

HR Dept.	KALYANI TECHNOFORGE LTD	Revision 00
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# Sustainable Procurement Policy

Planet  
Positive



## A. INTRODUCTION

Sustainability is an integral part of our identity. Harmonizing our corporate success with the health and well-being of both people and the environment is of utmost importance to us. We understand that performance improvement in procurement is a continuous process and recognize the contribution of our suppliers in our journey to become more sustainable.

## B. PURPOSE

At Kalyani Technoforge Limited (KTFL), we strongly believe that, together with our business partners, we can make a significant contribution in safeguarding our sustainable future. We aim to achieve this by making the sustainability objectives as an integral part of our sourcing decisions. Sustainability objectives include the environmental, Social and Governance criteria listed under the principle section. This policy incorporates these objectives and forms the basis for a sustainable supply chain. We commit to ensure compliance to this policy across our supply chain.

## C. SCOPE AND APPLICABILITY

This Policy applies to all sites of Kalyani Technoforge Limited (herein referred to as “KTFL”) and its relevant stakeholders. Stakeholders hereunder shall mean and include without limitation all suppliers, employees, customers, representatives, consultants, advisors, retainers and shareholders.

## D. SUSTAINABLE PURCHASING PRINCIPLES

In accordance with our commitment to the highest standards we also expect our suppliers to aspire to the same standards in their business operations, including without limitation the following:

### Environment and climate Protection:

- Follow good practices to ensure environmental resources are valued, protected and utilized optimally.
- Commit to reduce the environmental impact in every respect. This also applies to their purchasing actions, including their commitment to not source raw material that includes conflict minerals (resources such as tin, tungsten, tantalum and gold (3TG) extracted from the Democratic Republic of Congo or its surrounding countries).
- Implement measures to reduce direct and indirect CO2 emissions (including the Stakeholder’s upstream supply chain)
- Aim towards sustainable resource management & adopt reuse/ recycle principles to achieve resource efficiency in the supply chain.
- Strive towards use of renewable energy and enhance the efficiency of the energy consuming equipment and processes.

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- Commit to reduce the environmental impact of packaging material.
- Implement measures to reduce the air, water, noise & soil pollution in the operations including but not limited to manufacturing operations.
- Integrate biodiversity conservation and animal welfare in the operations. Consider the impact of all activities including the manufacturing operation on biodiversity and take necessary actions to mitigate the identified impacts, if any.

#### **Social:**

- Adhere to the requirements of KTFL Supplier Code of Conduct and supporting the International Labor Organization core conventions on labor standards in their supply chain.
- Prohibit Child labor in supply chain and not tolerate any form of forced labor or modern slavery
- Adopt robust management practices to comply with applicable health and safety laws, rules, regulations and industry standards.
- Prevent all types of accidents by analyzing the risk exposure and minimize the identified risks with additional controls in operations, including but not limited to manufacturing operations.
- Conduct training and awareness activities for employees on health and safety, environment, business ethics, prevention of sexual harassment and discrimination, code of conduct, human rights & sustainability.
- Use of Private Security Forces - Suppliers should secure their premises with the use of private or public security forces. As part of company's commitment to uphold human rights, ensure that all employees are treated with respect and dignity by the security personnel and prevent discrimination of any kind. (Internal/ Externally hired).

#### **Governance:**

- Establish a governance structure to ensure compliance with KTFL's supplier code of conduct and the principals laid out in this Policy
- Report any conflict of interest in the business dealings with KTFL and support us to take appropriate action as and when requested by KTFL.
- Bribery, corruption, gifts and donations - Must not receive or offer to make any illegal payments, gifts, bribes, donations or other undue advantage in order to obtain unethical favours for the business while having commercial dealings with KTFL. No action should be taken to violate any applicable anti-bribery or anti-corruption laws and regulations in the locations of the operations and make every effort to eliminate all forms of corruption and bribery.
- Confidentiality - Should safeguard and ensure protection of all KTFL's intellectual property; trade secrets and other confidential, proprietary and sensitive information or data at all times and shall not disclose the same without prior written consent from KTFL. The information provided by KTFL should be used only for its intended and designated purpose as decided and mutually agreed upon between KTFL and the Stakeholder.
- Anti-competitive and restrictive trade practices - Must comply with applicable local and international laws to promote free and fair competition in the course of business, and prevent anti-competitive practices and abuse of dominant position.

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- Non-discrimination - Must ensure there is no discrimination in hiring and employment practices on the basis of race, colour, gender, age, nationality, religion, sexual orientation, marital status, citizenship, disability, veteran status, medical condition etc.
- Accountability and Transparency - Maintain appropriate financial records of business dealings in accordance with all applicable accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country of operation.
- Legal and Regulatory Compliance- Comply with all applicable laws and regulations within the country of operation. All other applicable international laws and regulations should also be complied with to the extent for the purpose of this policy.

#### **Quality:**

- Quality Management System - Establish quality objectives, policies, manuals, procedures and have in place a certified Quality Management System such as ISO 9001 or its equivalent or any other applicable certification KTFL may require from its Stakeholders from time to time.
- Material Management – Deploy well- established or standard industry practices for storage, handling and transportation of raw material.

### **E. AMENDMENTS**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, this policy, in whole or in part, shall stand modified/amended from time to time, without any further action on the part of the Company, as and when there would be any statutory modification(s) / amendment(s) / revision(s) to the applicable provisions to it.

### **F. IMPLEMENTATION MECHANISM**

1. Requirements of this policy will be communicated to the related Stakeholders through KTFL'S Supplier code of conduct, GTC (General terms & conditions) document, vendor registration portal, Company website & Internal communication channels.
2. Amendments to this policy, as and when it is done, will be communicated through company website and internal communication channels.
3. A committee may be formed/ designated by KTFL to investigate the shortcomings / violations reported. The Committee shall evaluate the shortcomings / violations and ensure it is addressed and resolved. The Committee may also, in consultation with the Senior Management, provide a suitable remedy.
4. The related stakeholders may report their complaints/ grievances or instances in contradiction to this policy to the Procurement department/ Senior Management through the grievance mechanism. No reprisal or retaliatory action will be taken against these stakeholders for raising concerns under this policy. KTFL reserves the right to revise or amend this policy at its sole discretion from time to time.

### **G. GRIEVANCE MECHANISM**

KTFL believes in promoting a culture of transparency and upholds the highest ethical standards by conducting its affairs in a fair and transparent manner and adopting highest standards of professionalism, honesty, integrity, and ethical behaviour. It aims to protect Stakeholders (by allowing them to write anonymously to) wishing to raise a concern about any serious irregularities by writing to [whistleblower@kalyanitechnoforge.com](mailto:whistleblower@kalyanitechnoforge.com).

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