

Sustainable Sourcing Policy

Statement

This Policy defines SSML's approach to sourcing and procurement, in line with our commitments to promote fair dealing, ensure health and safety, and manage impact on climate and environment in our supply chain.

We acknowledge that long-term sustainable development of our suppliers is critical to our joint success and we value our relationship with suppliers who share the same approach and vision towards doing sustainable business.

Applicability

We expect all our suppliers to operate in accordance with the principles as outlined in this Policy and comply with the necessary social, business integrity, and environmental sustainability standards, ensuring adherence to all applicable laws and regulations.

Guiding principles



I. Business Ethics:

a. Fair Dealing With Suppliers

We treat all our suppliers with honesty, fairness and respect. Our purchasing activities are conducted in accordance with the highest ethical and professional standards.

b. Impartial Selection

We select suppliers based on objective criteria such as technical specifications, quality, price, service and technology, environmental and social impact.

c. Prevention against corruption, fraud and anti-competitive practices



SIYARAM SILK MILLS LIMITED

Corporate Office: B/5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Phone: (91-22) 30400500. Fax: (91-22) 30400599 Internet: www.siyaram.com

CIN : L17116MH1978PLC020451

Registered Office: H-3/2, MIDC, A-Road, Tarapur, Boisar, Thane - 401 506 (Mah.).

Siyaram's

Suppliers in all commercial dealings with SSML or otherwise must not receive or offer to make any illegal payments, gifts, bribes, donations or other improper advantage in order to obtain unethical favours for the business. All suppliers must ensure that no violation of any applicable anti-bribery or anti-corruption laws and regulations in the locations of their operations and make every effort to eliminate all forms of corruption and bribery.

Suppliers must be committed to preventing, detecting and reporting fraud, including fraudulent reporting and maintain a control environment that mitigates any risk of fraud. There must be systems and processes in place to address business integrity issues and such systems shall include means for employees to raise compliance concerns in a confidential way and without fear of retaliation.

We expect our suppliers to be committed to work against all forms of corruption, extortion, fraud and bribery. No supplier should offer any benefit to SSML employees to facilitate their business with SSML.

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.

d. Confidentiality

Suppliers shall safeguard and respect our 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 SSML should be used only for its intended and designated purpose as decided and agreed upon between SSML and the supplier.

e. Compliance with laws

Suppliers must ensure to comply with all laws and regulations, including but not limited to, sanctions, export controls, reporting obligations, data protection and anti-trust/ant-competition laws, applicable environmental, health and safety, human rights related laws, etc. in their country/region/locality of operation.

II. Quality focus

Siyaram Silk Mills (SSML) is famous for its high-quality fabrics and apparel and therefore, we expect our vendors/suppliers to ensure highest quality standards in their own manufacturing and material management.

a. Quality management system

We expect our suppliers to establish quality objectives, policies, manual, procedures and have in place a certified Quality Management System by competent authority like ISO. The suppliers should ensure about the rules & regulations of local authorities, proper product knowledge, staff trainings and



SIYARAM SILK MILLS LIMITED

Corporate Office: B/5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Phone: (91-22) 30400500. Fax: (91-22) 30400599 Internet: www.siyaram.com

CIN : L17116MH1978PLC020451

Registered Office: H-3/2, MIDC, A-Road, Tarapur, Boisar, Thane - 401 506 (Mah.).

the internal reviews, feedback on the Quality Management System for its timely improvement.

b. Facility & material management

All vendors/suppliers should focus on proper installation of equipment on premises with zero error and ensure timely maintenance. There should be proper housekeeping and pest control in place to ensure hygiene, safety and security of staff. There must be enough warehousing capacity for storage of manufactured goods along with proper up-to-date mechanisms for material transportation.

c. Manufacturing goods

Suppliers should have established manufacturing and packaging operations in place to ensure timely order completion along with maintaining quality standards. Proper order records should be maintained along with process controls and finish product release programme.

III. Environment sustainability

With the aim of recognising and promoting an environmentally sustainable value chain, SSML strongly advocates all suppliers to follow the below core principles and align with our sustainability goals.

