



# Factsheet - Supplier Due Diligence

## **Why is due diligence on suppliers important?**

We have a zero tolerance policy towards corruption and strict requirements for export control compliance. Our due diligence process for major suppliers allows us to understand who we are doing business with and also to assess if there is any risk of bribery and/or corruption associated with that party.

## **What criteria do you use to conduct due diligence on suppliers?**

Our screening includes data from media searches, supplier questionnaires, responsible trading characteristics (see below), annual reports and, if required, site visits. This also includes a screening for 'denied parties' which means a check of the UK government, European Union, US Government and United Nations denied party lists which identifies companies or individuals that are subject to denial orders or that we are otherwise prohibited from dealing with.

We then assess risk through a series of questions designed to raise any potential 'red flags' in relation to unethical behaviour including corruption. This includes looking at any political connections of a supplier and any unusual requests for payment.

## **How frequently do we conduct due diligence?**

Once a supplier has been approved and any contract(s) signed, we conduct further due diligence every 12 months as a minimum or where there is a significant change in any relationship we have with the supplier(s).

## **How do we assess suppliers for responsible trading risks?**

We have established a set of Responsible Trading Characteristics specifically for Procurement, building on our Responsible Supplier Principles for the Company as a whole. To help us assess supplier risk against these characteristics, we ask several key questions:

- Do the major suppliers concerned have a code of conduct or responsible trading policy of a comparable standard to Siker Limited systems?
- Does the product or service being procured create a significant lasting adverse environmental or health impact over and above what is reasonably necessary in its manufacture, storage, deployment, use or disposal?
- Does the product or service being procured conform to Siker Product Safety policy?
- What export controls apply to the product or service being procured and are the appropriate clearances and/or licences in place or planned?
- Is it likely that the production of this product or service will violate civil liberties or human rights?
- Is the product or service likely to be controlled or prohibited by incoming legislation in the future?