

SUZLON ENERGY LIMITED
SUSTAINABLE SOURCING POLICY

1. Policy History

Date of Board approval	Particulars	Effective Date
22 nd July 2024	Introduction and implementation of Sustainable Sourcing Policy	22 nd July 2024

2. Purpose of this Policy

- 2.1 Suzlon Energy Limited (“SEL” or the “Company”), in pursuit of environmental and social responsibility, is committed to sustainable sourcing. The Company upholds ethical standards, minimizes environmental impact, and fosters responsible practices within our supply chain partners. Through transparency, innovation, and collaboration, the Company strives to create a sustainable future for all. To achieve this vision, the Company has put in place a policy that aligns its goals with its valued business partners and cultivates a culture of responsibility towards sustainability in all its stakeholders.
- 2.2 This policy aims to promote sustainability for the Company’s suppliers and partners. It enables social, ethical, and environmental performance of suppliers in line with the Code of Conduct contained in this Policy.

3. Applicability of this Policy

- 3.1 This Policy applies to the Company’s immediate business partners including its service providers, suppliers, contractors, sub-contractors, vendors, consultants, agents, business partners, collaborators and others that work for or supply goods and services to the Company.
- 3.2 This Policy shall be adopted by the Company’s subsidiaries, subject to suitable modifications, if and to the extent required.

4. Definitions

Unless repugnant to the context:

- 4.1 “Act” shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.
- 4.2 “Applicable Laws” shall mean the Act, the Listing Regulations, the NGRBC Guidelines and / or such other Act, Rules or Regulations that are or may be applicable, including compliance and adherence to all the applicable laws in other countries / jurisdictions.
- 4.3 “Board” or “Board of Directors” shall mean the Board of Directors of the Company.
- 4.4 “Company” or “SEL” shall mean Suzlon Energy Limited.

- 4.5 “Guidelines” or NGRBC Guidelines shall mean the National Guidelines on Responsible Business Conduct issued by the Ministry of Corporate Affairs on 10th December 2018.
- 4.6 “Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.
- 4.7 “Policy” or “this Policy” shall mean this Sustainable Sourcing Policy.
- 4.8 Interpretation – In this Policy, unless the contrary intention appears, words and expressions not defined herein but defined in the Applicable Laws shall have the meanings respectively assigned to them in those Applicable Laws.

5. Review of the Policy and disclosure requirements

- 5.1 This Policy has been implemented on 22nd July 2024.
- 5.2 This Policy shall be disclosed on the website of the Company and a web link shall be provided in the Annual Report.
- 5.3 This Policy is subordinate to the Applicable Laws and in the event of inconsistency between this Policy and the Applicable Laws (including due to subsequent amendments to the Applicable Laws), the provisions of the Applicable Laws will prevail.
- 5.4 The Board shall oversee the implementation of this Policy and review this Policy periodically to ensure their continuing applicability and relevance to its operation and evolving stakeholder expectations so as to incorporate the best practices including changes required, if any.
- 5.5 The Board reserves any right to alter, modify, add, delete or amend any of the provisions of this Policy subject to Applicable Laws.

6. Policy statement

The Company is committed to the following measures across its supply chain to promote Sustainable Sourcing:

- i. **Ethical** - Ethical Behaviour of Supply Chain Partners is of paramount importance for business relationships:
- Prohibit unethical behaviours including any form of bribery, anti-competitive practices, non-compliance of laws and legislations, confidentiality breaches, and Conflict of interest,
 - Ensuring safeguarding of information and property, product quality and sustainable innovation and design practices
 - Establish a reporting mechanism for non-conformance,
 - Treat any violation with adequate caution and based on the degree of severity, taking appropriate action including potentially blacklisting of suppliers/contractors, if deemed fit and/or termination of the contract in extreme cases,

