

SUPPLIER CODE OF CONDUCT: ETHICAL PROCUREMENT & ESG STANDARDS

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Issuing Authority: Procubility Limited

Applicability: All Tier 1 and Tier 2 Manufacturing Partners

1. PREAMBLE: THE ETHICAL MANDATE

Procubility Limited ("Procubility") operates on the foundational belief that business success must not come at the expense of human dignity, environmental integrity, or the rule of law. As an orchestrator of global supply chains, we maintain an uncompromising commitment to the ethical standards of the European Union. This Code of Conduct constitutes a binding set of requirements for all suppliers, factories, and service partners engaged through our network. We view ethical compliance not as a bureaucratic burden, but as a prerequisite for sustainable commercial partnership.

2. HUMAN RIGHTS AND LABOR GOVERNANCE

Suppliers are obligated to maintain a working environment that adheres to the highest international standards, as established by the International Labour Organization (ILO).

2.1 Prohibition of Forced and Involuntary Labor

Procubility maintains a zero-tolerance policy regarding modern slavery, human trafficking, and forced labor. This includes the prohibition of any form of indentured labor, prison labor, or the retention of government-issued identification documents by the employer.

2.2 Freedom from Child Labor

The employment of individuals under the age of 15 (or the local legal minimum age, whichever is higher) is strictly forbidden. Suppliers must implement robust age-verification mechanisms and maintain verifiable employment records. Any breach of this clause constitutes an immediate breach of contract, resulting in the permanent termination of the partnership.

2.3 Fair Compensation and Working Hours

Compensation must be provided in full compliance with local labor laws, ensuring that all workers receive at least the minimum wage. Overtime must be strictly voluntary, clearly

documented, and compensated at premium rates. We mandate that all workers be provided with at least one rest day in every seven-day period.

3. OCCUPATIONAL HEALTH AND SAFETY (OHS)

The safety and health of the workforce are non-negotiable. Suppliers are required to provide a facility that is physically safe and medically sound.

- **Emergency Preparedness:** Factories must be equipped with unobstructed fire exits, operational fire-suppression systems, and regular emergency evacuation drills.
- **Personal Protective Equipment (PPE):** Suppliers must provide, at no cost to the worker, adequate PPE appropriate for the manufacturing environment, ensuring protection against chemical exposure, noise, or mechanical hazards.
- **Structural Integrity:** Facilities must undergo periodic structural inspections to ensure they meet the building codes necessary for industrial occupancy.

4. ENVIRONMENTAL STEWARDSHIP

In alignment with the EU Green Deal and the Carbon Border Adjustment Mechanism (CBAM), Procubility mandates that all suppliers move toward carbon-conscious production.

- **Waste Management:** Suppliers must implement systems to identify, manage, and reduce hazardous waste. We prioritize partners who utilize circular economy principles.
- **Energy Management:** We require transparent reporting on energy consumption. Suppliers are encouraged to transition toward renewable energy sources and improve production efficiencies to reduce their overall carbon footprint.
- **Environmental Permits:** All manufacturing activities must be supported by valid, up-to-date local environmental licenses. We actively audit factories to ensure they are not violating local water, air, or soil pollution ordinances.

5. GOVERNANCE, INTEGRITY, AND ANTI-CORRUPTION

Procubility enforces a culture of radical transparency. Any attempt to solicit or offer bribes, "facilitation payments," or undisclosed commissions ("kickbacks") will result in the immediate blacklisting of the supplier and notification to relevant regulatory authorities.

- **Conflict of Interest:** Suppliers must disclose any pre-existing relationships with Procubility employees or officials that could influence procurement decisions.
- **Documentation Accuracy:** Falsification of production records, quality reports, or compliance certificates is considered a fundamental breach of this Code and will lead to the immediate cessation of business.

6. AUDIT, COMPLIANCE, AND REMEDIATION

Procubility reserves the right to conduct unannounced on-site audits at any time. Suppliers must provide our authorized inspectors with unrestricted access to production floors, personnel records, and internal management logs. If non-compliance is identified, Procubility will demand a formal Remediation Plan. Failure to address the identified non-compliance within the prescribed timeline will result in the immediate termination of the commercial relationship.