

## **PROCUREMENT POLICY**

Companies House Registration No. SC361498

Associated Seafoods Limited (hereafter referred to as 'ASL') stands as the parent company for three prominent Scottish seafood businesses: Lossie Seafoods Limited, Moray Seafoods Limited, and Loch Fyne Oysters Limited, incorporating Hebridean Mussels, and the owner of SeaSalter (Walney) Limited.

### **Policy Statement**

This policy covers all purchases made for the ASL business, including raw materials and goods and services and third-party contractors and applies to all directors, managers and employees, including contracted employees (Hereafter referred to as ASL Employees) of the organisation in any situation where they are involved in a procurement process, whether as requisitioners or specifiers, purchasers or negotiators, or those who validate or authorise payment.

### **Spend Level Authority**

All purchases and contracts will be made in line with the company's procurement policy and authorised spend limits as advised by the Directors to their Direct Reports.

This policy and spend authority limits will be reviewed annually by the FD and other relevant Senior Management team members to ensure it remains relevant and accurate and is being implemented by the business as intended.

### **Legality**

At all stages of the procurement process, ASL Employees will engage in a procurement process that is professional and fair.

Procurement activity will comply with all the relevant laws and regulations in which the organisation operates, supplies and sources from, including laws on taxation, environmental regulations, employment, health and safety and corruption laws.

ASL is committed to the fair and effective application of laws and regulations. There is therefore a positive duty on the organisation and its employees to report and refer all reasonably founded suspicions of illegal activity (for example, attempts at corruption, evidence of anti-competitive or cartel-like activity, breaches of employment or environment law) to the relevant authorities.

### **Procurement Decisions, awarding of business & Termination.**

The procurement decision will be based on Quality, Delivery cost and Innovation to meet the needs of the business at the time of sourcing.

Feedback will be provided, where reasonable, to suppliers to enable an understanding of the decision made by the business.

The total cost, the full anticipated lifecycle costs of the goods or services, including such factors as maintenance, servicing, reliability costs and costs of ultimate disposal where ASL may be responsible for them, will be considered in the procurement decision process as applicable.

Value may and should, where appropriate, be assigned, however approximately, to such factors as sustainability, environmental and social benefits and of improving the competitiveness of the supplier base on which we depend.

All reasonable attempts will be made to assist suppliers to overcome difficulties and/or to improve their performance for us, should it be required through ongoing dialogue and feedback and meetings to ensure a positive procurement experience for all.

Terminating a supplier or a contract is something that will be discussed openly with the supplier so all parties understand the need to terminate, and will only be undertaken as a last resort, except in extreme circumstances such as failure to satisfactorily deliver goods/services as has been agreed between the two parties or financial failure or illegal activity has been undertaken by the supplier/contractor.

ASL's procurement and supply chain management activity will have due regard for the needs and sensitivities of the community in which it is located (especially but not solely in terms of environmental and amenity impact).

## **Business Ethics**

In keeping with our commitment to appropriate standards of professionalism and ethical conduct in all business activities, ASL has zero tolerance to bribery or corruption in any form (Anti-Bribery Policy).

ASL employees and employed contractors, suppliers and business partners are not permitted to directly or indirectly promise, offer, or provide any improper advantage to any person or entity, including officials of a government or a government-controlled entity. They must also not accept any such advantages.

Any personal relationships, economic interest or other ties to a supplier or potential supplier held by an employee or contractor must be disclosed to your line manager in ASL. At all times employees and contractors shall take appropriate measures to secure and protect all confidential information and use it only for the purpose authorised under contractual agreement, or as permitted by law. This obligation shall remain in force regardless of the status of the business relationship. The ASL team will treat all actual and potential suppliers and contractors fairly, equally and objectively.

ASL also recognises the responsibility that we share with suppliers to operate ethically; promoting decent working conditions in our factories and supply chains is part of our strategy to act in a socially responsible manner and we require that all suppliers comply with our Ethical Trading Policy, which is based on the Fundamental Conventions of the International Labour Organisation (ILO) and national and international laws.

## **'Whistleblowers'**

ASL is committed to conducting its business with honesty and integrity and aims to achieve the highest possible standards of service and ethical standards in all of its practices. We expect all staff to maintain the same high standards too; however, all organisations face the risk of things going wrong and sometimes malpractice and

wrongdoing can take place. We take malpractice and wrongdoing very seriously and aim to prevent and eliminate any wrongdoing or malpractice within the organisation and within the supply chains with which we are engaged. We therefore encourage all employees and contractors to raise any concerns they may have about malpractice or wrongdoing within the organisation or supply chain freely and without fear of suffering a detriment or dismissal to enable us to eliminate and prevent wrongdoing or malpractice. We will treat any concerns raised seriously and will protect and support any individual who makes a disclosure in line with our company policy.

Signed: William Victor West, CEO, March 2024

