

# Responsible Sourcing Policy

BES 6001

Issue No.1 Dated: 01/09/2020 Page | 1

Al-Ittefaq Steel Product Co. understands the importance of responsible sourcing and acknowledges that our decision of outside sourcing can have an impact on the society and on the environment in a non-direct way. This is why; the company looks for suppliers who share the same beliefs as we do. We always prefer those suppliers who are committed to the environment and those who recognizes the fundamental rights of people whom they employ and committed to help the society globally and locally. This policy explains what Al-Ittefaq Steel Product Co. expects from its suppliers to lower the adverse impact on the society and the environment due to its operations, while abiding with the requirements and standards of our company.

# Legal Compliance

• The supplier shall have a certain system in its own organization that can identify and follow all applicable legal laws / regulations and ensure that they are complied.

# Management System

Al-Ittefaq Steel Product Co. expects that the suppliers are legally and financially stable.
They shall be certified to Quality, Environmental and Occupational Health & Safety
Management Systems. They shall be conducting risk assessment in their own organizations and addressing them regularly.

# Supply Chain Management

- Al-Ittefaq Steel Product Co. expects that the supplier is having proper procurement policy and procedures based on their quality management system.
- List of its approved suppliers are updated and maintained regularly

### Stakeholder Engagement

• Al-Ittefaq Steel Product Co. expects that its suppliers have their own documents and procedures through which they engage with their stakeholders.

#### Complaints and Prosecution

 Al-Ittefaq Steel Product Co. expects that all its external sourcing companies shall operate in a transparent way and shall have records of any sorts of complaints, corrective / preventive actions, prosecutions etc.

#### Fundamental rights at work

- No Child Labor:
- Al-Ittefaq Steel Product Co. does not condone ANY CHILD LABOR and expects the suppliers not to provide employment to children who did not finish their mandatory education or not to employ anyone under the age of 18. Children that are under the age of 18 should not be deprived of learning or should not be assigned with any dangerous task. The supplier should abide by these law and report child labor and human trafficking, if any.

#### Working Hours:

The supplier is expected to follow the legal working hours that was set by the country and if an employee is working overtime then it must be the employee's choice with proper compensation.



# Responsible Sourcing Policy

BES 6001

Issue No.1 Dated: 01/09/2020 Page | 2

- Fair Wages:
- The supplier is expected to meet the minimum requirement on fair wages as per the applicable business standards.

#### Environmental Management

- Al-Ittefaq Steel Product Co. set out environmental plans that comply with the responsibility of lowering the impact on the environment and expects the same environmental goals from its suppliers, such as:
- Water is being properly used, reused, recycled and disposed of in an environment friendly and sustainable manner.
- Energy is being efficiently used and attempts are made to reduce greenhouse gas emissions through monitoring and controlling to meet the relevant environmental standards.
- Air emissions and noise pollution are being met with the standards that are set by the country in which the organization or the supplier is operated.
- Aiming in reducing the transportation impacts on environment by promoting carpooling to its employees, by keeping track of the emission levels from the vehicles and through analyzing normal emissions, accidental emissions, energy use etc.
- The organization wishes that all of its vendors shall identify and maintain biodiversity and committed in removing any deforestation in the supply chain.
- Reuse Energy
- Al-Ittefaq Steel Product Co. expects from the supplier to have a clear policy that indicates the usage of constituent materials through the optimum usage of renewable material and through the recycling and reusing of material from their operation.

## Employment and Skills

 Supplier is expected to engage with its own employees and provide proper training to each personal on responsible sourcing.

**Hakeem Dowla** 

GM - QA