

Sustainable Procurement policy

Document Version No.: 1.2

Release Date: 30th Jan 24

REVISION HISTORY

Date	Version No.	Prepared By	Reviewed By	Approved By	Summary of Changes
30 th Jan 24	1.2	Jaiganesh Thangavelu (Sr. General Manager)	Rajesh Chavan (Sr. General Manager)	Uma Thomas (Chief Risk Officer)	Updated Quantitative targets

Sustainable procurement policy

Table of Contents

Contents

1. Introduction.....3

2. Scope.....3

3. Sustainable procurement policy3

3.1 Green Procurement practices3

3.2 Our commitment3

3.3 Green Procurement Principles4

 3.3.1 Green inspired.4

 3.3.1.a Green Products and Processes4

 3.3.1.b Reduce, Reuse and Recycle4

 3.3.1. c Adopting Green Initiatives and Practices-5

 3.3.2 Human Rights.....5

 3.3.3 Quality focused5

 3.3.4 Ethical aspects.....5

 3.3.4.a Compliance to laws and regulations5

 3.3.4.b Business integrity & ethics5

4. Governance, Roles & Responsibilities6

5. Quantitative targets.....6

6. Review of policy.....6

Sustainable procurement policy

1. Introduction

Hexaware Technologies and its subsidiaries are engaged in information technology consulting, software development and business process services. With more than three decades of experience, we are a next generation IT and consulting service provider. Our innovative and tailor-made technology solutions enable our clients to achieve operational excellence and enhance customer experience.

At Hexaware, we are always driven by the “True North” values – our unwavering commitment to always do the right thing for our clients, our people, and our communities. We are committed towards social impact and strive for sustainability across every function, including sourcing and procurement.

Through this procurement policy, we intend to make our operations more sustainable by:

- Upholding the laws and regulations of the respective countries we operate in
- Endorsing highest standards of economic, social, ethical, and environmental practices
- Identifying and moderating risks associated with our procurement process
- Communicating the policy with stakeholders (internal and external) and raising awareness among our suppliers

2. Scope

This policy is applicable to our business operations in conjunction with our suppliers, subsidiaries, distributors, and business contacts

3. Sustainable procurement policy

3.1 Green Procurement practices

As an organization we are conscious about People, Planet & Profit. We aim to reduce environmental impacts of our procurement practices & we want to ensure that these green procurement practices are ensured in our supply chain. To achieve our goals and ensure ethical conduct, it is empirical that our suppliers share our values and vision; and raise the sustainability standards 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 business.

3.2 Our commitment

We are committed to engaging with suppliers who share our commitment to sustainable practices and comply with our “Suppliers’ Code of Conduct (SCOC)”.

Sustainable procurement policy

3.3 Green Procurement Principles



In accordance with our commitment to adopting best-in-class sustainable practices across our operations and the value chain, we expect our suppliers to demonstrate the same level of commitment and behavior with respect to ethical conduct, alignment with human rights standards, and safeguarding the environment.

3.3.1 Green inspired.

We believe in creating a safe and clean global environment. We follow the processes as per ISO 14001:2015 Environment Management Systems (EMS) standard within our own operations and expect our suppliers, vendors, contractors to have their focus on environmental impacts

3.3.1.a Green Products and Processes

- Make progressive efforts towards reducing emissions. Opportunities for reduction in water usage should be identified and measures for water conservation should be implemented.
- Suppliers should strive towards enhancing the efficiency and performance of the equipment and processes by continual improvement, monitoring and assessment of technology.
- We expect our suppliers to assess their use of hazardous and toxic material and take necessary steps to reduce it, as much as possible.
- We recommend our suppliers to use renewable sources of energy wherever possible so as to become more energy efficient and energy independent.

3.3.1.b Reduce, Reuse and Recycle

- Waste to landfill should be analysed and suppliers should try and set targets to reduce the quantity of disposal to landfills.
- The supplier should look for opportunities to reduce resource consumption by improving efficiency,

Sustainable procurement policy

investing in advanced technology, reusing material by innovating products and processes.

- Suppliers should try and take steps to reduce the environmental impact of their packaging by using recycled material for packaging, reducing the usage of packaging material and avoiding the use of plastic, thermacol etc. for packaging.

3.3.1. c Adopting Green Initiatives and Practices-

In order to monitor the environmental performance and to become environment friendly, practices to monitor and minimise environmental impact should be imbibed in organisation's processes. We recommend that our suppliers inculcate such practices in their operations to reduce their impact on the environment.

3.3.2 Human Rights

We abide by national and international human rights standards and principles within our own operations and expect the same from our supply chain which includes

- Prohibit slavery and the use of forced, bonded, or child labor
- Prohibit unlawful discrimination and harassment to provide a safe and inclusive work environment
- Provide fair pay and working conditions, including adequate rest periods and parental leave
- Provide safe and healthy workplace, which is in compliance with all applicable safety and health laws, regulations, and practices
- Engage and involve local communities We encourage our suppliers to address issues and concerns of the community impacted by operations of the supplier and minimise the impact.

Local Community Development- We understand that our operations not only affect our own communities but also of our supply chains. Therefore, we encourage our suppliers to undertake steps to collaborate and associate with the local community for economic and social development by providing employment, helping in eradicating poverty, helping in developing skills of local people etc. wherever relevant.

3.3.3 Quality focused

Quality Management System- We expect our suppliers to establish and have a certified Quality Management System. The suppliers should comply with local laws & regulations, management reviews and internal audits to ensure the effectiveness of Quality Management System.

3.3.4 Ethical aspects

3.3.4.a Compliance to laws and regulations

Legal and Regulatory Compliance- We expect our suppliers to comply with applicable laws and regulations as per their country of operation. All other applicable international laws and regulations should also be complied with. Suppliers should follow guidelines of all the required permits and registrations to be legally compliant at all times.

3.3.4.b Business integrity & ethics

We are committed to highest standards of business integrity, accountability, transparency, and ethics. We conduct our business in good faith, ethically and responsibly with suppliers and believe in building trusting, cooperative and long-term relationships.

We ensure that our suppliers across the supply chain and procurement process shall,

- Obey all relevant international and domestic laws regarding ethical business practices
- Demonstrate existence of procedures to prevent:

Sustainable procurement policy

- ✓ Money laundering
- ✓ Fraud, bribery, corruption
- ✓ Conflicts of interest
- ✓ Data security issues
- ✓ Anti-competitive & restrictive trade practices

4. Governance, Roles & Responsibilities

We have defined internal roles and responsibilities to ensure commitment, oversight, and support for the framework. A supportive organizational culture is also imperative to effectively implementing this framework.

Roles	Responsibilities
a) Procurement team & b) Global Vendor Management	1) Onboarding of suppliers 2) Conducting ESG assessment of suppliers 3) Data management of suppliers 4) Conducting audit of suppliers
Central Sustainability team	1) Defining policies & procedures 2) Defining ESG assessment questionnaire & providing subsequent guidance
Quality Management Group	Process improvements

5. Quantitative targets

We have defined & published below goal in our website www.hexaware.com

- 100% critical suppliers to be screened on ESG criteria by 2025

Additionally, we have defined the following internal quantitative targets

- 100% of suppliers to undergo vendor onboarding process
- 100% high risk category suppliers to undergo due diligence assessment
- Provide training to 100% of the suppliers on topics like ESG, Supplier Code of conduct, Anti-bribery Anti-corruption etc.

6. Review of policy

We understand that improvement in procurement performance is a continuous process and recognize the contribution of our suppliers in our journey to become more sustainable.

This policy will be reviewed at least annually or as & when required.