

Industrial Machine Products Supplier Sustainability Manual



What is Sustainability?

Sustainability focuses on meeting the needs of the present without compromising the ability of future generations to meet their needs. The concept of sustainability is composed of three pillars: Economic, Environmental, and Social – Also known informally as profits, planet, and people. Increasingly, companies are making public commitments to sustainability through the actions like reducing waste, investing in renewable energy, and supporting organizations that work toward a more sustainable future.

Key Takeaways:

Sustainability focuses on meeting the present without compromising the ability of future generations to meet their needs.

Investors can be wary of companies that commit to sustainability, Although the optics can be beneficial to share price, investors worry about companies being transparent with their earnings results.

Big Brands often make pledges to sustainability, but it often takes a long time to achieve sustainability goals.

Supplier Sustainability Strategy

Industrial Machine Products Supplier Sustainability Manual references information on Social and Corporate Responsibilities, Compliance, Ethics, Safe work environment, and recognizes the Rights of Workers.

Sustainability, social responsibility, and compliance, is what we incorporate into corporate responsibility and sustainability topics. We award business and continue to provide business to those suppliers who commit to act fairly with integrity, observe the applicable rules of law, support and respect internationally proclaimed human rights and demonstrate commitment to protecting the environment.

Industrial Machine Products determines the success of our Supplier Sustainability Program through our suppliers ability to conduct business in a way that recognizes the workers rights, as well as, the rights of others, and also, secures a healthy and safe working environment for their workers and protects the environment.

Business Partners

Suppliers must display the highest standards of integrity and ethics in its business dealings with Industrial Machine Products.

Suppliers shall have a code of conduct in place, which is endorsed by management and must be made available to all stake holders and have in place a mechanism for reporting issues.

Suppliers shall train their employees on their code of conduct.

Compliance with Laws and Regulations

Suppliers shall ensure compliance with all applicable laws and regulations of the countries where it does business, including fair competition and anti trust.

Suppliers shall never take part in, induce to, or facilitate in cartels or other illegal anti competitive cooperation.

Suppliers shall never disclose trade secrets and confidential information of Industrial Machine Products to unauthorized parties.

Sustainability Guidelines for Suppliers

Industrial Machine Products' Suppliers must have a Code of Conduct in place which reflects the principals of their supplier declaration; code of conduct, all suppliers must make their code of conduct available to all stakeholders.

Industrial Machine Products' Suppliers shall ensure compliance with all applicable laws and regulations of the countries where they do business. All suppliers must have adequate compliance and policy programs in place.

The suppliers must adopt a process to identify, monitor, and understand applicable laws and regulations.

Human Rights and Labor Practices

Suppliers shall never employ children or forced labor. The supplier shall always uphold the human rights of the workers and treat them with respect and dignity, this applies to all workers, direct, temporary, migrant, student, contract, or any other type of worker.

The supplier shall maintain the rights of all employees. Employees shall be able to freely choose employment, this includes forced, or modern day slavery.

The supplier shall not traffic, harbor, recruit, force, fraud, abduction, transfer any person by threat, or coercion during said employment. Employers may not hold, destroy, conceal, deny, or confiscate any identities or immigration documents, passports, or work permits.

Child labor (Under the age of 15) is not to be used in any stage of manufacturing. The supplier shall provide appropriate training and support to all young employees.

Suppliers shall not force its employees to work excessive hours; this can result in reduced productivity, increased turnover, illness, or injuries. Suppliers should not force employees to work overtime under threats of discipline, dismissal, or denunciation and no employee should be made to work overtime for discipline purposes.

The suppliers shall implement an effective grievance procedure to ensure that every employee can submit a grievance without prejudice or retaliation from their employer.

All suppliers must have a anti-discrimination policy that provides equal opportunities regardless of color, race, gender, age, ethnicity, disability, religion, or sexual orientation.

The suppliers treatment of their employees at all times shall be respectful, no harsh or inhumane treatment of employees including sexual abuse, sexual harassment, mental, or verbal punishment is not tolerated.

Health and Safety Standards

Industrial Machine Products bases their safety requirements on national and state laws, regulations, and the implementation and maintenance of emergency procedures at our facilities. Industrial Machine Products' expectations are that our suppliers implement and maintain the same emergency and safety procedures that comply with national and state laws and regulations.

The supplier shall provide Health, Safety, and Emergency training information to its employees, including evacuation, hazardous material, weather, fire, and any other health and safety issues that may arise.

Health and Safety policies and procedures are to be posted in the workplace in the primary languages of the workers for employees to review. Suppliers are expected to do the same in its facilities. Any health and safety issues are to be reported to management immediately.

Supplier shall issue personal protective equipment to their employees when necessary to protect the worker from harm. Employees exposure to chemical and physical agents shall be identified, evaluated, and controlled.

Implement procedures to manage, track and report any occupational injuries and illnesses that may occur, and implement corrective actions to eliminate the causes.

Suppliers should review and update their risk assessment as applicable from the lessons learned from corrective actions.

Environmental Standards

Industrial Machine Products bases their environmental requirements on national, state laws, and ISO 14001 EMS. Industrial Machine Products expects that their suppliers establish an environmental management system that effectively manages risk, protects the environment, and conserves any natural resources, including but not limited to the reduction of energy, waste reduction, gas (GHG) emissions, energy efficiency and renewable energy, water quality and consumption, and air quality.

Suppliers shall follow and adhere to all applicable laws, regulations, concerning chemical management, including safe use, proper handling, recycling and disposal.

Conflict Material

All suppliers should have a policy to ensure that conflict materials such as tantalum, tin, tungsten, and gold in their products that are manufactured do not directly or indirectly benefit / finance armed groups, perpetrators of human rights groups, or any known area of conflict, In the event a supplier is utilizing conflict materials; the supplier shall exercise due diligence on the source and chain of custody of these minerals and perform their due diligence measures available.