

SUPPLIER GOVERNANCE

Supplier Governance & Compliance Framework

A unified, binding reference setting out the terms, ethical standards, and operating obligations for every supplier, vendor, contractor, consultant, and partner engaged with EEMC.

OVERVIEW

Supplier Governance & Compliance Framework

This document establishes the unified governance framework governing all suppliers, vendors, contractors, consultants, and business partners (“Suppliers”) engaged with Enhanced Engineering & Multi Technologies Company – EEMC. It consolidates EEMC's Purchase Order Terms & Conditions with the Supplier Code of Conduct into a single binding reference.

DEEMED ACCEPTANCE

Receipt of a Purchase Order, commencement of delivery, or any other act of performance by the Supplier constitutes unconditional acceptance of the standards and obligations set out herein. It is the Supplier's responsibility to review this Framework prior to engaging with EEMC. The most current version is published on the EEMC website and supersedes all previous versions.

PART A · PURCHASE ORDER TERMS & CONDITIONS

Part A — Purchase Order Terms & Conditions

A.1

HARDWARE

Hardware Deliveries

All hardware items shall be considered delivered and accepted only after the items reach the EEMC warehouse and undergo a Quality & Compliance check by the EEMC Technical team.

A.2

PARTIAL

Partial Deliveries

EEMC may, at its sole discretion, accept partial deliveries where the items delivered are independently usable and fully functional without dependency on any outstanding items under the same or related Purchase Order.

Where a partial delivery cannot be put to use without the remaining items — including but not limited to components that form part of an integrated system, bundled hardware configurations, or interdependent software and hardware combinations — EEMC reserves the right to refuse acceptance of the partial delivery in its entirety. In such cases:

- The delivery will not be considered received or accepted
- No payment obligation is triggered for the refused partial delivery
- The full delivery timeline stated in the Purchase Order remains in effect
- Any costs associated with retrieval, return logistics, or temporary storage of the refused partial delivery shall be borne by the Supplier

The determination of whether a partial delivery is independently usable rests solely with EEMC. Refusal of a partial delivery does not constitute cancellation of the Purchase Order unless explicitly communicated in writing by EEMC.

A.3

SOFTWARE

Software Licenses & Subscriptions

All software licenses — whether new or renewal — including but not limited to e-licenses, online activations, cloud subscriptions, usage-based products, or similar, require the following before payment is processed:

- Proof of delivery to the end customer
- Corresponding invoice submitted to the EEMC Procurement team

Payment will be booked only from the date of proper receipt and confirmation by the EEMC Account Manager.

A.4

RENEWALS

Auto-Renewal Prohibition

All subscriptions and/or time-bound services are strictly for the period specified in the Purchase Order. **Auto-renewal is prohibited** unless a new confirmed Purchase Order is received from EEMC for renewal or extension.

A.5

SERVICES

Professional Services

Professional services shall be considered complete only after:

- Sign-off received from the end customer
 - Confirmation provided by the EEMC Project / Account Manager
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A.6

TRAINING

Training Deliveries

Training engagements shall be considered complete only after:

- Acceptance from the end customer confirmed by the EEMC Account Manager
 - Submission of a duly stamped copy of the attendance timesheet
 - Copies of certificates issued to attendees, submitted to EEMC along with the invoice
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A.7

TIMELINES

Delivery Timelines & Penalties

All deliverables — tangible and intangible — must be completed within the delivery timeframe specified in the Purchase Order. Any delay may result in a penalty.

EEMC reserves the right to cancel the Purchase Order if the stated lead time is not met. In the event of cancellation:

- Any advance payment made shall be returned in full
- Logistics charges for the return of any partial delivery of a cancelled order shall be borne by the Supplier

A.8FORCE
MAJEURE**Force Majeure**

EEMC acknowledges that delays caused by events beyond the Supplier's reasonable control — including but not limited to natural disasters, acts of war, government-imposed restrictions, port closures, or other force majeure events — shall not automatically trigger penalties under **A.7**, provided that:

- The Supplier notifies EEMC in writing as soon as practicable upon becoming aware of the event
- The Supplier provides regular updates on the expected impact and revised delivery timeline
- The Supplier makes all reasonable efforts to mitigate the delay

EEMC reserves the right to cancel the Purchase Order without liability if the force majeure delay exceeds a period that renders fulfilment impractical.

