	Dor Group	Sustainable Procurement Policy		
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Chapter: 01- Organization and management		page 1 of 7	Updated on: 16/07/2023	
Subsection: 04- Procurement				

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Sustainable Procurement Policy

1. Purpose and Application

The purpose of implementing this Sustainable Procurement Policy is to align Dor Chemicals' procurement practices with the company's commitment to sustainability and responsible business operations, as described in its Environmental, Social, Governance (ESG) Policy (02-01-008). By integrating sustainable procurement principles into the decision-making processes, the company aims to minimize the environmental impact of its supply chain, promote ethical and socially responsible practices, and drive innovation in green technologies and solutions.

This policy applies to all procurement activities undertaken by Dor Chemicals Ltd and its subsidiaries, including the sourcing of products, materials, and services. It encompasses the evaluation and selection of suppliers, contract negotiations, and ongoing supplier management. By implementing this policy, the company ensures that sustainability considerations are embedded in every stage of the procurement processes, creating a more resilient and environmentally conscious supply chain. Additionally, this policy provides a framework for collaboration with suppliers who share Dor's sustainability values, fostering long-term partnerships and driving positive change in the industry.

2. Sustainable Procurement Policy Statement

Dor Chemicals Ltd is committed to integrating sustainability into procurement practices. The company recognizes that procurement decisions have a significant impact on the environment, society, and the overall sustainability of operations. Therefore, Dor Chemicals strives to align its procurement processes with the company's core values and sustainability goals.

2.1 Environmental Responsibility:

- Source products and materials that have a reduced environmental footprint, such as those made from recycled or renewable materials.
- Encourage the use of environmentally friendly packaging and transportation methods to minimize carbon emissions and waste.
- Prioritize systems that adopt sustainable practices, resource efficiency, and waste reduction.



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2.2. Social and Ethical Standards:

- Uphold high social and ethical standards in procurement processes, valuing fair labor practices, human rights, and diversity.
- Actively seek suppliers who promote fair working conditions, respect human rights, and provide safe and healthy working environments for their employees.
- Promote equality, diversity, and inclusion in the supply chain, focusing on the representation of underrepresented groups and supporting local communities.

2.3 Innovation and Sustainability:

- Actively seek out suppliers who are innovators in sustainability, offering products and services that contribute to a greener and more sustainable future.
- Support suppliers who are dedicated to the research and development of eco-friendly technologies and solutions.
- Prioritize long-term partnerships with suppliers who share Dor's vision of sustainability and collaborate with them to drive innovation and continuous improvement.

2.4 Compliance and Transparency:

- Require suppliers to comply with all applicable laws and regulations, as well as relevant industry standards and certifications.
- Expect suppliers to provide accurate and comprehensive information regarding their sustainability practices, product origins, and supply chain transparency.
- Conduct regular assessments and audits to ensure compliance with Dor's stated sustainability criteria and to foster transparency throughout the company's supply chain.

By integrating sustainability into company procurement processes, Dor Chemicals aims to minimize environmental impact, promote social responsibility, and contribute to a more sustainable future. This policy guides procurement decisions and reflects the company's commitment to responsible and sustainable sourcing practices.



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3. Implementation

Dor Chemicals Ltd follows a structured implementation hierarchy for its sustainable procurement policy to ensure effective integration and adherence throughout the organization. The implementation hierarchy consists of the following key elements:

3.1 Policy Development:

The sustainable procurement policy is developed based on the organization's sustainability objectives and stakeholder expectations. It is designed to align with international standards, industry best practices, and relevant legal and regulatory requirements.

3.2 Leadership Commitment:

The top leadership of Dor Chemicals Ltd demonstrates a strong commitment to sustainable procurement by endorsing and actively promoting the policy. They communicate the importance of sustainability to employees and stakeholders, encouraging their support and participation in its implementation.


3.3 Integration into Procurement Processes:

The sustainable procurement policy is integrated into the organization's procurement processes and procedures (01-04-001 and 01-04-006). It becomes a standard consideration in the evaluation and selection of suppliers, contract negotiations, and ongoing supplier management. Sustainable criteria, such as environmental impact, social responsibility, and ethical practices, are included in supplier evaluation and selection frameworks.

3.4 Supplier Engagement and Collaboration:

Dor Chemicals Ltd engages with suppliers to communicate its sustainability expectations and encourages their alignment with the policy. Supplier performance and compliance with sustainability requirements are monitored and evaluated regularly. Collaboration with suppliers includes sharing best practices, promoting innovation in sustainable products and services, and supporting supplier capacity building initiatives.

- *Supplier Code of Conduct* - Dor Chemicals Ltd requires all suppliers to adhere to a comprehensive Supplier Code of Conduct, which outlines the ethical, social, and

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environmental standards expected of them. By signing this code, suppliers commit to upholding responsible business practices, promoting fair labor conditions, respecting human rights, and minimizing environmental impacts throughout their operations and in their products.

