

# Welspun Corp Limited

## Sustainable Procurement Policy

### Approach towards Sustainable Procurement

Welspun Corp Limited (WCL) is committed to adopt an inclusive approach towards sustainability that encompasses the activities of its supply chain partners (“Supplier”) such as Vendors, Contractors, Sub Contractors, Service Providers, etc.

WCL shall endeavour to:

- Facilitate training and capacity building programmes that propagate awareness of sustainability
- Consider regulatory compliance to critical environmental and social requirements as the key criteria in evaluation and onboarding of supply chain partners
- Encourage supply chain partners to implement management systems that focus on guiding principles outlined in this policy
- Institutionalise sustainability considerations in all sourcing or procurement decisions
- Give preference to suppliers with better track records on sustainability performance

### Guiding principles for Sustainable Procurement

#### 1. Business Integrity

##### **Honesty, integrity and fairness**

The Supplier shall recognise the importance of honesty, integrity and fairness in conducting its business.

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

The Supplier must comply with the applicable laws and regulations of the countries in which it operates.

##### **Anti-bribery**

The Supplier must not offer, give, request or accept payments, payments in kind, bribes, ‘kick-backs’, secret commissions, gifts or favours of any kind regardless of their value.

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## **Privacy and Information**

The Supplier must respect the privacy of individuals and laws relating thereto, with respect to the collection, processing and management of personal data.

## **2. Labour Standards**

### **Non-discrimination**

The supplier shall not discriminate in hiring and employment practices on the grounds of criteria such as race, creed, disability, gender, marital or maternity status and religion.

### **Forced Labour**

The Supplier must under no circumstances use or in any other way benefit from forced labour and shall not utilize factories or production facilities that force work to be performed by unpaid or indentured labourers.

### **Child Labour**

The use of child labour is strictly prohibited. The Supplier acknowledges the right of every child to be protected from economic exploitation and will respect the laws of each country in which it operates regarding minimum hiring age.

### **Working Hours**

The Supplier must ensure that its employees work in compliance with all applicable laws and mandatory industry standards pertaining to the number of hours and days worked.

### **Compensation**

The Supplier's employees must receive compensation and benefits that comply with applicable laws and, where relevant, with binding collective agreements, including those pertaining to overtime work.

### **Human Rights**

The Supplier shall promote equal opportunities and fundamental human rights for all employees.

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## **3. Health & Safety**

The Supplier shall provide a safe and healthy work environment for its employees, contractors and visitors and ensure that this is supported by adequate safety programs in accordance with applicable laws and regulations.

## **4. Environment**

The Supplier must manage its operations in an environmentally responsible manner and ensure compliance with related laws and regulations applicable in the country where products or services are manufactured or delivered.

### **Coverage**

This policy covers all WCL Vendors, Contractors, Sub Contractors, Service Providers, etc. along the value chain.

### **Assessments**

WCL has the right to assess suppliers' alignment to the guiding principles mentioned in the policy and their performance with respect to these principles. Audits may be carried out directly by WCL or through an independent third party to ensure continuous improvement in suppliers' sustainability initiatives.

### **Corrective actions**

WCL expects its suppliers to engage and improve their sustainability performance to achieve the larger goal of creating a sustainable value-chain. Audit reports, corrective action plans and follow up audits in case of non-compliance with any of the guiding principles mentioned may also take place.

### **Governance and oversight**

Sustainable Procurement at WCL is the responsibility of the Procurement team. The results of the supply chain audits are analysed, aggregated and reported to senior management and Board of Directors. WCL aspires to set targets on supply chain sustainability and report it publicly.

### **Reporting**

Suppliers are encouraged to report to WCL any breaches in their compliance to the principles of this policy, as the focus is on continuous improvement. Suppliers are also

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expected to report on their progress regarding the recommendations of the corrective action plan.

Adopted by the Board on 28<sup>th</sup> June, 2021