- a. Manage natural resources efficiently.
- b. Improve energy efficiency and increase the use of renewable energy.
- c. Reduce solid waste generation through prevention, reduction, recycling and reuse.
- d. Identify, compute and monitor GHG emissions
- e. Define targets and roadmaps for GHG emissions reduction, striving to be in line with the 1.5°C pathway.
- f. Monitor the water consumption, identify the areas affected by water stress and develop plans to reduce water consumption with a specific focus on these areas.
- g. Establish procedures to treat effluents generated from operations before discharging them
- h. Any hazardous products or materials produced should always be accompanied with up-to-date environmental information by way of an appropriate material safety data sheet.
- i. Identify and assess the potential impact of operations on the neighbourhood and take appropriate measures to minimize if not avoid any adverse impact be it on the health of local residents or the environment.
- j. Understand the connection between business activity and biodiversity and, as relevant, act to safeguard biodiversity

IV. Social sustainability



SIYARAM SILK MILLS LIMITED

Corporate Office: B/5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Phone: (91-22) 30400500. Fax: (91-22) 30400599 Internet: www.siyaram.com

CIN : L17116MH1978PLC020451

Registered Office: H-3/2, MIDC, A-Road, Tarapur, Boisar, Thane - 401 506 (Mah.).

Siyaram's

We recognise the role we play in the holistic sustainable development of the community and society in general which has given us the social license to operate. Therefore, we constantly strive to contribute towards the social and economic development of the communities in which we operate and expect our suppliers to take steps towards same.

Health & Safety

We attach utmost importance to the health and safety of everyone working with/ for us, our own employees and workers as well as employees and workers of all our vendors, contractors and suppliers.

We expect all our suppliers to ensure their employee and contractor health and safety, with a management system that defines clear guidelines for risk analysis and risk management measures, including the provision of personal protective equipment, adequate equipment safety and an emergency response

Community development

Suppliers must take steps to encourage involvement of local communities and indigenous people by providing them employment as well as goods and services. The legal rights of local people, including but not limited to land rights, must be protected. A formal grievance redressal mechanism should be in place to capture and address all the concerns of the local communities.

Human Rights

We conduct our business activities with respect for human rights and require our suppliers to do the same.

In this context, we expect suppliers to define and implement a policy, a management system and/or practices to ensure respect for the following principles on their sites:

- Abolition of child labor
- Elimination of any form of forced or compulsory labor
- Freedom from torture and inhumane or degrading treatment
- Freedom of association and the right to collective bargaining.
- Promotion of diversity and inclusion, of equal opportunity, and elimination of discrimination and harassment, ensuring fair treatment in the workplace. Diversity includes gender, religion, race, national or ethnic origin, cultural background, social group, disability, sexual orientation, marital status, age or political opinion.
- Compliance with all applicable laws regarding wages, benefits and working hours (including overtime)

Implementation and monitoring



SIYARAM SILK MILLS LIMITED

Corporate Office: B/5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.

Phone: (91-22) 30400500. Fax: (91-22) 30400599 Internet: www.siyaram.com

CIN : L17116MH1978PLC020451

Registered Office: H-3/2, MIDC, A-Road, Tarapur, Boisar, Thane - 401 506 (Mah.).

We expect our suppliers to implement management systems- internal policies, governance structures, systems, processes that allow compliance with this Sustainable sourcing policy and take any other relevant measures to ensure adherence.

The Company reserves the right to audit any supplier's facilities periodically. Suppliers are expected to disclose to us the goals set by them and the measures undertaken by them for each of the various principles underlined in this Policy. We shall work with our suppliers to identify issues that do not meet our expectations and help them in addressing the gaps identified, if any.

Policy review and version history

To continuously improve our contribution to a more sustainable world, we commit to ensure that this Policy reflects customer and supplier feedback and reflects consideration of material societal challenges.

The Policy shall be reviewed for its relevance once every 3 years or earlier, if required, at the discretion of the Company.

Document version	1 st Reviewed Version
Last modified by	William Fernandes, Company Secretary
On (date)	30/03/2023
Approval by	ESG Committee on 30/03/2023



SIYARAM SILK MILLS LIMITED

Corporate Office: B/5, Trade World, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai-400 013.
Phone: (91-22) 30400500. Fax: (91-22) 30400599 Internet: www.siyaram.com

CIN : L17116MH1978PLC020451

Registered Office: H-3/2, MIDC, A-Road, Tarapur, Boisar, Thane - 401 506 (Mah.).