

SUPPLY CHAIN MANAGEMENT POLICY

Usha Martin Limited (“the Company”) understands the importance of building a sustainable supply chain for the growth and sustenance of businesses. We recognise the importance of developing a strong relationship with suppliers and building their capabilities which will improve Company’s performance. Working with suppliers on improving their process and practices is a priority for the Company and is integral to our commitment towards the Responsible Stewardship of our operations.

SCOPE

This policy applies to all suppliers providing the Company with goods and/or services. It applies to suppliers, their agents and their sub-contractors. It is the responsibility of the supplier to verify and monitor compliance against this Policy at their operations and sub-contractor source operations. In the event of any conflict between the provisions of this policy and the terms and conditions of a specific written agreement / contract between the Company and a supplier, the terms and conditions of such written agreement / contract will govern.

BUSINESS CONDUCT PRINCIPLES

The Company is committed to (i) conducting its business ethically and in accordance with all applicable laws; (ii) adhering to standards of safety and care for the protection of its employees, the public, and the environment; and (iii) promoting these policies through education, supervision, and regular reviews. The Company expects its suppliers to conduct business responsibly, with integrity, honesty, and transparency, and to adhere to the following principles:

- (i) **Ethical and compliant business practices:** The Company expects highest standards of ethical conduct from its suppliers. We expect our suppliers to comply with all anti-bribery and corruption laws and Company guidelines. The Supplier shall not, directly or through intermediaries, take any recourse to any unethical behaviour (implicit or explicit), or offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of the Company. They shall also maintain transparency of all the transaction records. We expect our suppliers to avoid conflicts of interest in dealing with the Company. In case conflicts of interest arise, supplier shall manage it proactively by disclosing it to the Company.
- (ii) **Labour & Human Rights:** We expect our suppliers to safeguard the human rights of their workers and enable a workplace that is safe, diverse and free from all forms of discrimination. The suppliers shall ensure that all applicable local, state and national laws regarding human rights shall be complied with. They should ensure that no form of child labour and forced labour is accepted in their operations. We also expect suppliers to ensure fair treatment and respect union affiliation and collective bargaining. Standard working hours as per applicable regulations are expected to be followed in addition to the regulations on minimum wage and overtime pay. Our suppliers shall conduct employee skill development sessions. We also encourage suppliers to engage with local communities and have a grievance mechanism for addressing their issues and concerns.
- (iii) **Environmental Sustainability:** The Company expects suppliers to comply with environmental laws and regulations. We encourage suppliers to integrate sustainable business practices in their operations, adopt environmental management systems and

technologies that are energy efficient as well as responsible management of water and waste that lead to reduced resource consumption.

- (iv) Occupational Health and Safety: We expect our suppliers to comply with relevant safety regulations and have occupational health and safety management system in place. Suppliers should safeguard the health, safety and well-being of their employees. We also encourage them to progressively track relevant safety metrics.
- (v) Product Quality and Safety: Suppliers involved in any aspect of developing, handling, packaging, or storing Company's products are expected to:
 - Know and comply with the product quality standards, policies, specifications, and procedures that apply to the products produced at their location.
 - Follow and adhere to good manufacturing practices and testing protocols.
 - Comply with all applicable central, state, and local laws and regulations.
 - Report issues immediately to the Company that could negatively affect the quality or public perception of the Company.
- (vi) Third Party representation: The Suppliers shall not be authorized to represent the Company or use its brand without the written permission of the Company. Third parties and their employees who are authorized to represent the Company shall sign a non-disclosure agreement to support confidentiality of information.
- (vii) Confidentiality: We expect our suppliers to ensure data confidentiality. Supplier shall safeguard the Company's intellectual property and other confidential information and data. All information provided by the Company should be used by the supplier only for its intended and designated purpose as decided and agreed upon between the Company and the supplier. If the Supplier becomes aware of material, non-public information relating to the Company or its business, it may not buy or sell the Company's securities or engage in any other action to take advantage of that information, including passing that information on to others.

While, we as a company strive to implement the standards outlined in this Code within our own operations, we also require our suppliers to do the same and to adopt similar standards. By seeking to influence the adoption of responsible guidelines and standards within your supply chain, we can work together to make a positive impact on society. In case any violation of this Policy is identified, the applicable supplier might, at Company's discretion, be given time to remediate the problem, with Company's assistance wherever possible. If the problem is not addressed in an effective way and within a clear timeframe that is acceptable to the Company, the Company reserves the right to terminate its business relationship with the violating supplier.

Amendments

This Policy may be updated/ amended by the Company from time to time.

This Policy is approved by the Board at their Meeting held on 11th February 2023 and the said date shall be deemed to be the effective date of this Policy.