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SUSTAINABLE PROCUREMENT POLICY

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INTRODUCTION

At JMF Performance Materials Pvt Ltd, we acknowledge the critical importance of sustainable procurement practices within the warehouse industry. Committed to environmental stewardship and social responsibility, we understand the pivotal role that procurement plays in realizing sustainability objectives.

Our procurement policy is crafted to align with industry standards and best practices, fostering a supply chain that prioritizes environmental conservation, ethical sourcing, and community well-being.

We firmly believe that sustainable procurement is not merely a choice but a core responsibility. By integrating sustainability principles into our procurement processes, we endeavour to mitigate the environmental impact of our operations, champion fair labour practices across our supply chain, and make positive contributions to the communities we engage with.

This policy exemplifies our dedication to shape a more sustainable future while upholding the high standards of quality and performance expected by our valued stakeholders.

SCOPE

This Policy applies to the following sites and all of its employees, workers, sub-contractors, and other stakeholders:

Sr. No.	Name of Site	Address
1	Bhiwandi Warehouse	D6, 10 To 15, Bhagwan Seth Estate, Purna, Bhiwandi 421302 & B3 Gala No.12, Gayatri Complex, Village Val, Bhiwandi, Thane, Maharashtra, 421302.
2	Chennai Warehouse	WH No.14 at DCB Group, 35/2A & 36/2B2, Sothupakkam Road, Sothupakkam, Redhills, Chennai, Tamil Nadu, 600052.
3	Faridabad Warehouse	Plot No. 12/66, Baba Deep Singh Ji Shaheed Marg, NIT Industrial Area, Opp. Govt. Press Colony, Faridabad, Haryana, 121001.
4	Nariman Point Office	6th Floor, 609, Raheja Centre, Free Press Journal Marg, Nariman Point, Mumbai, 400021.
5	Thane Office	9th Floor, Unit No. 910, B-Wing, Lodha Supremus - II, Plot No. F-4 & F-4/1, MIDC Road No. 22, Wagle Estate MIDC, Thane (W), Maharashtra, 400604.
6	Delhi Office	501, Sethi Bhawan, East Patel Nagar, Rajendra Place, New Delhi, 110008.

POLICY STATEMENT

At JMF Performance Materials Pvt Ltd., we prioritize integrating sustainability throughout our procurement process. Our commitment lies in sourcing materials and services from suppliers dedicated to environmental responsibility, advocating for ethical labour practices, and fostering innovation to reduce our ecological impact while maximizing value for stakeholders in the warehouse industry. In line with various sustainable procurement issues, we have shared our aim and specific target of improvement as compared to baseline calendar year 2022.

OUR COMMITMENTS

- ◆ Our aim is to develop comprehensive training programs to educate employees about sustainable practices, fostering a culture of environmental responsibility throughout the organization.
- ◆ We aim to collaborate with suppliers to promote ethical sourcing, reduce environmental impact, and uphold human rights across our procurement processes, fostering responsible supply chain practices and contributing to positive social and environmental outcomes.
- ◆ Our aim is to uphold internationally recognized labour standards and human rights principles in all aspects of procurement, ensuring fair treatment and equitable opportunities for workers involved in our supply chain, promoting dignity and respect for all.
- ◆ We aim to collaborate with suppliers to promote safe working conditions, fair wages, and freedom from discrimination or exploitation for all employees involved in our supply chain, prioritizing the well-being and rights of workers throughout our procurement practices.
- ◆ Our vision is for the adoption of bio-based materials and recycled resources in warehouse construction, encouraging innovation toward more sustainable product offerings.
- ◆ We encourage our suppliers to prioritize recycling and waste reduction strategies, integrating circular economy principles into warehouse material production processes.

GOALS

Below Goals are in alignment with our ESG KPI Roadmap for the year 2030 and are kept keeping in mind the baseline year of 2022

- ◆ Reduce greenhouse gas emissions by 20% within the year 2030 through energy efficiency measures and renewable energy adoption.

- ◆ Emphasize to achieve that 60% suppliers are holding green certifications, ensuring adherence to environmental regulations and promoting responsible production methods.
- ◆ Decrease carbon emissions by 15% throughout the supply chain by year 2030.
- ◆ To achieve 70% compliance with internationally recognized labour standards, such as those outlined by the International Labour Organization (ILO), within our warehouse and supplier network by year 2030
- ◆ Procure a minimum of 50% of goods from local suppliers within a 500-mile radius to reduce carbon emissions from transportation and support local economies.
- ◆ Establish a supplier training initiative on human rights to ensure 100% compliance by 2030.
- ◆ Boost the utilization of recycled materials in our operations by 15% by 2030
- ◆ Target a 100% minimum wage compliance rate throughout the supply chain by 2030.

ACTION FRAMEWORK: SUSTAINABLE PROCUREMENT POLICY

JMF implements its Sustainable Procurement Policy through a structured approach designed to ensure ethical sourcing, environmental stewardship, and continuous improvement across the supply chain:

- Evaluating Suppliers:

Suppliers are assessed for their environmental performance, labour standards, and human rights compliance. This involves reviewing documentation, conducting site visits, and validating certifications. Continuous assessment ensures partnerships meet JMF's ESG expectations.

