



CHEMCRUX ENTERPRISES LIMITED – SUSTAINABLE PROCUREMENT POLICY

SUSTAINABLE PROCUREMENT POLICY

(Adopted by the Board of Directors at the Meeting held on February 27th, 2020)

Chemcrux Enterprises Limited (CEL) has always promoted high ethical standards of professional and personal conduct by our team members and business associates. All of our team members and business associates must be committed to integrity in all aspects of their activities and comply with all applicable laws, regulations and internal policies.

Sustainable Procurement

To achieve our goals and ensure ethical conduct, it is empirical that our suppliers share our values and vision; and raise the sustainability standards in our supply chain. In line with our commitment we have developed a Sustainable Procurement Policy (Policy), which is an extension of our values and is applicable to all CEL suppliers. We expect our suppliers to operate in accordance with the principles as outlined in this Policy and adhere to all applicable laws and regulations.

The Principles

1. We expect our Suppliers to conduct their business activities in a fair and transparent manner with honesty, integrity, high ethical standards and respect for human rights. We strongly believe that high ethical standards are essential for sound business relationships.
2. Suppliers are expected to report any conflict of interest in any business dealings with CEL. It should be disclosed if any CEL employee or professional under contract with CEL may have significant ownership or interest in a supplier's business.
3. Suppliers shall safeguard and respect CEL's intellectual property; trade secrets and other confidential, proprietary and sensitive information or data at all times and shall not disclose the same. The information provided by CEL should be used only for its intended and designated purpose as decided and agreed upon between CEL and the supplier.
4. Suppliers must comply with applicable local and international laws to promote free and fair competition and to get business by offering competitive prices and innovative products.
5. We expect our suppliers to comply with all applicable laws and regulations within the country of operation.. Suppliers should follow guidelines of all the required permits and registrations to be legally compliant at all times.



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6. We expect our suppliers to adopt relevant management practices in order to comply with applicable health and safety laws, rules, regulations and industry standards. We also suggest suppliers to take reasonable actions to prevent accident and injuries by analysing and minimising risk exposure.
7. We suggest that our suppliers identify sources of carbon emission and make progressive efforts towards reducing carbon emissions. Opportunities for reduction in water usage should be identified and measures for water conservation should be implemented.
8. We expect our suppliers to assess their use of hazardous and toxic material and take necessary steps to reduce it, as much as possible.
9. We recommend our suppliers to use renewable sources of energy wherever possible and take steps to identify the scope of replacing conventional sources of energy with sustainable and renewable sources in their operations.
10. Waste to landfill should be analysed and suppliers should try to reduce the quantity of disposal to landfills. Alternate waste disposal techniques should be adopted in order to reduce the impact on the environment.
11. We expect our suppliers to have in place established practices for storage, handling and transportation of raw material and to maximise the risk prevention measures through good warehousing practices and proper handling of rejected item.

Implementation of Policy

Applicability and Implementation

We understand that our suppliers fall under different categories in terms of their scale, the product/service they supply, the raw materials being used by them, their organisation structure and geographies of operation. Keeping these factors in mind, we have designed the Policy in a manner that it works for the whole supplier base, although the level and type of compliance will vary depending on the type of the supplier and the principles applicable to them.

Monitoring and Reporting

We shall monitor the initiatives undertaken by Suppliers with regards to ensuring adherence to this Policy. We recommend our suppliers to place monitoring and reporting mechanisms and management systems, wherever required to effectively implement and manage such initiatives.



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Review

We will periodically review the policy to ensure that it continues to help us move towards our vision. We encourage our suppliers to review this information and ensure that the principles and practices outlined in the Policy will be reflected in their on-going business dealings with us. We shall move together towards an ethically driven, socially focused, green inspired and quality centred supply chain.

