

COMPANY POLICY MANUAL						
Document Location:	Network Drive CPM	Version Number:	3	Issue Date:	24 JUNE 2019	
Document Reference:	CPM 078	Reason for Issue:	Update in line with company name change and change SDOLR format.	Written By:	E. Hunter	
Document Name:	Ethical Trading Policy			Approved By:	R. Town	

OBJECTIVE

Sime Darby Oils Liverpool Refinery Ltd (SDOLR) seeks to ensure that it only purchases goods that are produced and delivered under conditions that do not involve the abuse or exploitation of any persons, and that such goods or services provided have the least negative impact on the environment.

These considerations will form part of the evaluation and selection criteria for all goods purchased by, and services provided to the company.

Roles and Responsibilities

The Managing Director of SDOLR is responsible for ensure compliance with this policy.

Purpose

The purpose of the policy is to:

- Promote good labour and ethical standards in the supply chains of goods and services.
- Promote and raise awareness of fair & ethical trading among staff members, representatives and suppliers.
- Establish and maintain SDOLR credibility as a purchaser of fair & ethically traded goods and services
- Meet all requirements of current legislation where applicable
- Use our best endeavours to conduct business within the scope of the Ethical Trading Initiative (ETI) Base Code.

Code of Conduct for Suppliers

Suppliers adopting this Code of Conduct (ETI Base Code) should commit to continuous improvement towards compliance with the labour and environmental standards specified, both in their own companies and those of their suppliers.

Labour Standards

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child Labour shall not be used
5. Living wages are paid
6. Working hours are not excessive
7. No discrimination is organisation
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed

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Environmental Standards

Suppliers should as a minimum comply with all statutory and other legal requirements relating to the environmental impacts of their business. Detailed performance standards are a matter for suppliers, but should address at least the following:

- i) **Waste Management and recycling**
Waste is minimized, materials are reused where possible, items and goods/ products made from recycled materials are produced where this is practicable.
- ii) **Pollution**
Air, water and land pollution are minimised
- iii) **Conservation**
Processes and activities are monitored and modified as necessary to ensure conservation of scarce resources, including water, plants & animals and land forms.
- iv) **Energy Use**
Minimising contribution to global warming and other environment impacts of energy use, by reducing the consumption of energy and energy efficiency.

Business Behaviour

It is expected that the supplier has, or is working toward having, statements and policies on the following topics:

- Health & safety
- Quality
- Equal opportunities
- Training & development
- Ethical standards
- Diversity
- Environmental management
- Social objectives
- Legislative requirements.
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Operating principles

The implementation of this Code of Conduct for Suppliers will be a shared responsibility SDOLR and its suppliers, informed by a number of operating principles, which will be reviewed from time to time.

SDOLR will :

1. Communicate its commitment to the Code of Conduct to employees as well as to all suppliers of goods.
2. Provide training and guidelines for relevant personnel.
3. Adopt appropriate methods and systems for monitoring and verifying the achievement of the standards.

SDOLR expects its suppliers to:

1. Complete and return the SDOLR Supplier Questionnaire.
2. Accept responsibility for labour and environmental conditions under which products are made in all circumstances.

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3. Make a written Statement of Intent regarding the company's policy in relation to the Code of Conduct and how it will be implemented and communicate this to staff and suppliers as well as SDOLR.

Both parties will:

Abide by the principles of the Code of Conduct whenever possible and always when within the capabilities of the organisation.

Qualifications to the policy statement

SDOLR will not accept uncontrolled cost increases or drops in quality. It accepts appropriate internal costs but will work with suppliers to achieve required ethical standards as far as possible at no increase in cost or decrease in quality.

SDOLR Ltd will also maintain membership of Sedex.

REFERENCES

Staff Handbook