

## **Supplier Code of Conduct**

### **Overview and purpose:**

All vendors must comply with Magrabi Hospitals & Centers' Code of Conduct when conducting business with us. This Code includes guidelines, policies, and practices that vendors must communicate and enforce throughout their organization and supply chain, including subcontractors. Meeting the minimum standards outlined in this Vendor Code of Conduct is mandatory for all potential and current vendors. However, we encourage vendors to exceed these standards. Furthermore, vendors must meet any additional requirements specified in purchase orders, contracts, or other agreements with Magrabi Hospitals & Centers, as well as other relevant policies and procedures.

### **Objectives:**

1. It is important to maintain professional discipline and decorum while implementing the purchasing process. Impartiality and objectivity should be prioritized throughout all stages.
2. One should always act with transparency, integrity, objectivity, and impartiality when performing their duties and responsibilities.
3. Rules must be established to ensure fairness, quality, and efficiency during the purchasing process.

### **All Magrabi Hospitals & Centers suppliers are expected to comply with the following when conducting business with Magrabi Hospitals & Centers:**

Please send all business correspondence related to the sale of materials or services, including updates on financial, economical, supply changes, recalls, or any other material conditions that may impact the patient safety, ongoing operations, or operating decisions of Magrabi Hospitals & Centers, to Supply Chain. Unless instructed otherwise by Supply Chain, please direct all such communications to Magrabi Hospitals & Centers through Supply Chain.

### **Supply Chain Management**

#### **Magrabi Hospitals and Centers Corporate Office**

#### **YAB Business Center**

**7850 Prince Sultan Road Khalidiyah District**

**Unit No. 8756, Qalb Al Jazeera Street**

**Po. Box 7344, Jeddah 23423 3788**

[scm@magrabihealth.com](mailto:scm@magrabihealth.com)



## **General Terms**

It's important to be aware that only the Magrabi Hospitals & Centers Supply Chain or Delegated Supporting Services Departments have the authority to grant official agreements for goods and services. If you fail to obtain a signed agreement from these departments, it may have adverse effects on your ability to receive payment for the goods and/or services you have provided.

Vendors must promptly and without delay provide technical information, engineering support, systems, policies, procedures, processes, products, warranties, and services that improve the utilization of their products and services as a requirement.

It is imperative for vendors to promptly notify the Supply Chain and Delegated Support Services Departments of any newly available products, pricing, or services to ensure the accuracy of information.

It is necessary to obtain prior written consent before using the name or logo of Magrabi Hospitals & Center in any publicity or advertising. Vendors wishing to seek permission must apply through our office. There are no exceptions to this requirement.

It is strictly prohibited for Vendor Representatives to distribute or display any promotional or marketing materials, such as brochures, advertisements, pens, cups, or any similar items, in the OR (Operation Room) or associated areas or to any personnel. Moreover, vendors are not allowed to increase inventory levels in storerooms and clinical areas.

## **Anti-bribery and anti-corruption**

Please ensure that all negotiations with Magrabi Hospitals & Centers are conducted in an ethical manner.

We require all vendors to abide by anti-corruption laws, both domestic and foreign, and refrain from engaging in corrupt practices such as fraud, bid rigging, bribery, or extortion. We also expect our vendors to avoid making facilitation payments, which are payments made to foreign public officials to speed up or secure the performance of routine acts that come under the official's duties or functions.

Please refrain from offering any form of monetary or material compensation, including money, loans, credits, discounts, gifts, free vouchers, memberships, entertainment, products, hotel/rental accommodation, free samples or services to the staff members of Magrabi Hospitals & Centers for their personal use or benefit. As per the policy of Magrabi Hospitals & Centers, employees are strictly prohibited from accepting gifts or gratuities from any supplier. Instead, kindly express your appreciation through the quality, service, and pricing of the services provided.

Suppliers, vendors, or vendor representatives are not allowed to provide food or drinks to any employee, including physicians, nurses, and pharmacists.

It is not permitted for Vendor Representatives to make arrangements for food, place orders, make deliveries, pay for delivered food directly, or provide payment in any form.

### **Import/Export laws**

Vendors doing business with Magrabi Hospitals & Centers must adhere to the trade laws of the countries they operate in. This requires the timely provision of all necessary information and compliance with import requirements for any destination country.

