



ER GROUP

RESPONSIBLE SOURCING POLICY

Partnering with our Suppliers.



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FOREWORD FROM THE CEO

Dear colleagues and business partners of ER Group,

As you know, sustainability is firmly anchored in ER's strategy, and we take responsibility for the environmental and social impacts of our business activities. To us, this means having a holistic view of our value chain, from building long-term relationships with our suppliers to engaging with our customers on sustainable consumption.

Among other things, we focus on sharing best practices, defining new standards and collaborating with our suppliers to improve sustainable production and consumption.

This Responsible Sourcing Policy (RSP) is an extension of our Code of Ethics and outlines our expectations for both our employees and our suppliers in terms of human rights, environmental protection and ethical business conduct.

Thank you for adhering to these principles and joining the momentum for a more sustainable business environment.

Sincerely,

Gilbert Espitalier-Noël
Group Chief Executive Officer



PREAMBLE AND SCOPE

At ER, we have recently adopted a Sustainability Roadmap 2030, a document which details our commitments and actions for a greener and more inclusive planet.

Under the Circular Economy pillar, we have chosen to actively:

- Add more sustainable product ranges in our portfolios and
- promote responsible business principles placing human rights, ethics and environmental stewardship throughout our supply-chain.

By doing so, we protect the integrity of ER's business, fulfil our responsibilities to our stakeholders, and ensure our Group's enduring legacy for the years ahead.

We are convinced that we will not be able to achieve this without our business partners, and hence, invite them to endorse our Responsible Sourcing Policy and use it as a guidance tool.

HUMAN RIGHTS AND SOCIAL INCLUSION

Forced Labour and Child Labour

Employment should be chosen freely. We do not tolerate the use of forced labour in any form (bonded labour, indentured labour, prison labour, human trafficking, and restraining freedom of movement of employees). We condemn these practices across our supply chain.

We categorically reject exploitative child labour and invite all our business partners to comply with the ILO standards and with their respective national laws on the work of young people.

Freedom of Association and Collective Bargaining

We respect the right of employees to free workers' association and collective negotiation regarding their wages and rights.

Occupational Health and Safety

We provide and maintain a safe and hygienic workplace for all workers and comply with all relevant legislation regarding occupational health and safety.

Working Hours and Remuneration:

We calculate overall remuneration in such a way that it at least meets the minimum standards of the country. In the same spirit, we observe the maximum working hours prescribed by national legislation and industry practices.

Diversity, Equity, Inclusion

We understand and promote the following standards in the workplace:

- We treat all our employees with fairness and respect.
- We do not tolerate discrimination in employment and in the workplace on the basis of gender, ethnical heritage, religion, age, disability, sexual orientation, marital status, nationality, political opinion or social background.
- We do not tolerate any form of physical abuse, threat of such abuse, sexual abuse, bullying and psychological harassment.
- We strive towards gender equality and towards equal pay for work of equal value.



BUSINESS INTEGRITY

Compliance with local and international legislation and conventions

ER conducts its business in a responsible manner and in compliance with respective legal regulations, as detailed in our Code of Ethics. We expect our partners to do the same.

Corruption and Bribery

We tolerate no form of corruption, bribery or extortion and commit to never engage in these, either directly or indirectly. Should a supplier have to act in the name of - or on behalf of - ER in any transaction, it will also have to comply with ER's internal policies and procedures.

Conflict of Interest

We make decisions which are not based on or unduly influenced by personal relationships or benefits. Any relationship which could be seen as a conflict of interest should be disclosed.

Gifts and entertainment

Any gifts or entertainment offered by suppliers - to ER or any ER employee - should support legitimate business interests and be reasonable, appropriate and comply with our *Gift policy*.

Money laundering

We strictly abide by all applicable anti-money laundering laws and have any required processes and controls in place.

Financial fraud

We are committed to preventing, detecting, and reporting fraud, including fraudulent financial reporting, and to maintaining a controlled environment that mitigates any risk of fraud.

