



## SUPPLIER ESG POLICY AND PROGRAM

**Prepared By :** CPO & GM EHS

**Revision Date**

10.01.2024

**Approved By :** CEO

**Revision No.**

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### **Policy Statement:**

Manjushree Technopack Limited (MTL) is dedicated to operating with a commitment to sustainable development principles, aiming to reduce environmental impact and safeguard the well-being of our employees, service providers, contractors, distribution and logistics partners, suppliers, neighboring communities, and customers through our **Environmental, Health & Safety (EHS) Policy**. As a result, we aim to source materials from vendors who have minimal environmental impact during the sourcing process and who adhere to the fundamental policies and procedures of MTL.

### **Scope:**

This policy applies to all activities, products, and services conducted by MTL and encompasses all locations where our operations take place.

## **1. BUSINESS ETHICS**

MTL encourages its suppliers to mirror the ethical standards and legal compliance that define MTL's own business practices.

- Suppliers must conduct themselves with integrity and honesty in all interactions with MTL and its employees, avoiding misrepresentation and dishonest practices.
- Suppliers must be fully compliant with all applicable local, national, and international laws and regulations governing their business activities with MTL.
- Suppliers must engage in fair and open competition, refraining from anti-competitive practices, price-fixing, bid rigging, or any activities that undermine fair market competition
- Suppliers must promptly disclose and manage conflicts of interest when dealing with MTL, ensuring unbiased decision-making, and maintaining the integrity of business transactions.
- Suppliers must implement robust measures to ensure the confidentiality and security of information exchanged with MTL or MTL's employees.
- Suppliers must not participate in bribery, corruption, or any unethical activities when dealing with MTL or its employees. Business transactions must be conducted with transparency.
- Suppliers must uphold fair labor practices, respect human rights, and provide a workplace free from forced labor, child labor, and discrimination when dealing with MTL.



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- Suppliers must adopt environmentally responsible practices when providing goods and services to MTL, minimizing their ecological footprint, and complying with environmental laws and regulations.
- Suppliers must ensure the consistent provision of high-quality products and services that meet or exceed agreed-upon standards when dealing with MTL.
- Suppliers are encouraged to contribute positively to the communities in which they operate, supporting local initiatives and engaging in philanthropic activities when dealing with MTL.
- Suppliers must declare any potential conflicts of interest to MTL before entering business transactions involving MTL's employees.

## 2. HUMAN RIGHTS AND LABOUR

MTL our suppliers to uphold human rights for their employees, treating them fairly and in accordance with all applicable laws and regulations.

- Suppliers must not engage in or support any form of forced labour. All employment must be voluntary, and workers should have the freedom to leave their employment at anytime.
- Suppliers are prohibited from employing individuals below the legal working age in their respective jurisdictions. Child labour is strictly forbidden.
- Suppliers must provide safe and healthy working conditions, ensuring reasonable working hours, fair wages, and benefits. Physical and mental demands must be in compliance with applicable laws and international standards.
- Suppliers must prioritize the well-being of workers by maintaining a safe and healthy workplace. Adequate measures should be in place to prevent accidents and injuries.
- Discrimination and harassment based on race, colour, gender, age, religion, marital status, sexual orientation, political opinion, or national or ethnic origin, or other similar characteristics are strictly prohibited. All employees should be treated with dignity and respect.
- Suppliers will ensure that their workers have the right to join or form trade unions and engage in collective bargaining. Suppliers must respect and not hinder the exercise of these rights in accordance with applicable laws



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### 3. ENVIRONMENT

Environmental stewardship is a top priority for MTL, and we look for a corresponding dedication from our suppliers. We anticipate suppliers to carry out their operations with a focus on environmental protection, adhering to all applicable laws and regulations.

Supplier must:

- Comply with all local, national, and international environmental laws and regulations.
- Implement measures to prevent pollution, reduce waste generation, and minimize environmental impact.
- Strive for resource efficiency by optimizing material, energy, and water use.
- Adopt sustainable practices, including eco-friendly materials, recycling, and environmentally responsible packaging.
- Work towards reducing Greenhouse Gas Emissions (GHGs), air pollutants, and harmful emissions.
- Identify and minimize the use of hazardous substances, adhering to relevant regulations.
- Prioritize biodiversity, and will not source materials, directly or indirectly, that contribute to deforestation of high conservation value areas, or interfere with the habitats of endangered species.
- Implement an Environmental Management System (EMS) for systematic environmental management and improvement.
- Be transparent about environmental performance, providing information upon request, and participating in reporting initiatives if applicable.
- Prioritize sustainable sourcing practices, considering environmental, social, and economic impacts throughout their supply chains

#### **Supplier Screening:**

We send a comprehensive questionnaire focused on environmental, social, and governance (ESG) aspects. This questionnaire assesses suppliers' adherence to environmental regulations, social responsibility practices, and governance standards. By evaluating their responses, we can gauge their commitment to sustainability, ethical practices, and regulatory compliance,



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ensuring they align with our company's values and standards before moving forward in the next process. MTL screening methodology will focus on sector- specific.