It is strictly forbidden to export or re-export any products or information to countries that are prohibited. Vendors are responsible for ensuring that the country of origin is clearly stated on all goods and packaging, as well as commercial invoices. Adequate documentation must be provided to support any claims related to free trade agreements that may be applicable.

### **Anti-Counterfeiting**

As part of our commitment to protecting our supply chain from the risks of counterfeiting, illegal diversion, and theft, Magrabi Hospitals & Centers requires vendors to promptly report any offers to purchase, manufacture, distribute, or sell counterfeit, illegally diverted, or stolen products, as well as any knowledge of such products. This is necessary to ensure the safety and authenticity of all products distributed by Magrabi Hospitals & Centers, including those made by other manufacturers.

### **Compliance with applicable laws and regulations**

Those who want to do business with Magrabi Hospitals & Centers must follow all relevant laws and regulations, including those related to finance, environment, occupational health & safety, labor, employment practices, human rights, immigration, product safety, shipping, and labeling. It is not allowed for vendors and potential vendors to employ workers under the legal age or engage with any vendor, contractor, or partner who does so. Additionally, forced or involuntary labor is strictly prohibited.

### **Disclosure of Confidential or personal health information**

As part of their business dealings with Magrabi Hospitals & Centers, Vendors may come across confidential information belonging to the organization. This confidential information refers to any data that is not available to the public and could cause harm to Magrabi Hospitals & Centers, its staff, or patients if disclosed. Additionally, if this information is disclosed, it could provide an unfair advantage to the recipient. Vendors must handle and safeguard any confidential information belonging to Magrabi Hospitals & Centers with the utmost care. Vendors must not:

- Reveal any confidential information acquired during their business relationship with Magrabi Hospitals & Centers to any person or entity, unless authorized by Magrabi Hospitals & Centers or by law.
- Offer any gifts or benefits, directly or indirectly, to Magrabi Hospitals & Centers staff in exchange for confidential information.

Please keep all transactions and interactions with Magrabi Hospitals & Centers private and confidential. It is important not to disclose any information regarding their business dealings or relationships to anyone without written consent from Magrabi Hospitals & Centers.



It is not allowed for Vendor Representatives to bring devices that can record or transmit audio and/or video images, or take photographs, into the Operating Room (OR), clinical area, or patient care areas.

### **Conflict of interests**

We expect that all MHC Personnel to be independent from vendors and third party service providers, not creating conflict of interest that have a direct effect over MHC's business decisions and operations. All MHC'S vendors and third party service providers must declare that their independence and no conflict of interest from MHC Personnel whether from supply chain department or any other department that have direct effect on purchasing decision making, MHC'S vendors and third party service providers must declare their independence and no conflict of interest will arise annually.

MHC does not engage with vendors or third party service providers with that close family relations up to second-degree family relations, we encourage integrity from MHC's vendors and third party service vendors in declaring any family relations with MHC's personnel.

Misleading declaration from vendors will result in contract termination from MHC's group, legal prosecution against non-compliant vendors and third party service providers for any violations and any damages resulting from this engagement.

### **Reporting and addressing violations**

At Magrabi Hospitals & Centers, ethical conduct is of utmost importance. Any violations of our Code will be taken seriously and investigated thoroughly. To protect the privacy of those involved, all information shared during investigations will be kept confidential to the best of our ability. If you have reason to believe that our Code is not being followed by a current vendor, please report the incident in writing to:

[Purchasing-Compliance@magrabihealth.com](mailto:Purchasing-Compliance@magrabihealth.com)

We expect our vendors to raise concerns about any potential breach of our supplier Code or concerns regarding our business conduct. Concerns can be raised directly with your MHC's contact or alternatively can be reported through our confidential reporting service. This communication channel enables MHC's colleagues to report any ethical concerns or breaches of the MHC's Code of Conduct and is also accessible to external parties, including MHC's vendors and their workers at the following e-mail address: [Purchasing-Compliance@magrabihealth.com](mailto:Purchasing-Compliance@magrabihealth.com)

In the event of a violation of this Code being reported, an immediate and thorough evaluation and investigation will be carried out. Depending on the outcome of the investigation, sanctions ranging from a formal warning to termination of the business relationship with Magrabi Hospitals & Centers will be imposed. Furthermore, you will be barred from participating in any future business opportunities with Magrabi Hospitals & Centers. Please be advised that any suspected illegal activities will be reported to the appropriate authorities without delay.