



## UNION IRON AND STEEL COMPANY L.L.C.

### Sustainable Procurement Policy

Union Iron & Steel recognizes the crucial role that its suppliers play in creating value in the products and services that Union Iron & Steel ultimately provides to its customers.

We rely on our suppliers to provide, in a consistently timely manner, materials, products, and services which are of the highest quality and meet all the specific contractual obligations and specifications set out in written agreements. Union Iron & steel promotes local sourcing of products & services, use of local staff & expertise where appropriate and practical to support local economy & community and we expect our suppliers to comply the same.

We also expect our suppliers to fulfil their sustainability responsibilities. Compliance with the requirements listed below will be a key consideration in the selection of suppliers.

**Scope:-**This policy applies to all suppliers providing Union Iron & Steel with goods and/or services either used by Union Iron & Steel in its manufacturing and/or sold directly or indirectly to Union Iron & Steel' customers & suppliers. It applies to suppliers, their agents, and their sub-contractors.

In the event of any conflict between the provisions of this manual and the terms and conditions of a specific written agreement between Union Iron & Steel and a supplier, the terms and conditions of such written agreement will govern.

**Responsibilities:-** It is the supplier's responsibility to verify and monitor compliance against this Sustainable Procurement Policy in their operations and sub-contractor source operations.

**Employees and Human rights:-** Union Iron & Steel recognises international human rights standards where it operates. Employees should be dealt with in good faith, based on respect for the dignity of the individual.

Union Iron & Steel's suppliers must:

- not tolerate the use of, or benefit from, child labour or forced / compulsory labour,
- not participate, whether directly or indirectly in any form of human trafficking or slavery,
- refuse any form of corporal punishment,
- refuse to tolerate any form of physical, sexual, psychological, or verbal harassment or abusive behaviours,
- provide a safe working environment that maintains the employees' physical health or mental well-being,
- ensure equal opportunities and non-discrimination in all matters of staff appointment, selection, and promotion, whether based on race, colour, nationality, culture, ethnic

origin, religion, gender, sexual orientation, age, disability, or any other reason not related to job performance or prohibited by applicable law,

- remunerate employees commensurate with their skills and experience, ensuring at least minimum living wages that comply with the applicable legal minimum and allow acceptable living condition,
- respect applicable labour laws, and guarantee freedom of association and the right to collective bargaining
- maintain an effective social dialogue and procedures to resolve work-related disputes; and
- avoid excessive work hours and comply with legislation.

**Conflict minerals:** Union Iron & Steel suppliers must not include conflict minerals in any raw materials or products supplied to Union Iron & Steel, and only source products or raw materials containing tin, tungsten, or gold, from conflict-free certified areas.

**Ethical and compliant business practices:** Suppliers must:

- comply with all applicable laws, rules, and regulations, as well as applicable international conventions, whether in terms of environment, labour and human rights, and business practices.
- adhere to ethical and fair business practices, when dealing with their customers, competitors, employees, and their own suppliers
- engage in fair competitive behaviour, avoiding practices such as price control and collusion, competition restraining, or market segmentation; and
- take appropriate measures to avoid any actual or potential conflict of interest, for their company as well their employees. If conflicts of interest cannot be avoided, the supplier must declare the conflict or potential conflict immediately to their contact in Union Iron & Steel.

Union Iron & Steel will not tolerate any bribery or corrupt practices of any kind in the conduct of its business. To achieve this, no employee nor any person acting on behalf of Union Iron & Steel, its agents, suppliers, joint venture partners or others will, either directly or indirectly:

- offer, provide, request, or accept payments or anything of value to any person, including suppliers or Government representatives, as a bribe or inducement to secure any improper business advantage,
- make facilitation payments, unless theirs, or another's, personal safety is at risk.

Suppliers' participation in entertainment and extension of hospitality will always be part of normal business activity. It must be reasonable considering all relevant circumstances, be proportionate and appropriate, and not give rise to a perception of a corrupt purpose.

Suppliers will not disclose or otherwise use confidential information of or about Union Iron & Steel or business associates without the written consent of Union Iron & Steel.

If a supplier identifies an unethical or illegal practice by Union Iron & Steel or one of its representatives, it is encouraged to contact Union Iron & Steel directly by email, at [info-uis@uis-uae.com](mailto:info-uis@uis-uae.com).

