

### Supply Chain Management (SCM)

This Policy supports the sustainability of NLZM through the Supply Chain Processes and confirms NLZM's commitment to fair and equitable treatment of vendors and service providers whilst taking cognizance of the entity's commitment to the local and regional development. The Supply Chain function will add value by ensuring quality, cost efficiency, service levels, reliability of delivery and compliance to safety, health and environmental standards during the procurement process. This Policy creates a framework within which procurement activities at NLZM are carried out to ensure that the above-mentioned objectives are achieved.

#### To accomplish this,

##### NLZM expects:

###### Vendors and Service Providers to:

- Present ethical and honest behaviour at all times
- Offer transparency and fairness in all negotiations and the completion of agreements
- Commit to realistic and achievable commitments
- Deliver correct and quality goods and services on time
- Comply with and commit to NLZM policies and procedures
- Only accept instructions through the official channels and documentation

##### Internal clients, employees and fixed term contractors to:

- Demonstrate in all activities and at all times ultimate good faith, high ethics and honest behaviour avoiding conflicts of interest
- Conduct negotiations and the settlement of agreements with transparency and fairness
- Comply with NLZM policies and procedures
- Declare all direct or indirect interests in suppliers and potential transactions according to Finance policies
- Not to have a vested interest in the execution of the procurement process of goods and services

##### WE are committed to:

- Fairly evaluating suppliers in terms of above criteria to establish an approved suppliers list
- Transparent and comprehensive quotations and tenders
- Considering the approved list of suppliers for quotations and tenders
- Where-ever practicable and economical, development of local vendors
- Professional and ethical behaviour from the company and purchasing staff
- Communication with vendors and service providers
- Honouring the agreed contractual terms



A handwritten signature in black ink, appearing to read 'Martin Tjipita'.

**Martin Tjipita**  
**Managing Director**  
**October 2019**