A.9

REPORTING

Weekly ETA Updates

Suppliers must provide weekly updates on the estimated time of arrival (ETA) for all ordered materials. Updates are due on the first working day of each week, submitted to the EEMC Procurement team.

A.10

PAYMENT

Payment Terms

Standard payment terms are **Net 90 days** from the date all conditions for payment have been satisfied as specified in the relevant section of this Framework (A.1 through A.6, as applicable). Payment cycles begin only upon receipt of a valid invoice accompanied by all required documentation.

A.11

LOGISTICS

Delivery Location

Unless expressly requested otherwise, all deliveries must be made to the EEMC warehouse only.

A.12

PRECEDENCE

Precedence of Terms

The terms and conditions stated in the EEMC Purchase Order and this Framework supersede any other terms and conditions communicated via email, quotation, proforma invoice, or any other means.

A.13

ACCEPTANCE

Deemed Acceptance

This Framework is deemed accepted in full by the Supplier upon any of the following:

- Receipt of a Purchase Order from EEMC
- Commencement of delivery, services, or any act of performance
- Submission of an invoice to EEMC

It is the Supplier's sole responsibility to raise any objection to these terms **prior** to accepting or acting on a Purchase Order. Proceeding without objection constitutes unconditional and irrevocable acceptance.

PART B · SUPPLIER CODE OF CONDUCT

Part B — Supplier Code of Conduct

B.1

PURPOSE

Purpose

This Framework establishes the minimum ethical, legal, environmental, and social standards expected from all Suppliers engaged with EEMC. It reflects EEMC's commitment to integrity, responsible business conduct, sustainable practices, and compliance with applicable laws in Kuwait, across the Middle East region, and internationally.

B.2

SCOPE

Scope

This Framework applies to:

- All Suppliers providing goods or services to EEMC
- Supplier employees, subcontractors, agents, and representatives
- All business activities conducted on behalf of EEMC, regardless of geographic location

Suppliers are responsible for communicating these standards throughout their own supply chains.

B.3

POLICY

Policy Statement

EEMC is committed to conducting business ethically, lawfully, and responsibly. Suppliers are expected to operate in full compliance with:

- Applicable local and international laws and regulations
- Industry standards
- Contractual obligations
- This Supplier Governance & Compliance Framework

Failure to comply may result in corrective action, suspension, or termination of the business relationship.

B.4

HUMAN RIGHTS

Human Rights & Labor Practices

B.4.1 Human Rights

Suppliers shall respect and uphold internationally recognized human rights principles, including the dignity, equality, and freedom of all individuals. Suppliers must treat all workers with fairness and respect, avoid complicity in human rights abuses, and provide safe and humane working conditions.

B.4.2 Non-Discrimination & Equal Opportunity

Suppliers shall not discriminate on the basis of gender, nationality, religion, race or ethnicity, disability, age, marital status, political affiliation, or any other status protected by law. Employment decisions must be based on merit, qualifications, and legitimate business needs.

Article B.4 continues on the following page.

B.4

CONTINUED

Human Rights & Labor Practices — continued**B.4.3 Forced Labor & Child Labor**

Suppliers must strictly prohibit:

- Forced, bonded, or involuntary labor
- Human trafficking
- Retention of employee passports or personal documents
- Recruitment fees charged to employees
- Child labor as defined by local law and international standards

Employees must be free to leave employment upon reasonable notice.

B.4.4 Harassment & Abuse

Suppliers shall maintain a workplace free from physical abuse, verbal abuse, psychological harassment, sexual harassment, and intimidation or threats. Disciplinary policies must be fair, transparent, and consistently applied.

B.4.5 Wages & Benefits

Suppliers shall comply with minimum wage laws and employment regulations, pay wages on time and in full, provide all legally mandated benefits, ensure overtime is voluntary and properly compensated, and maintain transparent payroll records.

