

PREFERENTIAL PROCUREMENT POLICY**1. Preamble**

In a constantly-changing and more globally-competitive market, countries need to ensure that their economies are growing consistently. This is possible where individual companies within the economy are growing. In the Indian context, there is need for sustainable transformation that adds value to our businesses and adds to the bottom line. Aside from the growth imperative for transformation to succeed, we also cannot ignore the moral and social reasons for empowerment to succeed.

2. Purpose of this Policy

This policy is aimed at setting procurement guidelines for E.I.D. – Parry (India) Limited (“the Company”) and to outline a process to support and document procurement decisions to ensure implementation of our preferential procurement programme.

In pursuit of this objective, the Company will provide for fair and equitable treatment of suppliers involved in procurement with the Company. Therefore all suppliers shall be treated in a fair manner within the framework of this policy unless business dictates otherwise.

3. Policy Statement:

E.I.D.-Parry (India) Limited will employ strategies to ensure the attainment of the objectives of this policy. Some of these are: -

- A database of Enterprises run by disabled people and women shall be established and maintained.
- Encourage the establishment of value-adding joint ventures between traditional suppliers and Enterprises run by disabled people and women which give the latter access to the latest skills and technologies.
- Applying preference to Enterprises run by disabled people and women and enterprises that promote employment of women and people with disabilities in the procurement activities of the Company.
- To prioritise payments to Enterprises run by disabled people and women.
- EID Parry recognize that the Company is part of the communities in which Company operates. EID Parry engage with communities on human rights matters that are important to them such as access to water and health.
- In EID Parry, we value and advance the diversity and inclusion of the people with whom we work. EID Parry is committed to equal opportunity and is intolerant of discrimination and harassment. EID Parry maintain its workplaces free from discrimination or harassment on

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the basis of race, sex, colour, national or social origin, ethnicity, religion, age, disability, sexual orientation, gender identification or expression, political opinion or any other status protected by applicable law.

- The basis for recruitment, hiring, placement, development, training, compensation and advancement at EID Parry is qualifications, performance, skills and experience. In EID Parry, we do not tolerate disrespectful or inappropriate behaviour, unfair treatment or retaliation of any kind. Harassment is not tolerated in the workplace and in any work-related circumstance outside the workplace.
- Employees' right to join, form or not to join a labour union without fear of reprisal, intimidation or harassment are upheld and respected by the Company. Where employees are represented by a legally recognized union, the Company is committed to establishing a constructive dialogue with their freely chosen representatives and the Company is also committed to bargain in good faith with such representatives.
- EID Parry committed to maintain its workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided, as needed, and are maintained with respect for employee privacy and dignity.
- Use of any forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking are prohibited in EID Parry.
- Hiring of individuals under 18 years of age for positions in which hazardous work is involved are prohibited in EID Parry.
- EID Parry compensate employees competitively relative to the industry and local labour market, and in accordance with terms of applicable collective bargaining agreements. EID Parry ensures full compliance with applicable wage, work hours, overtime and benefits laws.

4. Responsibility, Measurement and Reporting

- The responsibility for the implementation of this policy rests with the Chief Financial Officer.
- Each existing supplier and/or potential supplier will be required to submit proof of employing women and people with disabilities and it is the responsibility of the supplier to ensure that this information is up to date.
- Procurement Spend in terms of this policy will be measured annually.
- All employees of the Company who engage directly with suppliers are required to abide by this policy.



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5. Monitoring and Review:

Monitoring and review of this policy is governed by Commercial Department. Due diligence is undertaken at periodical intervals as and when required to identify and prevent human rights risks to people in our business and value chain.

6. Reporting and Remedy:

Any questions or concerns on matters of Procurement shall be reported to Head-Commercial.

EID Parry assures through this policy that any adverse impacts resulting from or caused by the Company's business activities shall be appropriately and adequately remedied in a time-bound manner.