

PROCUREMENT & SUPPLY CHAIN MANAGEMENT POLICY (LSAS006)

ProSys International Ltd is committed to monitoring and seeking continual improvement of the company's supply chain to ensure our Ethical Labour Standards Policy ref LSAS001 requirements are met, along with ensuring that the goods and services we purchase, are of a high quality standard.

This policy shall also be read in-conjunction with our Purchasing Procedure ref SOP15.

The company's procurement policy and purchasing procedure shall ensure both our legal obligations are met, along with compliance with customer requirements and other interested parties e.g. FDA; Health Canada; SFDA; EU MDD; NHS etc.

The philosophy of this Procurement & Supply Chain Management Policy is to embrace the ethos held within the global Ethical Trading Initiative Base Code and to encourage our suppliers & contractors to embrace the code.

New suppliers shall be assessed in accordance with our ISO 13485 Quality Management System and must reach our minimum ethical labour standards.

Existing suppliers shall be subject to review, which typically shall be carried out every two years or sooner if deemed necessary.

New and existing key suppliers shall be subject to our initial desk based risk assessment to determine if they have acceptable levels of labour standards, based on the input from their responses contained in the Suppliers Assurance Questionnaire.

Periodic visits & audits carried out by the Managing Director to our suppliers shall also be recorded to act as evidence of ongoing compliance.

ProSys International Ltd has identified the fact that labour standard abuses in our supply chain can pose a risk to the security of supply and therefore any suppliers, contractors or partners perpetrating abuses will face both legal enforcement and removal from our Approved Suppliers List. This action may adversely affect and interfere with our business continuity within the healthcare sector, and therefore wherever possible, ProSys International Ltd reserves the right to maintain alternative supplies of those affected goods &/or services elsewhere with another party (subject to contract conditions).

There is an in stringent link between poor labour standards and poor quality goods & services, therefore to help maintain product quality, we shall require our suppliers & contractors to reach minimum labour standards.

ProSys International Ltd keeps up to date with issues relating to procurement within the healthcare sector, through such organisations as the British Medical Association's Medical Fair & Ethical Trade Group. The Ethical Procurement Guide for General Practitioners & Clinical Commissioning Groups helps support the ETI Base Code and can be accessed at www.fairmedtrade.org.uk

This policy shall be made publicly available and communicated to key staff and suppliers. In addition, enquiries received from interested parties such as the media or campaign groups, relating to our ethical procurement activities, shall be responded to by the Managing Director.

We actively welcome feedback from all interested parties including suppliers, on the subject of ethical procurement, to both help share best practice and contribute towards our continual improvement objectives.

This policy forms the basis of setting minimum labour standards objectives and targets, as defined in our Ethical Labour Standards Policy. The objectives for this Procurement & Supply Chain Management Policy are as follows:

- To identify key suppliers and parties engaged through our supply chain
- To map our supply chain to include all directly contracted (tier 1) suppliers and contractors (tier 2) relevant to product manufacture as a minimum
- To communicate this policy and other relevant information to those identified suppliers and parties engaged in our supply chain
- To collect and verify information relating to labour standards performance for key suppliers
- To respond to the information and evidence collected from our suppliers, using this to drive continual improvement of labour standards throughout our supply chain
- To demonstrate that we have communicated this policy and our Ethical Labour Standards Policy and other relevant information (e.g. client requirements) to directly contracted suppliers

This Policy is reviewed annually

Signed



Managing Director
Version 1

4th January 2016