplier is visited regularly and audited against the standards set out in the code
- The management team is ultimately responsible and accountable for the code to be followed and audited.
- The code is monitored bi-annually and the goals are modified if necessary.

Staycold Suppliers Code and Sustainable Procurement Core Principles

We expect our suppliers to conduct their relationship with us and any of our clients, partners and other suppliers on a fair and ethical basis and in compliance with our core principles of sustainability. These principles apply to both suppliers' activities and, where appropriate, to their downstream supply chain.

Our core principles

1. Human rights

Respect for human rights in dealing with supplier stakeholders at large (i.e. team members, clients, suppliers, shareholders and communities). Suppliers should support the principles of the Universal Declaration of Human Rights. They must avoid association with equipment that is used in the violation of these rights, such as instruments of torture, or the manufacture or transfer of armaments to oppressive regimes.

2. Compliance with applicable international, national, state and local laws

We recognise that local customs, traditions and practices may differ, but expect as a minimum that suppliers comply with local, national and international laws, including (but not limited to) all environmental, health and safety, and labour laws. We expect suppliers to support International Labour Organisation core conventions on labour standards.

3. Forced or compulsory labour

Staycold Export operate within the guidance of the Modern Slavery Act and as such our suppliers must not use forced, bonded or compulsory labour and employees must be free to leave their employment after reasonable notice. Employees must not be required to lodge deposits, money or papers with their employer. Wages and benefits paid for a standard working week meet, at a minimum, national legal standards or industry benchmark standards, whichever is higher. In any event wages should always be enough to meet basic needs and to provide some discretionary income.

All workers shall be provided with written and understandable information about their employment conditions in respect to wages before they enter employment and about the particulars of their wages for the pay period concerned each time that they are paid. Deduction from wages as a disciplinary measure shall not be permitted not shall any deduction from wages not provided for by national law be permitted without the expressed permission of the worker concerned, all disciplinary measures should be recorded.

4. Child labour

We refuse to accept the use of child labour in the supply chain. No one should be employed who is below the legal minimum age for employment. Children (below the age of 18) must not be employed for any hazardous work or work that is inconsistent with their personal development

5. Equality and diversity

We refuse to accept unlawful discrimination of any kind in working relations and we expect diversity to be promoted. Suppliers should not discriminate in hiring, compensation, access to training, promotion, and termination of employment or retirement.

6. Employee wellbeing and development

Where applicable, suppliers should give consideration to flexible working conditions to promote work/life balance, the promotion of training and personal development of team members. Working hours comply with national laws and benchmark industry standards, whichever affords greater protection

In any event workers shall not on a regular basis be required to work-in excess of 48 hours per week and shall be provided with one day off for every 7 day period on average. Overtime shall be voluntary and shall not exceed 12 hours per week, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

7. Disciplinary practices

Employees must be treated with respect and dignity. Physical or verbal abuse or other harassment and any threats or other forms of intimidation are prohibited.

8. Freedom of association

As far as relevant laws allow, respect should be given for freedom of association. Workers without distinction have the right to join or form trade unions of their own choosing and to bargain collectively. The employer adopts an open attitude towards activities of trade unions and their organisational activities. Workers representatives are not discriminated against and have access to carry out their representative functions in the workplace.

Where the right of freedom of association and collective bargaining is restricted under law the employer facilitate and does not hinder the development of parallel means for independent and free association and bargaining.

9. Health and Safety

A healthy and safe working environment must be provided for all employees, in accordance with international standards and laws. This includes making sure that adequate facilities, training and access to safety information are provided. A safe and hygienic working environment shall be provided, bearing in mind the prevailing knowledge of the industry and of any specific hazards. Access to clean toilet facilities and to potable water, and, if appropriate, sanitary facilities for food storage shall be provided. Accommodation where provided shall be clean safe and meet the basic needs of the workers. A member of senior management shall assigned responsibility for health and safety.

Adequate steps shall be taken to prevent accident and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonable practicably the causes or hazards inherent in the working environment. Workers shall receive regular and recorded health and safety training and such training shall be repeated for new or reassigned workers. All applicable policies, procedures and guidelines must be adhered to. Where suppliers work on Staycold's premises, or on behalf of Staycold, for example in the use, handling, transport or disposal of hazardous materials, or the disposal of electronic equipment, they must confirm that they understand their obligations. They must also confirm that they have management processes and controls in place, and where applicable, agree to be fully responsible for any liability resulting from their actions.

10. Confidentiality and intellectual property

We require our suppliers, contractors and their team members to maintain confidentiality with regard to all information they have access to, in accordance with applicable laws. We also expect them to protect all intellectual property belonging to Staycold, our customers, other suppliers and individuals.

11. Refusal of bribery and corruption in business practices

Staycold does not tolerate, permit or engage in bribery or unethical behaviour in any aspect of our business, anywhere in the world. As with our other core principles, we do not do business with anyone who does not comply with our standards of ethical behaviour. The details of our ethical and anti-bribery policy can be provided on request.

12. Environmental impacts

We are continuing to put processes in place to understand our environmental impacts and risks. We are working to reduce these impacts and promote environmentally-friendly policies. Areas covered include: -

- Waste and disposal
- Improved efficiency for using finite or scarce resources such as energy, water and raw materials
- Protecting biodiversity
- CO₂, methane and other gases, as well as other relevant factors impacting climate change
- Environmental impacts such as noise, water and ground pollution
- Management, operational and technical controls to minimise the release of harmful emissions into the environment