



# Supply Chain Policy

VERSION 1.0

<b>Policy Name</b>	Supply Chain Policy		<b>Policy No.</b>	6
<b>Effective Date</b>		<b>Date of Last Revision</b>	<b>Version No.</b>	1.0
<b>Administrator Responsible</b>	HR	<b>Contact Information</b>	chrd@raceecochain.com	

## Revision History

Version History	Date of Release	Prepared By	Reviewed By	Approved By	Details of Changes
1.0	11-08-2022	Ms. Ankita Chatterjee	Mr. Sanjay Kukreja	Board of Directors	N/A

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### SUPPLIER CHAIN POLICY

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#### 1.1 Preamble

RACE ECO CHAIN LIMITED (hereinafter referred to as 'RACE ECO CHAIN' or 'The Company'), considers its supply chain as an integral part of its responsibility with regard to sustainable development. As a part of its commitment to sustainable supply chain management, RACE ECO CHAIN aims to pursue and follow good Environmental, Social & Governance (ESG) standards for its supply chain infrastructure.

#### 1.2 Purpose

The purpose of this policy is to ensure that, all our Suppliers are encouraged to adopt and practice the highest level of ESG standards in terms of their activities, respect for the environment, good corporate governance, regulatory compliance, health & safety, the promotion of diversity and inclusion, and respect for human rights.

#### 1.3 Scope of Policy

This Policy applies to all the sourcing of products and/or services from RACE ECO CHAIN. 'Supplier' means all entities and individuals who supply products, equipment, materials or provide services to RACE ECO CHAIN under a contract, agreement, or arrangement and also includes agents, sub-contractors and representatives, and employees of such Supplier. Suppliers must act with integrity and are expected to demonstrate commitment to sustainable, legal, ethical, safe, and fair business practices in line with this Policy.

#### 1.4 Policy Statement

This policy sets out the fundamental values and integrity levels of business conduct that RACE ECO CHAIN expects its Suppliers to uphold in all business relationships. All Suppliers engaged in providing products and/or services to RACE ECO CHAIN shall act in accordance with this policy, which would include aligning guidelines, policies, and practices of the Suppliers with this policy and communicating and enforcing the Policy provisions throughout their organization and across their supply chain, including sub-supplier and sub-contractors of the Supplier.

### **The Suppliers shall be committed to:**

- Conduct business in an ethical manner and abide by all the national & international legal and regulatory requirements
- Respect the human rights of all stakeholders in the supply chain
- Comply with the applicable labour laws, orders, rules, regulations, and international labour practice standards which include:
  1. Prohibition of child labour
  2. Freedom of association & right to collective bargaining; and
  3. Elimination of all forms of forced or compulsory labour
  4. No discrimination with respect to cast, creed, color, gender, social status and/or appearance
- Promote diversity & inclusivity
- Provide a safe and healthy workplace to its employees and workers
- To promote greater environmental responsibility
- Efficient energy consumption and water management
- Adopt waste management and pollution reduction measures
- Adopt circular economy through reduction, recycling, and re-use practices
- To work against corruption in all forms, including extortion and briberies.

### **1.6 Roles And Responsibilities**

The role lies in our commitment to follow and promote sustainable business practices and create sustainable business value for the stakeholders. Our partners in the value chain, i.e., our suppliers, are accountable for contributing to responsible conduct and operating in a manner that is sustainable and safe. The sustainability team is responsible for looking over matters, covered in this policy, that are crucial from the perspective of ensuring a sustainable and responsible supply chain.

### **1.7 Communication of Policy**

The Company communicates transparently all necessary and relevant information with all the relevant stakeholders regarding policies and procedures pertaining to the supply chain and related concerns. This Policy shall be available on the internal portal and/or on the website of the Company and shall be available for access to the Suppliers as well.

### **1.8. Audit Mechanism, Continuous Improvement and Performance Management**

RACE ECO CHAIN has the right to assess Supplier's alignment with the guiding principles mentioned in the policy and their performance with respect to these principles. Audits may be carried out directly by RACE ECO CHAIN through an independent third party to ensure continuous improvement in Suppliers' sustainability initiatives and issues addressed in this policy.

In case of any breach of the terms of this Policy by the Supplier, RACE ECO CHAIN reserves the right to terminate all existing arrangements/contracts with the Supplier with immediate effect. In the event of any conflict between the terms of this Policy or any other contract(s) with the Supplier, the terms of the agreement shall supersede.

**CORRECTIVE ACTIONS:** The company expects its Suppliers to engage and improve their sustainability performance to achieve the larger goal of creating a sustainable value chain. Audit reports, corrective action plans and follow-up audits in case of non-compliance with any of the guiding principles mentioned may also take place.

**REPORTING:** Any activity or working condition that is inconsistent with this Policy or which may pose an unacceptable risk to human health, the environment, or any of the points mentioned above should be immediately reported to the supply-chain team. Suppliers are encouraged to report to the company any breaches or suspected breaches in their or other Suppliers' breach of principles of this policy or laws applicable to RACE ECO CHAIN. Suppliers are also expected to report on their progress regarding the recommendations of the corrective action plan to the supply chain Team.



All reports of violations should be made in good faith and must have a reasonable basis and shall not be based on personal bias and conjectures.

This policy shall be read and understood in conjunction with the 'Supplier Code of Conduct' policy and all its clauses shall be applicable to 'Supply Chain Policy' as well.

The employees, suppliers, and other relevant stakeholders of RACE ECO CHAIN can securely and anonymously report any suspected or actual violations of the policy at email id: **communications@raceecochain.com**

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