



## SUSTAINABILITY POLICIES

<b>Title of the Policy</b>	:	<b>SUSTAINABLE PROCUREMENT POLICY</b>
<b>Policy No.</b>	:	20ML/HO/PUR/POLICY/001
Version no.	:	02
Version date	:	01.10.2024
Revision no.	:	00
Revision date	:	01.10.2024

<b>Policy - Responsibilities:</b>																	
R= Responsible (Process Owner)  A= Accountable for Implementation	<b>Process Owners</b>																
	Lead Auditor – SAS	Management	Operation Head	Site Heads	Manager - SAS	Marketing Heads	SCM Heads	Production Heads	Corporate QAQC Heads	Site QAQC Heads	Engineering Heads	Corporate IT Heads	Corporate ER Head	Corporate HR Head	Site HR Heads	Warehouse Head	Mining Head
<b>Authorizations</b>	A	A	A	A	A	A	R	R	A	A	A	A	A	A	A	A	A

<b>This Policy is applicable to 20 Microns Limited:</b>			
HO	OF	PL	WH
Head Offices	Offices	Manufacturing Plants	Warehouses

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## 1. Objective:

The objective of this Sustainable Procurement Policy is to establish a framework for responsible sourcing practices that align with our commitment to sustainability, ethical business operations, and compliance with applicable laws and international standards. This policy guides our efforts to foster sustainable development, promote human rights, minimize environmental impacts, and create shared value across our supply chains.

## 2. Scope:

This policy applies to all procurement activities undertaken by 20 Microns Limited:

- ⇒ Management, all employees, customers, suppliers, contractors, workers and other stakeholders working directly and indirectly in and for 20 Microns Limited.
- ⇒ Governing and Operating entities of 20 Microns Limited:
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Sr. No.	Site Name	Site Address	Site Type
1.	Waghodia	Plot no: 347, GIDC, Waghodia, Dist.; Vadodara, Gujarat, India Plot No: 9-10, GIDC, Waghodia - 391 760, Dist: Baroda, Gujarat, India	Head Office and Registered Office
2.	Mumbai	Hindustan Kohinoor Industrial Complex, Mumbai, Mumbai 400083	Office
3.	Vadodara	307-308, Arun Deep Complex, Race Course, Vadodara, Gujarat	Office
4.	Alwar	B-77 & B-78, M.I.A.; Matsya Industrial Area, Alwar - 301 030, Rajasthan, India.	Manufacturing Plants
5.	Bhuj	Survey No: 149/P-1, 149/P-3, 156, 157, 158/P-1, 158/P-2, Village: Mamuara, Tal: Bhuj, Dist: Kachchh - 370 020, Gujarat, India	Manufacturing Plants
6.	Tirunelveli	104/3, Tenkasi Road, Village & Post - Puthur, Via - Alangulam, Dist: Tirunelveli - 627851, Tamilnadu, India.	Manufacturing Plants
7.	Hosur	Plot No. 23/24, SIPCOT Industrial Area, Phase II, Near TVS School, Hosur - 635 109, Tamil Nadu, India	Manufacturing Plants
8.	Udaipur	F-232-233 & 234, Road No. 1E, MIA, Madri, Udaipur - 313 003, Rajasthan, India	Manufacturing Plants
9.	Haldwani	Nr. Gola Ganpati Motors, Goraparav, Bareilly Road, Haldwani - 263139, Nainital, Uttarakhand, India	Manufacturing Plants
10.	Nagor	Plot No-I I, Nagor GIDC Estate, Village- Nagor,	Manufacturing Plants

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		Bhuj-Kutch - 370001.	
11.	Parbatsar	H-116-117, IGC RIICO Industrial Area, Parbatsar, Tehsil - Parbatsar, District - Didwana-Kuchaman, Nagour, Rajasthan	Manufacturing Plants
12.	Uran Raigad	Plot no: 172/2, Chinchavan Village, Panvel - 410206, Tal: Raigad, Mumbai, Maharashtra, India	Warehouses
13.	Thiruvallur	Plot no: 127/2A, Thiruvallur High Road, Alamathi Village, Chennai - 600052, Tamilnadu, India	Warehouses
14.	Alampur	Alampur NH - 6, New Kolorah Andul, Near Gurudwara School Compound, B S Tar Pvt. Ltd., Howrah - 711302, West Bengal, India	Warehouses
15.	Mundra	Plot No: 01/02, At: Dhrub Revenue, Survey No: 81/1, Village Dhrub, Near Adani Port, Mundra - 370421, Gujarat, India.	Warehouses
16.	Anantpur	43/1, Near Tractor nagar, Garladinne, Anantpur - 515731, Andhra Pradesh, India	Warehouses
17.	Koliwad Sanjan	Plant No; B1, CTS No: NA239/P1, Supertech Industrial Park, Koliwad, Village: Sanjan, Taluka: Umbergaon, District: Valsad, Gujarat – 396150, India.	Warehouses

It covers all goods, services, and materials procured for the company's operations globally.