- Establish a supplier assessment framework based on sustainability criteria along with continuous monitoring,
 - Encourage business partners to raise concerns, report any conflict of interest or business conducted against Supplier Code of Conduct under Suzlon's Whistle Blower Policy to report grievances.
- ii. **Social and Legal:** Seek for compliance with laws of the land by the Company's supply chain partners through review during vendor selection and on a periodic basis under audit and risk assessment program – including but not limited to:
- a) Fair Wages & Welfare facilities and adherence to statutory norms,
 - b) Promote adherence to working hours' norms,
 - c) Forbid (non-use of) forced labour, child labour, slavery and human trafficking in any forms,
 - d) Preference to be given for hiring local suppliers as much as possible,
 - e) Advocate gender diversity,
 - f) Treating workers equally and with respect and dignity,
 - g) Protect and promote human rights,
 - h) Improve occupational health, safety and environment; and
 - i) Ensuring workers have access to remedies for reporting grievances
- iii. **Environmental:** The company shall aim to the extent possible to procure services and products locally utilizing *Responsible Production* practices and in promoting manufacturing and sourcing of goods made with and by partners following environmental friendly processes including but not limited to:
- a) Optimizing Energy Consumption,
 - b) Reducing GHG Emissions
 - c) Waste Management promoting 3R's and Zero Waste to Landfill (ZWTL)
- iv. **Economical**
- Prioritize focus on paying our vendors on time and in line with purchase terms including quality norms and applicable laws – especially Micro, Small and Medium Enterprises ("MSME") vendors.
- v. **Health and Safety**
- The Company encourages and expects its business partners to adopt suitable management practices in respect of health and safety ensuring which provide a high level of protections safeguarding for their workers and contractors. The Company is committed to ensuring zero harm to its own employees and even the employee of its business partners.
- vi. **Emergency preparedness:**
- Encourage our business partners to have adequate emergency preparedness and response plans for safeguarding their employees, operations, and security of supply in times of natural events, major catastrophe, pandemic disease, and unforeseen events.

7. Evaluation and Assessment

- 7.1 The Company believes in working with business partners that share same values and commitment to sustainability goals. The Company acknowledges not only the positive contributions it can make to environmental, social and economic factors in its supply chain and operations but also recognize significance of putting in place a risk based

framework to identify, prevent, mitigate and account for actual and potential adverse impact related to Labour and Human Rights, Occupational Health and Safety, Environmental Performance, Business Integrity and Governance. The Assessment of suppliers through *Supplier Assessment Questionnaire* and continuous reporting and monitoring helps the Company to anticipate and prevent or mitigate these impacts.

- 7.2 To prevent potential adverse impacts and address actual impacts, the Company supports and also collaborates with relevant business relationships in developing fit-for-purpose plans for its supply partners to prevent or mitigate adverse impacts identified within reasonable and clearly defined timelines. The Company also supports supply chain partners into mitigating adverse impact or risks through training, knowledge sharing, upgrading or strengthening of their management systems.

8. Reporting and monitoring

- 8.1 The Company acknowledges the Global Reporting Initiative (“GRI”), (including GRI reporting indicators) as providing the framework for reporting on environmental, social and economic impacts. The Company checks compliance with applicable standards and laws, and practices of its supply chain through supplier assessment, and onsite audits.
- 8.2 To facilitate the implementation of this Policy and monitor its application among its suppliers, as well as for compliance with relevant reporting standards, the Company may, from time to time, request certain suppliers to provide it with information related to their sustainability practices and/or specific information required for reporting purposes.
- 8.3 The Company expects the suppliers to report in good faith any potential or actual violation of the Suppliers Code of Conduct, laws, regulations or ethical or professional standards. Unless prohibited by Applicable Laws, the Company expects the suppliers to raise concerns related to the Suppliers Code of Conduct by making a protected and confidential disclosure through the reporting channels mentioned in the Company’s Whistle Blower Policy.
- 8.4 The Company will review/investigate any concerns raised and discuss findings/escalate with the supplier as appropriate. If remediation is required, the supplier will devise and inform the Company of their corrective actions and implementation plan to resolve the breaches effectively and promptly. Reported violations will be treated with confidentiality as per the Company’s Whistle Blower Policy.

The Company is committed to promoting sustainability and monitoring impact of its operations. The Company’s sustainable sourcing policy and periodic monitoring and assessment of suppliers helps in our commitment towards Sustainability being extended to all suppliers and business partners. The Company will continue to work towards a more sustainable future by promoting sustainable sourcing practices.