- Supplier Commitments:

All suppliers must adhere to JMF's Supplier Code of Conduct, which sets clear standards for environmental responsibility, ethical labour practices, and respect for human rights. Compliance is essential for maintaining long-term relationships and is regularly updated to reflect evolving best practices.

- Building Capabilities Together:

JMF supports suppliers through training, workshops, and knowledge-sharing initiatives. These programs promote sustainability practices such as energy efficiency, carbon footprint reduction, and improved labour standards, fostering collaboration and mutual growth.

- **Monitoring and Accountability:**

Regular audits track supplier adherence to the policy, especially in high-risk areas. Any non-compliance must be addressed with corrective actions, and repeated violations may result in contract suspension or termination. This ensures accountability and strengthens ESG compliance

HARMONIZING SUSTAINABLE PROCUREMENT PRACTICES WITH SUSTAINABLE DEVELOPMENT GOALS

At JMF Performance Materials Pvt Ltd, our Sustainable Procurement policy aligns with the following given SDGs.



GOVERNANCE PROCEDURE

1. Managing Director

Responsibilities:

- Set strategic Sustainable Procurement goals in alignment with the company's mission.
- Approve and provide resources for such initiatives.
- Monitor overall compliance and risk management.

2. Supply Chain Manager

Responsibilities:

- Implement and manage the Sustainable Procurement policy at operational levels.
- Regular training and communications to ensure staff awareness and engagement.
- Monitor day-to-day performance and compliance.
- Review the policy at regular frequency

3. Procurement Team

Responsibilities:

- Apply sustainability criteria during supplier selection and procurement decisions.

- Maintain records of supplier performance and compliance.
- Support suppliers in improving environmental and social practices.

4. Supplier Environmental Practices

Requirements:

- Comply with all relevant environmental laws and standards.
- Use energy, water, and materials efficiently to reduce environmental impact.
- Minimize emissions, waste, and pollution through proper controls and safe practices.
- Encourage recycling, sustainable packaging, and responsible chemical management.

5. Supplier Social Practices

Requirements:

- Follow all labour laws and respect human rights.
- Provide safe and healthy working conditions.
- Prohibit child labour, forced labour, and discrimination.
- Ensure fair wages, working hours, and employee benefits.
- Conduct business ethically with zero tolerance for corruption.

IMPLEMENTATION PROCESS

1. Policy Deployment

All employees will receive a copy of the Sustainable Procurement policy. Regular workshops and seminars will be conducted to reinforce policy understanding.

Embed essential responsibilities into job descriptions and performance reviews.

REPORTING

At JMF Performance Materials Pvt Ltd., we are dedicated to fostering sustainability across our procurement procedures. To better understand our current standing and pinpoint areas for advancement, we've established a comprehensive reporting framework comprising the following core components:

- **Performance Metrics:** Regularly monitor and report on key performance indicators related to sustainable procurement, including the percentage of locally sourced products, adherence to ethical sourcing standards, and supplier diversity metrics.

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- **Compliance Reporting:** Provide transparent reporting on compliance with environmental and social standards, detailing any incidents, violations, or corrective actions taken to address non-compliance.
- **Supplier Engagement:** Communicate with suppliers to share performance data, solicit feedback on sustainability initiatives, and collaborate on improvement opportunities to enhance the overall sustainability of the supply chain.
- **Annual Sustainability Reports:** Publish annual sustainability reports summarizing progress, achievements, challenges, and future initiatives related to sustainable procurement efforts within the warehouse company.
- **Continuous Improvement:** Use reported data to identify areas for improvement, set targets for sustainability performance enhancement, and implement corrective actions to drive ongoing progress and accountability in sustainable procurement practices.

REVIEW MECHANISM

This policy will be reviewed by the Supply Chain Manager every two years to track the progress on every issue and its targets and same will be approved by Managing Director.

Revision History

Date	Changes
01/01/2023	New policy
01/01/2025	Updated commitments, goals and added a topic for employee acknowledgment



APPROVED BY: **Managing Director
Vishal Jhunjunwala**

JMF PERFORMANCE MATERIALS PVT. LTD

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EMPLOYEE ACKNOWLEDGMENT: SUSTAINABLE PROCUREMENT POLICY

I hereby acknowledge that I have received, read, and understood the JMF Sustainable Procurement Policy. I recognize the company's commitment to responsible sourcing, environmental sustainability, and ethical labour practices throughout its supply chain.

I agree to fully comply with this policy in all procurement activities, ensuring that sustainability principles guide my decisions. I am committed to working collaboratively with suppliers to improve their sustainability practices and uphold JMF's environmental and labour standards. I will promptly report any concerns or violations related to this policy through the designated channels.

Employee Signature:

A handwritten signature in black ink, appearing to read "E. Manke". The signature is written in a cursive style with a large initial "E" and a double underline at the end.

Date : 02-01-2025