

BALRAMPUR CHINI MILLS LIMITED



Supply Chain and Responsible Sourcing Policy



Preamble

As a part of its commitment to sustainable supply chain management, Balrampur Chini Mills Limited (hereinafter referred to as 'BCML' or 'The Company') encourages its suppliers to pursue and follow good Environmental, Social & Governance (ESG) standards for its supply chain infrastructure. Suppliers are expected to act with integrity to demonstrate commitment to sustainable, legal, ethical, safe, and fair business practices in line with this Policy. 'Supplier' means entities who supply products, equipment, materials, or provide services to BCML under a contract, agreement, or arrangement.

Policy Statement

This policy sets out the fundamental values of business conduct that BCML expects its Suppliers to uphold in all business relationships. The Suppliers shall be committed to:

- Comply with applicable legal requirements
- Conduct business in an ethical manner
- Ensure that the environmental footprint of our supply chain is as low as possible
- Ensure alignment to BCML's practises and policies in areas such as Sustainability, Human Rights, etc.
- Provide a safe and healthy workplace to its employees and workers
- To work against corruption in all forms, including extortion and briberies.

Supplier Statement/Code of Conduct

Suppliers engaged in providing products and services to BCML shall act in accordance with this policy by promoting -

Labour and Human Rights

a) Child Labor & Forced Labour

Suppliers must consider avoidance of child labour at their organization and use of legitimate workplace apprenticeship programs. Suppliers shall not engage in any form of human trafficking or use any type of forced labour. All work must be voluntary and workers shall be free to leave work at any time or terminate their employment.

b) Freedom of Association

Suppliers shall respect the rights of workers to associate freely with others, bargain collectively, without interference, discrimination, retaliation, or harassment, and shall comply with all applicable laws pertaining to freedom of association and collective bargaining.

c) Humane Treatment

Suppliers are expected to treat each worker with dignity and respect. Suppliers shall commit to a workplace free of harassment and abuse and will not engage in harsh or inhumane treatment.



Health and Safety

a) Safe Work Environment

Suppliers must be committed to the safety and health of their employees and shall provide and maintain a safe work environment. Suppliers shall provide workers with appropriate, well-maintained personal protective equipment and instruction on its proper use

b) Emergency Preparedness

Suppliers are encouraged to develop and implement legally compliant emergency plans and response procedures that minimize harm to life, environment, and property.

c) Quality Requirements

Suppliers shall meet generally recognised quality standards and contractually agreed quality requirements and standards, in order to provide goods and services that consistently meet BCML's and its customers' needs and are safe and effective for their intended use.

d) Supply Chain Diversity and Inclusion

Suppliers are encouraged to promote diversity and inclusion within their organisation, promoting fair representation of individuals from all walks of society.

Environment Stewardship

a) Compliance with Environmental Laws

Suppliers shall comply with the applicable environmental laws and requirements, including those relating to obtaining and adhering to environmental permits and approvals for the conduct of regulated activities; the management and disposal of hazardous materials; releases of contaminants to the environment; the protection of natural resources.

b) Energy Management

Suppliers shall endeavour to undertake reasonable efforts to have management systems in place to continuously improve energy efficiency in their operations through use of renewable sources.

c) Hazardous Materials

Suppliers are strongly encouraged to implement a systematic approach to reduce, and responsibly dispose off or recycle hazardous substances and other materials posing a hazard if released into the environment to ensure their safe handling, movement, storage and disposal.

d) Pollution Prevention and Resource Efficiency

Suppliers must strive to reduce or eliminate waste of all types, including water and energy. Suppliers shall take steps to reduce the consumption of energy, water, and natural resources by implementing conservation and substitution measures. Suppliers shall responsibly control air emissions emanating from their operations that pose a hazard to the environment.

Ethics and Integrity

a) Business Integrity/Ethics

Suppliers are encouraged to have a zero-tolerance policy regarding corruption, misrepresentation, extortion, embezzlement, kickbacks, bribery, and any other type of



corrupt actions. Suppliers are expected to abide by the applicable anti-bribery and anti-money laundering laws that govern the jurisdictions in which they conduct business. Suppliers are expected to immediately report to BCML any circumstance where an officer, director, employee, representative, or agent of BCML or its subsidiary has made any improper request or demand of the Supplier that could violate any law.

b) Intellectual Property

Suppliers are encouraged to implement processes as well as procedures and exercise due diligence to detect and avoid counterfeit parts and avoid others' intellectual property rights.

c) Conflict of Interest

Suppliers must voluntarily declare any engagement between its personnel and BCML that creates or may appear to create a conflict of interest that could affect BCML's judgment and conflict with BCML's interests.

d) Fair Business, Advertising, and Competition

Suppliers shall conduct their business in full compliance with competition laws. Further, suppliers shall uphold standards of fair business, advertising, and competition.

e) Privacy

Suppliers shall take steps to comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, or shared.

Monitoring Mechanism

The supply chain team of the Company is responsible for reviewing matters covered in this policy. BCML reserves the right to investigate instances of non-compliance with this Supplier Code, which may include a supplier site audit. Audits may be carried out directly by BCML or through an independent third party to ensure continuous improvement in suppliers' sustainability initiatives. Suppliers shall have a process for timely correction of any deficiencies or violations identified by an audit, assessment, inspection or review. This policy shall be available on the website of the Company for access to the suppliers. In case of any breach of the terms of this policy by the supplier, BCML reserves the right to terminate all existing arrangements/contracts with the supplier with immediate effect.

Reporting & Review

Suppliers are expected to report to the company any breaches or suspected breaches in their or other Suppliers' breach of principles of this policy to the supply chain team. This policy shall be reviewed periodically for its suitability and updated as necessary.

Date of approval by Board: 29th June, 2024