B.5

COMMUNITY

Community & Social Responsibility

Suppliers are encouraged to:

- Support local workforce development and promote local sourcing where feasible
 - Minimize negative impact on surrounding communities
 - Respect cultural values and local traditions in Middle Eastern markets
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B.6

GIFTS

Gifts & Entertainment

Suppliers must not offer gifts, hospitality, or entertainment intended to improperly influence business decisions, provide cash or cash equivalents, or offer excessive or inappropriate hospitality.

Modest, customary business courtesies are permissible only where they are lawful, infrequent, and do not create a conflict of interest. Suppliers must comply with all applicable anti-bribery laws.

B.7

QHSE

Quality, Health, Safety & Environment

Suppliers shall:

- Comply with applicable health and safety regulations and provide safe working conditions
- Implement risk management procedures and environmental protection measures
- Properly manage waste, electronic waste (e-waste), and hazardous materials
- Maintain relevant certifications (e.g., ISO 9001, ISO 45001, ISO 14001) where applicable

For IT suppliers specifically: ensure secure disposal of IT hardware, and protect data throughout the full asset lifecycle.

B.8

COMPLIANCE

Compliance with Laws & Regulations

Suppliers must comply with all applicable labor laws, immigration and sponsorship laws (where applicable in GCC countries), data protection regulations, trade controls and export laws, tax regulations, and cybersecurity regulations. All necessary licenses, permits, and approvals must be maintained at all times.

B.9

ANTI-CORRUPTION

Anti-Corruption & Anti-Bribery

Suppliers shall prohibit bribery in any form, not offer or accept improper payments, comply with applicable anti-corruption laws, maintain accurate financial records, and implement internal controls to prevent corruption. Facilitation payments are strictly prohibited unless legally required and fully documented.

B.10

FAIR DEALING

Fair Dealings & Competition

Suppliers shall conduct business fairly and ethically, avoid anti-competitive practices including price fixing, bid rigging, or market manipulation, and avoid conflicts of interest. Any actual or potential conflict must be disclosed to EEMC immediately.

B.11

CONFIDENTIAL

Confidentiality & Protection of Information

Suppliers must protect all non-public, confidential, or proprietary information received from or relating to EEMC, its affiliates, customers, or business partners. This includes, without limitation, information relating to business operations, commercial transactions, pricing, payment terms, contractual conditions, and any other sensitive business details.

Such information shall be:

- Used solely for the purpose of fulfilling contractual obligations
- Not disclosed to any third party without EEMC's prior written consent, unless required by law

Suppliers must implement appropriate administrative, technical, and physical safeguards to protect confidential information from unauthorized access, disclosure, alteration, or misuse. This obligation shall remain in effect during the course of the business relationship and for a period of **five (5) years** following its termination.

B.12

REPORTING

Communication & Reporting

Suppliers shall maintain transparent communication with EEMC, promptly report any violations of this Framework, cooperate fully with audits and investigations, and implement corrective action plans where required.

EEMC may conduct assessments or audits to verify compliance. Suppliers must also provide an internal reporting mechanism that allows their own employees to raise concerns without fear of retaliation.

B.13

ENFORCEMENT

Monitoring & Enforcement

EEMC reserves the right to:

- Request documentation demonstrating compliance with this Framework
- Conduct supplier audits, with reasonable prior notice except in cases of suspected material violation, where audits may be conducted without advance notice
- Suspend or terminate contracts for material violations

Corrective actions must be implemented within agreed timelines.

GOVERNING LAW

State of Kuwait

This Framework and all Purchase Orders issued by EEMC shall be governed by and construed in accordance with the laws of the State of Kuwait. Any disputes arising out of or in connection with this Framework shall be subject to the exclusive jurisdiction of the competent courts of Kuwait.

AMENDMENTS

Published Online

EEMC reserves the right to amend this Framework at any time. The current version is published on the EEMC website and shall take effect for all new Purchase Orders issued on or after the published effective date. Suppliers are responsible for reviewing the Framework periodically.

ACCEPTANCE

Deemed by Performance

This Framework operates on a deemed-acceptance basis. No formal signature is required. Acceptance is established as described in Section A.12. All Suppliers are expected to have read and understood this Framework in full prior to engaging with EEMC.

EEMC

Enhanced Engineering & Multi Technologies Company

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