

Sustainable Supply Chain and Responsible Sourcing Policy **(SSCRS)**

Objective:

The objective of this Policy to align the Suppliers with PDS's commitment to sustainability and reduce our overall externalities on our communities, people, and the planet. Through this Policy, the Company aims to:

- Assist its Suppliers in identifying, mitigating, and managing their sustainability risks
- Share the Company's key sustainability principles for doing business with its Suppliers

Scope & Applicability:

The policy applies to all businesses that provide products and/or services to PDS Limited globally.

Definitions/Key Terms:

- a. Company – Company means “PDS Limited”.
- b. Policy – Policy means the current policy on Sustainable Supply Chain and Responsible Sourcing, including amendments, if any, from time to time.
- c. NAVEX Portal – Platform for suppliers to provide regular feedback.
- d. ESG Committee – Environmental, Social & Governance Committee, if any.

Background / Context

PDS Limited (hereinafter referred to as "PDS" or "The Company") is committed in becoming sustainable to promote equitable development and protecting our environment through conducting its business operations in an ethical, lawful, and socially responsible manner. The Company expects the Suppliers to adhere to the same set of principles. The Sustainable Supply Chain and Responsible Sourcing Policy (the “Policy”) sets the fundamental working standards with which all Suppliers must comply and this policy sets the contract between PDS Limited and its Suppliers.

Roles & Responsibilities:

Company shall be committed towards:

- Complying with national and international laws and regulations depending on where are business units are located

- Endorsing highest standards of safe, ethical, social and environmental practices throughout the supply chain and the procurement practices
- PDS Limited strictly adheres to the United Nations Universal Declaration of Human Rights and the Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work
- Engaging with Suppliers in a fair and equal partnerships with them and work together to build mutual understanding, trust and respect
- Acting with integrity and independence to prevent conflicts of interest and combat corruption. The Company ensures that all its employees fairly deal with its Suppliers to avoid any possibilities for unethical behaviour
- Encourage key Suppliers to adopt a best practice approach towards safeguarding environment, health & safety, human rights, labour policies and business ethics
- Prohibit all forms of slavery, the use of forced, bonded, or child labor across the supply chain
- Prohibit unlawful discrimination and harassment to provide a safe and inclusive work environment
- Engaging with Suppliers from marginalized and/or vulnerable communities wherever possible to promote equitable development for various communities in the society

The Suppliers are expected to:

- Conduct business in an ethical manner and abide by all legal and regulatory requirements and other requirements such as PDS Limited's Responsible Procurement and Partners Charter and the Suppliers Code of Conduct.
- Respect and acknowledge the fundamental rights of their employees with specific focus on the ILO conventions including conventions pertaining to:
 - Effective abolition of child labour.
 - Elimination of all forms of forced or compulsory labour.
 - Freedom of association and the right to collective bargaining.
 - Elimination of discrimination with respect to employment and occupation.
- Ensure safe and fair working conditions for its employees. This specifically comprises of:
 - Legal and humane working hours.
 - Healthy work environment with regular assessments for work related hazards.
 - Policies or mechanisms in place to address any type of harassment or discrimination at the workplace.
- Principles of United Nations Global Compact related to sustainable supply chain will also be followed:
 - Respect and promote human rights in the supply chain, including rights of workers and local communities.
 - Uphold labor standards in supply chain.
 - Minimize environmental impact in the supply chain.
 - Implement anti-corruption and transparency in procurement and supply chain.

- Conducting the business in an ecologically responsible manner and to constantly improve their environmental footprint through innovative products or resource efficient operational development.
- Providing training to employees on aspects such as human rights, health and safety, and environmental protection and conservation.
- If Suppliers face any difficulty in following the Supplier Code of Conduct or Sustainable practices mentioned in this Policy, PDS will help with capacity building sessions for these Suppliers.
- Suppliers can use the NAVEX portal for regular feedback.
- All other conditions mentioned in the Supplier Code of Conduct will be followed.

Procedures/Implementation:

- The Company reserves the right to regularly review and make any necessary modifications to this Policy.
- The Policy shall be easily accessible on Company's website/intranet.
- The Company commits to foster a responsible business by engaging with Suppliers who are committed towards safe, ethical and sustainable work practices.
- The Company expects the Suppliers to commit towards upholding the Company's commitment.
- The Company reserves the right to conduct internal or external assessments of its Suppliers to check their adherence with this Policy.

Compliance & Consequences:

- All relevant employees would receive mandatory training regarding the implementation and adherence to the Policy.
- The ESG committee, if any shall review the Policy periodically and any amendments to the same shall be approved by the Board of Directors.
- Internal processes and assessments for Suppliers that will be held once in 6 months.
- The Supplier shall agree to take appropriate steps to fix the gaps in the implementation of this Policy.
- In case the Supplier fails to take appropriate measures to mitigate risks that arise during assessment, the Company reserves the right, in addition to its contractual rights, to end the Supplier relationship with no further obligations.

Related Documents/References:

This Policy should be read in conjunction with the following documents:

- Supplier Code of Conduct.
- United Nations Universal Declaration of Human Rights.
- Declaration of the International Labour Organization (ILO) on Fundamental Principles and Rights at Work.

- United Nations Global Compact principles.
- Environment Policy.

Ownership and Review:

Ownership: This Policy shall be owned and monitored by the Board of Directors of the Company through the ESG committee if any.

Review: The ESG committee, if any shall review the Policy periodically and any amendments to the same shall be approved by the Board of Directors.

Version History:

Version No.	Approved on	Created by	Approved by
1.	March 28, 2023	Business & Compliance Team	Board of Directors