- *Prospective Supplier ESG Assessment* - During the supplier selection process, prospective suppliers are required to fill out an ESG assessment. Using this information, Dor prioritizes suppliers who demonstrate a strong commitment to sustainability.
- *Supplier Audits* - To verify supplier ESG claims, Dor conducts regular spot checks and ESG audits of suppliers. These audits aim to verify supplier compliance with sustainability standards and ethical practices outlined in Dor Chemicals' policies. By conducting thorough audits, the company ensures a responsible and transparent supply chain, driving continuous improvement and maintaining alignment with core values.
- *Supplier Surveys* - Dor Chemicals Ltd conducts annual supplier surveys to assess the state of ESG practices among its suppliers. These surveys serve as a means to gather information about suppliers' progress and initiatives in relation to ESG considerations. By actively engaging suppliers through these surveys, Dor Chemicals aims to encourage continuous improvement, foster transparency, and identify areas where collaboration and support can further enhance ESG performance throughout the supply chain.

3.5 Employee Training and Awareness:

Employees involved in procurement activities receive training and awareness programs on sustainable procurement principles, guidelines, and procedures. They are equipped with the knowledge and skills necessary to implement the policy effectively and make informed sustainable procurement decisions.

3.6 Monitoring and Reporting:

Dor Chemicals Ltd establishes a robust monitoring and reporting system to track the progress and impact of its sustainable procurement efforts. Key performance indicators (KPIs) are identified to measure the success of sustainable procurement practices, and results are publicly disclosed in the annual ESG report.



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3.7 Continuous Improvement:

Dor Chemicals Ltd embraces a culture of continuous improvement, regularly reviewing and updating its sustainable procurement policy and practices. Lessons learned, feedback from stakeholders, and emerging sustainability trends are considered to enhance the effectiveness and relevance of the policy.

By following this implementation pathway, Dor Chemicals Ltd ensures that its sustainable procurement policy becomes ingrained in its operations, driving positive environmental, social, and economic outcomes throughout the supply chain.

4. Reporting and Responsibility

Reporting and responsibilities play a crucial role in the successful implementation of Dor Chemicals Ltd's sustainable procurement policy. Here's an overview of how reporting and roles are structured:

4.1 Reporting

4.1.1 Annual Sustainability Reports: Dor Chemicals Ltd prepares regular sustainability reports that highlight the organization's sustainable procurement initiatives, progress, and performance. These reports provide transparent and comprehensive information to stakeholders, including employees, investors, customers, and regulatory bodies, regarding the company's sustainable procurement practices and their impact.

4.1.2 Key Performance Indicators (KPIs): The organization establishes specific KPIs related to sustainable procurement, such as the percentage of sustainable suppliers, reduction in greenhouse gas emissions, or water conservation measures. These KPIs are tracked and reported regularly to monitor progress, identify areas for improvement, and demonstrate the company's commitment to sustainability.

4.1.3 Stakeholder Engagement: Dor Chemicals Ltd actively engages with stakeholders to gather feedback, address concerns, and incorporate their perspectives into the reporting process. This ensures that the sustainability reports reflect the interests and expectations of stakeholders and provide a comprehensive view of the company's sustainable procurement efforts.



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4.2 Roles and Responsibilities:

4.2.1 Executive Leadership: The executive leadership team is responsible for setting the strategic direction, goals, and objectives of sustainable procurement. They provide the necessary resources and support to ensure the successful implementation of the policy and promote a culture of sustainability throughout the organization.

4.2.2 Procurement Department: The procurement department plays a critical role in implementing the sustainable procurement policy. They are responsible for integrating sustainable criteria into supplier evaluation, selection, and contract management processes. They work closely with suppliers to communicate sustainability expectations and monitor supplier performance. They also collaborate with the sustainability department to identify opportunities for sustainable product and service innovation.

4.2.3 Internal Stakeholders: Employees across different departments have responsibilities related to sustainable procurement. This includes incorporating sustainable procurement criteria into their purchasing decisions, collaborating with suppliers to improve sustainability performance, and participating in training and awareness programs.

4.2.4 Suppliers: Suppliers have a responsibility to align with Dor Chemicals Ltd's sustainable procurement policy and meet the sustainability requirements set forth by the organization. They are expected to provide transparent and accurate sustainability information, improve their sustainability practices over time, and actively collaborate with the company on sustainable initiatives.

4.2.5 By clearly defining roles and responsibilities and establishing robust reporting mechanisms, Dor Chemicals Ltd ensures accountability, transparency, and continuous improvement in its sustainable procurement practices. This enables the organization to effectively manage and monitor its sustainable procurement efforts and drive positive social, environmental, and economic outcomes.



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5. Responsibility

Responsibility for compliance with the Sustainable Procurement Policy applies to all the workers that deal with procurement at Dor company.

6. Applicability and validity

This policy is valid from the date of issue.