### 3. Authority & Responsibility:

- **Board of Directors:** Provides oversight and ensures alignment of the Sustainable Procurement Policy with the company's overall sustainability strategy.
- **Procurement Team:** Implements this policy, conducts supplier due diligence, and monitors compliance with sustainability standards.
- **Suppliers and Subcontractors:** Expected to adhere to the principles outlined in this policy and integrate them into their operations and supply chains.
- Employees and workers adhere to this sustainable procurement policy.

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#### 4. Policy:

20 Microns Limited is committed to sustainable procurement practices, ensuring our supply chains uphold ethical, environmental, and social standards. Our policy is aligned with the following key elements:

##### 4.1 Governance

We embed sustainability principles into our procurement practices by:

- Establishing clear procurement guidelines based on sustainability principles.
- Ensuring compliance with relevant laws and standards, including the Indian Factory Act, ILO conventions, and Pollution Control Board guidelines.
- Conducting regular audits and reviews to measure adherence to sustainability commitments.

##### 4.2 Supplier Due Diligence

We undertake rigorous due diligence to ensure suppliers meet sustainability requirements:

- Screening suppliers based on environmental, social, and governance (ESG) criteria.
- Evaluating suppliers' adherence to local and international labour standards, anti-corruption policies, and environmental regulations.
- Periodic risk assessments to identify potential sustainability-related risks in the supply chain.

##### 4.3 Human Rights Risk Assessment

- Assess and address human rights risks across supply chains, focusing on vulnerable groups, such as migrant workers, women, and children.
- Uphold the principles of the Universal Declaration of Human Rights and ensure compliance with Indian labour laws.

##### 4.4 Complicity Avoidance

- Avoid direct or indirect involvement in human rights violations, environmental degradation, or unethical practices by suppliers or subcontractors.

##### 4.5 Grievance Redressal

- Maintain accessible grievance mechanisms for stakeholders, including suppliers and subcontractors, to report violations of the Sustainable Procurement Policy.
- Take corrective actions swiftly in response to reported grievances.

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#### 4.6 Civil and Political Rights

- Respect the freedom of association and collective bargaining rights of workers in our supply chains.
- Ensure suppliers uphold civil and political rights within their operations.

#### 4.7 Economic, Social, and Cultural Rights

- Promote fair wages and equitable labour practices among suppliers.
- Encourage suppliers to provide skill development and economic opportunities to local communities.

#### 4.8 Health and Safety at Work with Fair Operations

- Enforce compliance with health and safety regulations as per the Indian Factory Act and ILO standards.
- Ensure suppliers maintain safe and hygienic working conditions and adhere to fair labour practices.

#### 4.9 Social and Labour Practices

- Prohibit forced labour, child labour, and discriminatory practices in our supply chains.
- Encourage diversity and inclusion among suppliers' workforces.

#### 4.10 Consumer Issues Adherence

- Ensure suppliers maintain product safety and quality standards to protect end-users.
- Promote transparency and ethical practices in marketing and product delivery.

#### 4.11 Environmental Impact Mitigation

- Collaborate with suppliers to align with local pollution control board regulations and promote the use of eco-friendly materials and processes.
- Encourage suppliers to adopt practices that minimize carbon emissions, waste generation, and resource consumption.
- Ensure that raw materials and products sourced from suppliers do not contribute to environmental degradation, such as deforestation, water pollution, or habitat destruction.
- Assess potential risks related to the sourcing of materials, such as conflicts over land rights or environmental impacts, and ensure that suppliers have sustainable sourcing certifications.
- Encourage suppliers to incorporate environmental sustainability practices, such as using recycled or renewable materials and minimizing waste.

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#### 4.12 Community Benefits

- Support suppliers in initiatives that deliver positive social impacts and contribute to community development through CSR and welfare activities.

#### 4.13 Social Compliance in the Supply Chain

- Monitor and address social challenges such as worker exploitation, unfair wages, and lack of workers' rights within the supply chain.
- Promote social programs that ensure the well-being of workers and their communities.
- Support initiatives that enhance gender equality, respect for minority groups, and the elimination of discrimination.

#### 4.14 Material Sourcing Risks

- Identify and evaluate potential risks in the procurement of materials that may have adverse social or environmental impacts.
- Implement procedures for evaluating the sustainability and traceability of materials, ensuring they are sourced responsibly and ethically.
- Work with suppliers to maintain transparency and traceability throughout the supply chain, ensuring that sourced materials do not contribute to environmental damage or social violations.