No Transactions with Sanctioned Parties

We do not engage with persons subject to sanctions issued by national and supranational organisations like the EU, the UN, and the US Treasury.





BUSINESS INTEGRITY

Confidential information

Information is a valuable asset to our Group. To ensure that suppliers keep our information and that of our customers confidential at all times, we demand that they never disclose any personal data, confidential information, or trade secrets they acquire during transactions with ER, to any third party without ER's prior consent, unless applicable laws or court orders require such disclosure. Suppliers shall use any confidential information only to meet their obligations under their agreements with ER, and refrain from infringing ER's intellectual property in any way.

Our suppliers should be able to demonstrate that adequate controls are in place to protect our personal data and comply with their confidentiality undertakings.

Consumer interest, products and services

We pledge to comply with all applicable legislation, consumer protection regulations, as well as appropriate sales, marketing and information practices as they apply to consumers.





ENVIRONMENTAL STEWARDSHIP

Climate Protection

In line with our Energy Transition pillar, We have committed to:

- Reduce the amount of greenhouse gas emissions produced by our operations.
- Assess our climate-related risks and implement adaptation and resilience plans.
- Optimise our energy consumption and transition to clean energy sources, wherever possible.

Resource conservation

We efficiently use natural resources of soil, water, as well as raw materials and fuels, and continuously monitor our business processes to do so. This includes:

- Having comprehensive waste management processes which favour reducing, reusing and recycling.
- Complying with legal requirements by ensuring hazardous waste is handled and disposed of by authorised third parties.

Biodiversity and Ecosystems:

As detailed in our Biodiversity pillar, we believe that our natural environmental systems must be preserved and better protected. We thus assess risks and adopt measures to ensure that our sourcing, farming, manufacturing, or distribution activities do not compromise or damage biodiversity. This entails minimising the use of pesticides and other chemicals, as well as treating our wastewater in a responsible manner.

We strive to maintain and improve soil health, protect and restore natural habitats to build resilience and protect threatened and endangered species.



EVALUATION AND ASSESSMENT

As mentioned in the scope, we expect our business partners who do not have their own Responsible Sourcing document to use the present one as a guidance tool, for continuous improvement. This entails aligning their standards, procedures and practices and effectively promoting them, especially within their teams.

We intend to monitor and measure our suppliers' commitment to ESG principles through the use of:

- supplier self-declaration;
- their signature to the ESG Clause;
- regular questionnaires or online assessments conducted by ER or one of its subsidiaries.



REPORTING ON BREACHES

Violations of this policy and all applicable laws are expected to be disclosed through our reporting system. To the degree possible, the confidentiality of anybody disclosing a violation of this policy shall be maintained. ER will not retaliate, indeed against anybody who makes an authentic report of a possible violation.

Should a supplier suspect - or become aware of - a possible breach of the present Policy or of the violation of ER's Code of Ethics, or a potential issue related to bribery and corruption, we encourage them to raise it on Speak Up, our whistleblowing platform, by scanning this QR code.





REFERENCES

The following principles, standards and conventions were used in preparing this Responsible Sourcing Policy and may be a useful source of additional information:

UN Universal Declaration of Human Rights

<https://www.un.org/sites/un2.un.org/files/2021/03/udhr.pdf>

ILO Declaration on Fundamental Principles and Rights at Work

<https://www.ilo.org/declaration/lang--en/index.htm>

UN Guiding Principles on Business and Human Rights

[GuidingPrinciplesBusinessHR_EN.pdf](#) (ohchr.org)

**Business Principles for Countering Bribery
(Transparency International):**

[Business Principles for Countering Bribery -... - Transparency.org](#)

Convention on Biological Diversity:

www.cbd.int

RELATED DOCUMENTATION

- Supplier Assessment Questionnaire
- Responsible Sourcing Procedure (Internal Use)
- Standard ESG Clause included in contracts (i.e. Supplemental Agreement)



ER Group

ER House, Vivéa Business Park,
Moka, Mauritius

T. (+230) 404 9500

BRN. C25218805 | VAT. 28369656

ERgroup.mu