



SUSTAINABLE PROCUREMENT POLICY AND PROCEDURES

Revision 1 | FNRCO – PR – 03 | 0123

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Date

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1. Policy Statement

First National Human Resources Company (FNRCO) is deeply committed to advancing sustainability within all facets of its procurement practices. Our Sustainable Procurement Policy is meticulously crafted to embed principles of environmental stewardship, social responsibility, and ethical governance across every aspect of our procurement decision-making process. Through this policy, we aim to ensure that our procurement activities not only support but actively contribute to sustainable development. This involves minimizing our environmental impact and fostering positive social outcomes, thereby aligning our operations with global sustainability goals.


Our approach goes beyond compliance with environmental regulations, seeking to proactively influence and innovate within our supply chains to promote greater environmental responsibility. By prioritizing the procurement of eco-friendly and ethically sourced materials, we aim to reduce waste, conserve natural resources, and decrease greenhouse gas emissions. Our policy supports the procurement of products and services that are not only sustainable but also delivered under fair labor conditions, respecting human rights and ensuring equitable treatment for all workers involved.

Furthermore, FNRCO is dedicated to implementing ethical governance throughout its procurement processes. This means conducting our activities in a transparent and accountable manner, ensuring that all business dealings are carried out with the utmost integrity and in accordance with both local and international anti-corruption laws. Through rigorous vendor assessments and continuous monitoring, we strive to maintain a supply chain that reflects our ethical commitments and supports our corporate values.

By integrating these sustainable practices, FNRCO not only enhances its operational efficiency and risk management but also strengthens its corporate reputation as a leader in responsible business practices. Our Sustainable Procurement Policy is a critical component of our broader corporate responsibility strategy, designed to create lasting value for our stakeholders while contributing positively to the global community. Through this policy, FNRCO reaffirms its commitment to being a catalyst for change, promoting sustainability not just within its own operations but throughout its influence sphere, driving industry-wide transformations towards a more sustainable and equitable global market.

2. Scope

This policy applies to all FNRCO procurement activities, including the acquisition of goods, services, and capital works across all departments.

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3. Objectives

- To reduce the environmental impact of our procurement activities.
- To promote fair labor practices and respect for human rights in our supply chain.
- To engage suppliers and contractors who uphold high ethical standards.
- To ensure transparency and accountability in our procurement processes.

4. Procedures

4.1 Supplier Selection and Evaluation

- **Sustainability Criteria:** Develop and implement comprehensive criteria for evaluating suppliers' environmental performance, labor practices, and ethical standards.
- **Supplier Sustainability Assessments:** Conduct assessments to evaluate suppliers' sustainability practices, focusing on their environmental policies, labor conditions, and adherence to human rights.
- **Ongoing Supplier Development:** Work with suppliers to improve sustainability practices, providing guidance and support to help them meet FNRCO's standards.

4.2 Sustainable Purchasing

- **Environmental Purchasing:** Specify criteria for products and services that minimize environmental harm, such as reduced greenhouse gas emissions, energy efficiency, and greater use of recycled materials.
- **Labor Practices and Human Rights:** Ensure that all procured goods and services comply with international labor standards, prohibiting forced labor, child labor, and discrimination, and supporting workers' rights to fair wages and safe working conditions.
- **Ethical Purchasing:** Require that suppliers demonstrate integrity and transparency, maintaining compliance with anti-corruption laws.

4.3 Contract Management

- **Sustainability Clauses:** Include clauses in contracts that mandate ongoing compliance with FNRCO's sustainability criteria, including environmental management, labor practices, and ethical behavior.
- **Performance Monitoring:** Regularly review supplier performance against contractual sustainability obligations.
- **Contractual Penalties and Incentives:** Establish penalties for non-compliance and incentives for exceptional performance in meeting sustainability targets.

4.4 Education and Training

- **Procurement Staff Training:** Provide regular training for procurement staff on the latest sustainable procurement practices and policy updates.
- **Supplier Workshops:** Offer workshops for suppliers to help them understand FNRCO's sustainability expectations and assist them in achieving these standards.

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4.5 Reporting and Improvement

- **Sustainability Reporting:** Compile and publish an annual sustainability report detailing procurement practices, supplier compliance, and progress towards FNRCO’s sustainability goals.
- **Policy Review and Updates:** Continuously review and update the procurement policy to adapt to new sustainability challenges and opportunities.

5. Responsibilities

- **Procurement Department:** Leads implementation, manages supplier relations, and ensures compliance with the sustainable procurement policy.
- **Sustainability Officer:** Monitors sustainability performance advises on policy development and liaises with external sustainability bodies.
- **Senior Management:** Provides strategic oversight and ensures resource allocation for effective policy implementation.

6. Compliance and Enforcement

Strict adherence to this policy is required for all FNRCO employees and contractors. Violations will be addressed through corrective measures up to termination of contracts.

7. Review and Update

The policy will be reviewed biennially or as necessary to ensure it remains effective and relevant to FNRCO’s sustainability commitments and external regulatory requirements.