### **Supplier Assessment Programme:**

Our Supplier Assessment on Environmental, Social, and Governance (ESG) criteria aims to ensure that our suppliers align with our commitment to sustainable and ethical practices. MTL will focus on evaluating suppliers based on their performance in key ESG areas relevant to our business. The Supplier Assessment Program has been designed to evaluate how well our suppliers adhere to the Code of Conduct, with a focus on preventing environmental conflicts. Training is provided to our internal stakeholders on how to assess suppliers based on ESG criteria and how to maintain continuous monitoring of these aspects.

### **Assessment Criteria:**

#### **Environmental**

- **Material Sourcing:** Evaluate the use of sustainable, recycled, or environmentally friendly materials in the manufacturing process.
- **Waste Management:** Assess the effectiveness of waste reduction, recycling programs, and proper disposal practices for plastic waste.
- **Energy Efficiency:** Review energy consumption practices and the use of renewable energy sources in production.
- **Emissions Control:** Analyse measures taken to control and reduce greenhouse gas emissions and other pollutants.

#### **Social**

- **Labor Practices:** Examine policies and practices related to fair wages, working conditions, and employee rights. Ensure compliance with labor laws and standards.
- **Health and Safety:** Verify the implementation of health and safety measures to protect workers during the manufacturing process.
- **Community Engagement:** Assess efforts to contribute positively to local communities and support social initiatives.



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### Governance

- **Ethical Conduct:** Ensure adherence to anti-corruption policies and ethical business practices.
- **Transparency:** Evaluate the transparency of business operations and reporting practices.
- **Compliance:** Confirm compliance with relevant regulations and industry standards.

### Assessment Process and Trainings:

- Distribute a detailed ESG questionnaire to suppliers to gather information on their practices and performance. MTL will continuously review the purchasing practices to ensure that the suppliers are adhered to MTL suppliers code of conduct.
- MTL will conduct on-site audits to verify the accuracy of the information provided and assess the implementation of ESG practices by accredited accounting body by using standards and methodologies of a recognized industry or multi-stakeholder initiative.
- Use a scoring system to evaluate suppliers based on their performance in environmental, social, and governance criteria.
- Prefer suppliers who demonstrate strong ESG performance by meeting or exceeding minimum ESG criteria.
- Monitor suppliers' ESG performance on an ongoing basis through regular reviews and audits.
- Ensure transparency by reporting on supplier ESG performance and any actions taken following the assessment. If suppliers do not meet improvement requirements within the allotted time, contracts may be cancelled.
- Continuously update the ESG assessment program to reflect changes in regulations, industry standards, and best practices.

### Supplier Development Programme:

MTL is committed to enhancing the sustainability and performance of its supply chain through a comprehensive Supplier Development program. This program includes the following initiatives:



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- 1. Supplier Information and Training:** We provide our suppliers with detailed information and training on MTL's Supplier ESG program, processes, and requirements. This ensures that suppliers understand our expectations and are equipped to meet our standards for environmental, social, and governance (ESG) performance.
- 2. ESG Benchmarks Access:** Suppliers are given access to ESG benchmarks that allow them to measure their performance against industry peers. This benchmarking tool helps suppliers identify areas for improvement and encourages them to adopt best practices in sustainability.
- 3. Supplier Support for Corrective Actions:** MTL offers support to suppliers for implementing corrective and improvement actions, both remotely and on-site. This hands-on approach ensures that suppliers receive the necessary guidance and resources to enhance their ESG performance effectively.
- 4. In-depth Technical Support Programs:** We have developed in-depth technical support programs aimed at building capacity and improving ESG performance among our suppliers. These programs provide suppliers with the technical expertise and tools needed to integrate sustainable practices into their operations, thereby strengthening the overall supply chain.

Through these initiatives, MTL aims to foster a collaborative and responsible supply chain, ensuring that all partners align with our sustainability goals and contribute to a positive impact on the environment and society.

N P Thimmaiah

Managing Director and Chief Executive officer