

# Sustainable Supply Chain Policy

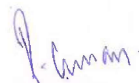
L&T is committed to sustainable growth by fostering responsible business practices across the Company, including its value chain. The Guiding Principles of this Policy lay down the fundamental standards and state the expectations from Supply Chain Partners (SCPs) with respect to environment protection, health and safety norms, labour standards, human rights, ethical business practices and good governance. We encourage our SCPs to share our ethos and integrate these Principles into their decisions, operations, policies and processes.

## Guiding Principles

- Ensure compliance with all applicable statutory and legal provisions, standards, safeguards and controls across the operations and procurement practices and encourage SCPs to go beyond compliance and set new benchmarks.
- Maintain the highest standards of ethics, governance and transparency by embedding fair procurement practices, providing equitable opportunities and forging long-term relationships with SCPs.
- Create awareness and enable SCPs to enhance their environmental performance by setting goals, targets and processes for efficient use of natural resources, conservation of energy and water, waste minimisation, use of eco-friendly materials, recycling, emission reduction, pollution prevention and biodiversity protection.
- Engage and foster collaboration with SCPs to promote high-quality, cost-effective, low-carbon and environmentally and socially responsible business operations, products and services.
- Ensure that SCPs provide a safe, healthy and conducive work environment, adopt the highest standards of human rights and labour practices, and are not complicit in any kind of violation.
- Encourage SCPs to promote and adopt diversity and inclusivity in the workplace.
- Promote social responsibility and encourage SCPs to act responsibly with all stakeholders, especially local and vulnerable communities.
- Seek higher standards of ESG performance from key suppliers and, wherever necessary, undertake remedial and corrective measures, including but not limited to enhancing ESG awareness and capability-building through training and other relevant interventions.
- Ensure that reporting and disclosures of the supply chain performance are in alignment with applicable national and international frameworks and standards.
- Encourage SCPs to measure, monitor and review their ESG performance through audits, third-party verification and similar processes.

All Supply Chain Partners, whether Contractors, Sub-Contractors, Material Suppliers, Service Providers, Consultants, Agents, Technical Collaborators and any entities who do business or are desirous of conducting business with L&T, including their personnel (employees or sub-contractors), are required to take cognisance of this Policy and align themselves accordingly. Alignment with these principles will enable any SCP to have a long-term and fruitful partnership with L&T. This Policy supersedes and replaces the Green Supply Chain Policy dated 15<sup>th</sup> February, 2016, and should be read in conjunction with the Sustainability Policy, Code of Conduct for Suppliers and Whistle Blower Policy For Vendors & Channel Partners and any guidance published pursuant to this Policy.

23<sup>rd</sup> September, 2024



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**LARSEN & TOUBRO**