Steel Strips Wheels Limited

SUSTAINABLE PROCUREMENT POLICY

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Classification: Internal

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Document Control

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Revision History

Revision Number	Change Requested By	Approved By	Revision Date	Sections Modified / Summaryof Changes

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This policy applies to all SSWL Group plants and offices and its stakeholders (employees, suppliers, community, customers, shareholders, etc.).

4. Sustainable Purchasing Principles

In line with SSWL Group's commitment to the highest standards, we expect our supply chain partners to uphold the same standards in their business operations-

Environment

- Adopt sustainable practices to ensure the responsible use, conservation, and protection of natural resources across operations and the supply chain.
- Integrate environmental considerations into procurement decisions to minimize environmental impact throughout the product and service life cycle.
- Work towards the reduction of Scope 1, Scope 2, and relevant Scope 3 greenhouse gas (GHG) emissions within company operations and across the supply chain.
- Promote efficient resource management by encouraging reuse, recycling, and circular economy practices to enhance resource efficiency.
- Support the transition toward renewable energy sources and improve the energy efficiency of equipment, processes, and infrastructure.
- Reduce the environmental impact associated with packaging materials by encouraging sustainable, recyclable, and reduced packaging solutions.
- Implement appropriate measures to prevent, control, and minimize air, water, and soil pollution arising from operational and supply chain activities.
- Protect ecosystems by supporting biodiversity conservation and responsible environmental stewardship in operational and supply chain activities.

Social

- Comply with the requirements of SSWL Group's Code of Conduct (CoC) and applicable labour standards across operations and throughout the supply chain.
- Maintain zero tolerance for modern slavery, child labour, forced labour, and any form of human trafficking within SSWL operations and supply chain activities.

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- Promote a safe and healthy workplace by ensuring compliance with all applicable occupational health and safety laws, regulations, and industry standards to safeguard employee well-being.
- Identify, assess, and manage workplace risks to prevent accidents, injuries, and occupational illnesses through effective risk assessment and mitigation measures.
- Conduct regular training and awareness programs for employees and supply chain partners on occupational health & safety, environmental responsibility, business ethics, prevention of sexual harassment and discrimination, human rights, sustainability, and adherence to the Code of Conduct.

Governance

- Establish a Governance Structure to ascertain compliance with SSWL Group's CoC and the principles included in this policy.
- Report and eliminate incidents involving conflict of interest, bribery, fraud, corruption, gifts, or unethical business practices by employees (including management level) or its supply chain partners.

Confidentiality

- Ensure Anti-competitive and restrictive trade practices which comply with applicable laws (local and international), promote free and fair competition in business progression.
- Ensure nondiscrimination in hiring and employment process based on race, color, gender, age, nationality, religion, sexual orientation, marital status, citizenship, disability, veteran status, medical condition, etc.
- Accountability and Transparency by following applicable accounting and financial reporting standards.
- Comply Legal and Regulatory Compliance (local & international).

Quality:

- Establish policies, procedures, manuals, and objectives to establish a Quality Management System (QMS) or to obtain any other certification SSWL Group may require from its stakeholders.

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5. Minimum Supplier Requirements

SSWL expects suppliers and contractors to meet requirements in SSWL's Supplier CoC and relevant policies. At minimum, suppliers must:

- Maintain legal compliance (licenses, registrations, statutory payments, EHS compliance).
- Prohibit child labour and forced labour; ensure lawful working hours and wages.
- Provide a safe and healthy workplace and manage environmental impacts responsibly.
- Prevent bribery/corruption; disclose conflicts of interest; maintain records.
- Cooperate in Supplier ESG self-assessment questionnaire (SAQ), audits, and corrective actions.

  SSWL may require additional standards for high-risk categories (e.g., chemicals, waste handlers, security, transport, labour contractors).

6. Risk-Based Approach

SSWL categorizes suppliers by inherent risk using criteria such as spend/materiality, service criticality, geography, labour intensity, and EHS impact potential.

Risk tiers and minimum controls:

- Low risk: Basic onboarding checks and acceptance of Supplier CoC.
- Medium risk: SAQ and evidence review.
- High risk: Enhanced due diligence, on-site audit (as applicable), corrective action plan and periodic monitoring.

Risk ratings are reviewed at least annually and upon significant changes (incidents, legal issues, scope expansion).

7. Coverage Targets and Objectives

SSWL will set annual sustainable procurement objectives, which may include:

- Percentage of spend covered by supplier ESG screening.
- Percentage of high-risk suppliers assessed (SAQ/audit).
- Supplier corrective actions closed on time.
- Reduced EHS non-compliances in the supply chain.
- Targets are approved by Top Management and reviewed at least annually.

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8. Supplier Onboarding and Contracting

All new suppliers shall undergo onboarding controls appropriate to their risk tier. Contracts and purchase orders should include, as applicable:

- Acceptance of the Supplier CoC and relevant SSWL policies.
- Audit and information rights.
- Requirement to notify SSWL of material incidents (legal non-compliance, EHS incidents, data breaches).
- Corrective action and termination clauses for serious breaches.
- Subcontractor controls where the supplier uses sub-suppliers or labour agents.

9. Monitoring, Improvement and Escalation

SSWL monitors supplier performance through documentation review, SAQs, audits, site inspections, and performance scorecards (as applicable). Where gaps are identified, suppliers must implement corrective and preventive actions (CAPA) within agreed timelines.

Escalation actions may include warning letters, probation, reduced business, payment holds (as contractually permitted), de-empanelment, and reporting to authorities where required by law.

10. Supplier Grievance and Reporting Channels

SSWL provides channels for suppliers and supplier workers to raise concerns confidentially and without retaliation. Grievances are handled in line with the Supplier Grievance SOP and Whistleblower Policy.

11. Records and Evidence Retention

Procurement and assessment records shall be retained for at least 3 years (or longer if required by law/contract) and must be traceable for audits and third-party assessments (including EcoVadis).

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13. Review

This Policy will be reviewed at least once in two years and updated as required.

Annexures

Annexure A: Supplier Risk Screening Matrix Template

Supplier	Category	Spend	Risk Drivers	Risk Tier	Required Checks	Assessment Date	Next Review Due	Owner

Annexure B: Sustainable Procurement KPI Dashboard Template

KPI	Definition	Frequency	Owner	Target	Actual	Evidence/Source

Prepared By:	Approved By:
DGM Purchase	GM Purchase

STEEL STRIPS WHEELS LTD. Chandigarh

** End of Document**

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