

Responsible Procurement Policy



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At Epigral, we acknowledge the significant influence of procurement practices on environmental, social, and economic sustainability. As a conscientious corporate entity, we prioritize the establishment of a sustainable and ethical supply chain. Our commitment transcends mere compliance; we aspire to proactively contribute to a more sustainable future. This Sustainable Procurement Policy serves as a testament to our commitment, emphasizing the integration of environmental and social considerations into our procurement processes. We are dedicated to aligning our business practices with the principles of corporate responsibility and global sustainability goals.

Objective

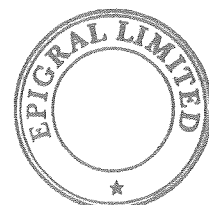
At Epigral, our Responsible Procurement Policy stands as a cornerstone guiding our procurement activities, with a steadfast commitment to minimizing adverse environmental and social impacts while maximizing positive contributions. Through this policy, we strive to achieve the following objectives:

- **Environmental Stewardship:**
Embed environmentally responsible practices across our supply chain, encompassing material sourcing, usage, transportation, and waste management.
- **Social Responsibility:**
Ensure fair and ethical treatment of workers, champion diversity and inclusion, and uphold human rights standards throughout our supply chain.
- **Economic Viability:**
Promote economic development in our operational communities by prioritizing suppliers adhering to fair labour practices and fostering positive contributions to local economies.
- **Innovation and Continuous Improvement:**
Cultivate innovation in sustainable procurement practices, consistently reviewing and enhancing processes to align with evolving sustainability standards and industry best practices.
- **Transparency and Collaboration:**
Heighten transparency in our procurement processes and foster collaboration with suppliers, stakeholders, and industry partners, working collectively to advance sustainability objectives.

By steadfastly adhering to these objectives, Epigral aims to contribute to a more sustainable and responsible global supply chain, reinforcing our dedication to environmental protection, social welfare, and ethical business practices.

Operational Guidelines

At Epigral, our unwavering commitment to responsible procurement is reflected in our steadfast adherence to environmental practices throughout the supply chain. We proudly implement a set of comprehensive guidelines, emphasizing the following principles:



- *Environmental Considerations:* Our procurement process prioritizes suppliers with robust environmental performance, aligning with our sustainability objectives. Environmental criteria are integral to our evaluation process, ensuring that sustainability is a fundamental aspect of supplier selection.
- *Adherence to Standards:* Suppliers are required to comply with relevant environmental regulations and standards. Responsible sourcing practices, efficient waste management, and the adoption of environmentally friendly manufacturing processes are essential components of our supplier requirements.
- *Collaboration and Innovative Practices:* Active engagement with our suppliers is key to fostering collaboration and innovation in green procurement. Through the exchange of knowledge and best practices, we aim to drive continuous improvement in sustainability practices across our entire supply chain.

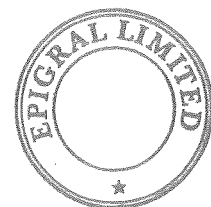
Essential sustainability topics for all suppliers to address and integrate into their practices

At Epigral, our commitment to sustainability is a core value, and we prioritize the integration of responsible practices across our supply chain. We have outlined essential sustainability topics that all our suppliers must address and incorporate into their practices:

- *Environment:* Suppliers are expected to showcase their dedication to managing energy consumption, emissions, and waste, with an emphasis on setting clear targets in these areas.
- *Labour and Human Rights:* The treatment of employees and the protection of their rights are fundamental principles. Suppliers must adhere to labour laws and regulations in the countries where they operate.
- *Health and Safety:* Employee safety and well-being are of paramount importance. Suppliers should comply with specific health and safety standards to ensure a secure working environment.
- *Suppliers, Red Flags, and Bad Actors:* Transparency and information sharing about partners are crucial. Suppliers must take measures to address indications of human rights violations or non-compliance with laws.
- *Sustainable Supply Chain Initiatives:* We encourage suppliers to actively participate in recognized sustainable business alliances and initiatives such as SEDEX, EcoVadis, or the Responsible Business Alliance.