### 5. Key Performance Indicators:

The following Process Performance is to be monitored and measured.

Sr. No.	Key Performance Indicators	Unit of Measurement	Baseline	Target	Timeline	Monitoring Frequency
01	To Increase / Cover % of supplier signing code of conduct	% of suppliers signing code of conduct	FY: 21-2022	100%	March-26	12 Months
02	Increasing Nos. of suppliers signing Sustainability terms and conditions	% of suppliers signing the terms and conditions on sustainability	FY: 21-2022	100%	March-26	12 Months
03	Increasing Nos. of suppliers covered under Sustainability	% of supplier covered	FY: 21-2022	100%	March-26	12 Months

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	Assessment	under sustainability assessment				
04	Increasing Nos. of suppliers covered under Sustainability Audits	% of suppliers covered under sustainability on-site audits by Nos	FY: 21-2022	40%	March-26	12 Months
05	Increasing Nos. of suppliers covered under capacity building	% of supplier covered in Sustainability related capacity building	FY: 21-2022	60%	March-26	12 Months
06	Increasing Nos. of suppliers covered under Sustainability Audits by Volume	% of supplier covered under on-site sustainability assessment by volume of Purchase	FY: 21-2022	70%	March-26	12 Months
07	Increasing Nos. of person covered in Sustainability Procurement Training like Sustainable Sourcing, Energy Efficiency, Waste reduction & recycling	% of employees covered in sustainable procurement training	FY: 21-2022	100%	March-26	12 Months
08	Increasing Nos. of person covered in Sustainability Procurement Training like Labor Rights & Standards, Diversity & Inclusion, Community Engagement, Health & Safety	% of employees covered in sustainable procurement training	FY: 21-2022	100%	March-26	12 Months
09	Increase the Nos. of suppliers with environmental certifications, such as ISO	% of suppliers with	FY: 21-2022	30%	March-26	12 Months



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	14001	environmental certifications, such as ISO 14001				
10	Increase the Nos. of suppliers with Labor and human rights certification(s), such as ISO 45001, SA8000	% of suppliers with Labor and human rights certification(s), such as ISO 45001, SA8000	FY: 21-2022	30%	March-26	12 Months
11	To Increase % of our suppliers comply Environmental laws and regulations.	% of our suppliers comply Environmental laws and regulations.	FY: 21-2022	100%	March-26	12 Months
12	To Increase % of our suppliers comply with Labor and human rights laws and regulations.	% of our suppliers comply with Labor and human rights laws and regulations	FY: 21-2022	100%	March-26	12 Months

**6. Training and Communications**

We, 20 Microns Limited, conduct regular online and offline training sessions to educate suppliers and subcontractors on sustainable procurement principles and their role in achieving sustainability goals.

We, 20 Microns Limited, provide training for procurement and sustainability teams to ensure effective implementation of the policy.

We, 20 Microns Limited, maintain open communication channels with suppliers to share expectations, best practices, and updates on sustainability standards.

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## 7. Review and Update

The Sustainable Procurement Policy will be reviewed at least once every two years to ensure its continued relevance and effectiveness. The review will be conducted by the Lead Auditor – SAS, Head of Supply Chain Management (SCM), Head of Purchase, and Head of Sourcing. In the event of significant changes in our operations or business activities, the policy may be updated outside the scheduled review cycle to ensure alignment with our evolving sustainability objectives and compliance requirements.

## 8. Acknowledgment and Acceptance

Acknowledgement and signing this Sustainable Procurement Policy:

I/We, the undersigned, acknowledge that I have received, reviewed, and understood the Sustainable Procurement Policy of 20 Microns Limited. I/We recognize that this manual serves as a guiding framework for the Company's commitment to sustainable procurement practices.

By signing this acknowledgment, I/We confirm and commit to:

- Adhering to the Company's sustainable procurement requirements, including environmental sustainability, social responsibility, and ethical governance.
- Reporting any actual or potential violations of sustainable procurement policy.
- Supporting the Company's sustainable procurement policy initiatives and best practices.

By signing below, I/ We affirm my commitment to upholding the sustainable procurement policy of 20 Microns Limited and contributing to the Company's vision of responsible and sustainable procurement practices.

**Company Name** : \_\_\_\_\_ **Place** : \_\_\_\_\_

**Employee/ Stakeholder Name** : \_\_\_\_\_ **Signature** : \_\_\_\_\_

**Designation** : \_\_\_\_\_ **Date** : \_\_\_\_\_



Gaurang Gandhi  
AVP – SCM



Jagdish Patel  
AVP – Purchase



Peshank Patel  
VP – Sourcing

Place: WAGHODIA, VADODARA

Date: 01/10/2024