**Environment:** Union Iron & Steel is committed to reducing the impact of its activities on the environment, with a special focus on greenhouse gas emissions and the reduction of waste.

Union Iron & Steel expects its suppliers to also commit to reducing their environmental footprint and to setting greenhouse gas emissions reduction targets from transport impacts and other operational impacts.

Suppliers must:

- take appropriate measures to prevent accidental pollution,
- implement monitoring of their energy consumption and greenhouse gas emissions and build plans to reduce them. Suppliers will, upon request, provide details of their GHG emissions and are encouraged to communicate Product Carbon Footprint, Lifecycle Analyses, & Biodiversity impact assessments.
- implement a monitoring of the waste material generated by their activities and build plans to reduce them; and
- respect product legislations, especially in terms of registration and labelling of products.

**Quality:** The quality of products manufactured by Union Iron & Steel is critical to the satisfaction and performance of our customers. The quality of incoming materials and products is critical to the quality of our own products.

Suppliers must ship only materials and products which are in conformity with Union Iron & Steel' requirements and material specifications. Conformance of each batch must be checked by the supplier against Union Iron & Steel' material specifications and requirements and must be documented. In addition, as assurance of the long-term quality consistency, suppliers must maintain all records and material test results covering the most recent 25 deliveries or 24 months and must communicate these upon Union Iron & Steel' request.

Suppliers must maintain a documented Quality Management System, including procedures, tools, equipment, and documentary evidence (but not necessarily certified according to ISO 9001), ensuring a consistent process output, and expected quality level, reinforced with, in particular:

- complete product documentation, including but not limited to the product's location of origin and that of its component parts or feedstock, safety data sheets, and documentation relating to the handling and disposal of hazardous materials, if applicable,
- complete process documentation and control plans ensuring the conformity of processes and products to their specifications. In the event of any deviation, the

supplier must obtain prior written acceptance and approval from Union Iron & Steel before making shipment of any product,

- a product approval process including trials for all new products and processes, and any subsequent change to products or processes. Union Iron & Steel must be notified, as soon as any change has been decided, to have the opportunity to evaluate its impact on Union Iron & Steel operations and products. Such changes include but are not limited to source or location of feedstock products, equipment changes, process modifications, modification of material specifications, change in specification control limits, packaging revisions, and any change that may affect the properties of delivered materials,

- the resolution of non-conformances detected during an on-site supplier Quality Assessment (conducted as part of vendor selection process or during the on-going cooperation). Suppliers must provide Union Iron & Steel with an answer and corrective action plan, along with assigned responsibilities and implementation dates within 4 weeks from the supplier Assessment Report receipt date for critical and major non-compliances and within 6 months for medium and minor non-conformities (as determined by Union Iron & Steel at the time of the assessment). After the expiry of the action's deadline, supplier will confirm the closure of actions to Union Iron & Steel,

**Business Continuity:** Suppliers are expected to develop and maintain Business Continuity Plans, containing contingency plans to satisfy Union Iron & Steel' requirements in the event of significant supply chain disruptions, utility interruptions, labour shortages, and equipment failures.

**Documentation and Verification:** Suppliers are expected to implement all internal procedures, tools, and documentary evidence to demonstrate that they comply with the principles listed in this document.

**Supplier due diligence:** Suppliers may be required to provide additional information as requested by our Compliance team. This can include, but is not limited to, ownership information, registration number, business activity information and supply chain information for the purpose of due diligence. Suppliers are requested to provide such information when requested, as this will be taken into consideration for the selection of or continued use of suppliers and failure to provide requested information could result in rejection of suppliers.

**Supplier assessments:** Union Iron & Steel or its agents may at any time during the term of its agreement with a supplier, require the supplier to undergo an evaluation covering any of the requirements outlined in the present document. This evaluation can take the form of an assessment or an on-site audit. It may be conducted by Union Iron & Steel or by a third party mandated by Union Iron & Steel. The supplier shall complete such evaluation within any time periods specified by Union Iron & Steel or its agents. If the supplier fails the evaluation (in Union Iron & Steel' reasonable opinion), this will be deemed to be a material breach of its agreement with the supplier.

  
Chief Executive Officer