Essential Inquiries for Continuous Engagement with Preferred Suppliers

Category and purchasing managers are expected to maintain an ongoing dialogue with our preferred suppliers, covering the following specific areas and queries during initial qualification, regular assessments, or when deemed necessary.



Feedback on these inquiries should be gathered from each preferred supplier at least once every three years, and pertinent managers are to provide annual reports to the overseeing manager based on the feedback received.

Environment Policy Statements

- *Utilization of Renewable Power:* We actively incorporate renewable power sources in our production sites, warehouses, and offices as part of our commitment to sustainable practices.
- *Reporting on Scope 1 and 2 Emissions:* We have established and publicly reported on Scope 1 and 2 emissions, with detailed information available publicly.
- *Energy or Emission Reduction Targets:* We have set clear targets for energy and emission reduction, outlining our commitment to mitigating environmental impact. Details of these targets are available in our official documentation.
- *Alignment with Science Based Targets Initiative (SBTi):* Our emission reduction targets align with the Science Based Targets Initiative (SBTi), reflecting our dedication to scientifically grounded sustainability goals.
- *Waste Reduction Goals:* We are committed to specific waste reduction goals, encompassing total waste, waste to landfill, and increased recycling rates. Further details on these goals are outlined in our waste reduction strategy.

Labour and Human Rights Policy Statements

- *Compliance with Labour Laws:* We adhere to all relevant labour laws and regulations in the countries where we operate, ensuring compliance and fair treatment of our workforce.

Health and Safety Policy Statement

- *Adherence to Health and Safety Standards:* We follow a specific health and safety standard to maintain a secure working environment for our employees, prioritizing their safety and well-being.

Suppliers, Red Flags, and Bad Actors Policy Statements

- *Supplier Compliance with Laws:* We employ stringent measures to ensure our suppliers comply with all pertinent labour and environmental laws and regulations.
- *Personnel Training on Conduct Expectations:* Our personnel undergo comprehensive training on conduct expectations, protocols for addressing red flags and bad actors, and identification of non-compliant suppliers.
- *Steps to Ensure Supplier Expectations:* We implement rigorous steps to ensure our suppliers meet our defined expectations, fostering responsible and sustainable practices throughout the supply chain.



Sustainable Supply Chain Initiatives Policy Statements

- *Membership in Sustainable Sourcing Initiatives:* We actively participate in recognized sustainable sourcing initiatives such as Responsible Business Alliance, EcoVadis, and others, demonstrating our commitment to ethical and sustainable business practices.
- *Acknowledgement of Suppliers Code of Conduct:* Preferred suppliers are encouraged to formally acknowledge our Suppliers Code of Conduct, and we advocate for including a written acknowledgement as a best practice.

The Significance of Suppliers' Environmental Performance at Epigral

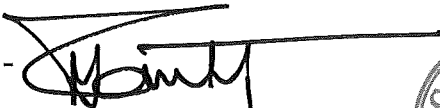
Our suppliers' environmental practices play a pivotal role in shaping Epigral's carbon footprint, considering the CO2 emissions associated with the goods and services we acquire. It becomes imperative to target emissions reduction within our supply chain, making collaboration with suppliers who adhere to robust environmental management principles and have established targets for energy, waste, and emission reduction an essential priority.

Moreover, waste generation not only leads to pollution but also results in emissions and environmental consequences, contingent on the disposal methods employed. For example, a higher rate of recycling or waste-to-energy incineration leads to lower emissions, whereas waste sent to landfills has adverse effects on both human health and the environment over an extended period.

By giving precedence to our suppliers' environmental performance, we actively contribute to sustainable practices, curbing our overall environmental impact, and nurturing a supply chain that is both responsible and resilient.

This Policy was approved by the Board of Directors at its Meeting held on 5th August, 2023.

Name: - Maulik Patel – Chairman & Managing Director

Signature: - 

Date: - 05.08.2023

