



**SUSTAINABILITY SOURCING POLICY**

**OF**

**LLOYDS METALS AND ENERGY LIMITED**

**(CIN: L40300MH1977PLC019594)**

**Registered Office:** Plot No. A 1-2, MIDC Area, Ghugus, Chandrapur,  
Maharashtra – 442505

**Tel. Nos.:** 07172-285103/398

**Corporate Office:** A-2, 2<sup>nd</sup> Floor, Madhu Estate, Pandurang Budhkar Marg,  
Lower Parel, Mumbai 400013

**Tel. Nos.:** 022-6291 8111.

**This Policy has been made effective 16<sup>th</sup> March, 2023**



At Lloyds Metals and Energy Limited (“the Company / “LMEL”), we are committed to sustainable sourcing of materials, goods and services from suppliers who operate using environmental, social, and economic best practices. We comply with the requirements of local laws and regulations related to the environment in the countries and regions in which it operates and from where we source any material, product, or services. We recognize our responsibilities and carry out our procurement activities in a safe and sustainable manner.

We are devoted to assisting our business partners in enhancing their responsible procurement procedures in accordance with international best practices. The adoption of this policy by our business partners is a process, not a one-time occurrence.

All of our business partners are expected to abide by terms our sustainability policy and supplier code of conduct. We will work with our business partner to continue enhance the policy related procedures.

**1. Scope:**

The scope of this policy extends to all the locations of LMEL.

**2. Our Sustainability Approach:**

The Company under “Sustainable Sourcing policy” strives to:

- i. Reduce occupational health and safety risks as much as possible and guard against harm to site workers employed by business partners.
- ii. Create Zero tolerance for any form of forced or compulsory child labor, slavery and human trafficking directly or through contracted labor at business partners’ sites.
- iii. Encourage business partners to adopt principles and practices which are in line with LMEL policies, procedures and Code of Conduct and ensure their compliance with applicable legal obligations
- iv. Carry out appropriate risk assessments and due diligence to promote ethical business practices and policies at our business partner level.
- v. Encourage and train business partners on skill enhancement, risk assessment & mitigation for sustainability management.

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Ms. Trushali Shah	Mr. Prashant Puri	Mr. Madhur Gupta

- vi. Ensure appropriate and relevant information and instruction is made available to business partners on sustainability matters.
- vii. Ensure effective business partner management systems in place and conduct evaluation of competency and sustainability performance prior to contract approval and throughout contract duration.
- viii. Ensure that supplier and business partners relationships are maintained in a fair, proper and transparent manner.
- ix. Promote suitable local business partners, wherever applicable

**3. ESG Expectations from Business Partners:**

**a. Health and Safety:**

- i. We expect that our business partners will implement acceptable management procedures for health and safety that offer a high degree of protection for their employees and contractors. We are dedicated to making sure that neither our staff nor the staff of our business partner will suffer any harm.

**b. Labor and Human Rights:**

- i. We require all of our business partners to uphold all relevant local, state, and federal human rights legislation as well as LMEL’s human rights policy. The company partners must give their workers, contractors, and others a fair, safe, and healthy work environment.
- ii. We expect that our business partners will create and put into place appropriate policies, practices, and trainings to safeguard and advance human rights by addressing issues like forced and child labor, the payment of fair wages, discrimination, freedom of association and collective bargaining, among others.

**c. Environmental Sustainability:**

- i. We expect that our business partners uphold efficient rules, practices, and procedures to minimize their negative environmental effects.

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- ii. We are constantly looking for chances to collaborate with companies who provide products with a minimal negative impact on the environment.
- iii. We expect that our key business partners will establish realistic goals for enhancing resource use effectiveness and lowering GHG emissions.

**d. Business Integrity and Ethics:**

- i. We expect that our business partners will follow the Code of Conduct's prohibitions on bribery, corruption, gifts, and other forms of hostility in letter and spirit. Our stakeholders must uphold our high ethical standards and share our commitment to honesty, transparency, accountability, and vigilance.
- ii. We encourage our business partners to voice their concerns, disclose any conflicts of interest, and report any business done in violation of Lloyds Metals and Energy Limited Supplier Code of Conduct in order to report grievances and promote open communication between management and employees.

**e. Emergency preparedness**

- i. In the case of a natural disaster, significant calamity, pandemic disease, or other unforeseen occurrence, we strongly encourage our business partners to have comprehensive emergency planning and response plans in place to protect their personnel, operations, and supply security.

**4. Evaluation and Assessment:**

The Company believes in working with business partners who share same values and commitment to sustainability goals. We strive to establish a transparent supply chain that meets our minimum Health and Safety, Human Rights, Ethical and Environmental standards.

We acknowledge the positive contributions we can make to the operations and supply chain's economic, environmental, and social factors, but we also understand the importance of putting in place a risk-based framework to identify, prevent, mitigate, and account for actual and potential adverse impact related to corporate governance, human rights, the environment, Integrity, and ethics.

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We support and/or collaborate with relevant business relationships in developing fit-for-purpose plans for our supply partners to prevent or mitigate adverse impacts identified within reasonable and clearly defined timelines in order to prevent potential (future) adverse impacts and address actual impacts. Additionally, we assist pertinent supply chain partners in enhancing or strengthening their management systems in order to reduce negative effects or risks.

Through policies, standards of behavior, contracts, and occasionally formal agreements, we try to add leverage to new and current commercial ties.

Due to the significant risk of a negative impact or the failure of mitigation attempts, we solely consider disengaging from the business partners as a last resort.

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