



Tirupati Group

(Tirupati Medicare Limited, Tirupati Lifesciences Private Limited,
Tirupati Wellness Private Limited & Newtramax Healthcare Private
Limited)

Sustainable Supply Chain Policy

Policy Number: TG/P/SCM/001-00

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Introduction

At Tirupati Group (Tirupati Medicare Limited, Tirupati Lifesciences Private Limited, Tirupati Wellness Private Limited & Newtramax Healthcare Private Limited) we uphold ethical and sustainable business practices throughout our supply chain. Our Sustainable Procurement Policy sets forth stringent standards for suppliers, emphasizing professionalism, integrity, and social responsibility. Aligned with global benchmarks such as the United Nations Global Compact, our commitment to ethical conduct guides every procurement decision. By partnering with suppliers who share our values, we aim for sustainable success that benefits society, the environment, and the economy. By adhering to this policy, we aim to cultivate enduring relationships rooted in integrity, professionalism, and environmental stewardship, driving positive impact at every turn.

Scope

This policy applies to individuals or entities supplying services, raw materials, components, intermediates, finished goods, or any other products to Tirupati Group. The standards outlined here are also part of Tirupati Group's internal policies, including the mandatory Code of Ethical Conduct for all employees and representatives.

Preferential Procurement

In alignment with Tirupati Group's commitment to sustainability and social responsibility, our preferential procurement practices prioritize eco-friendly, energy-efficient products, and locally sourced services. Further, Tirupati group is committed to:

- Provide procurement preferences to MSMEs, enterprises owned by women and other minority communities; and
- Lower preferences in purchasing and a lower vendor rating in cases where there is a failure to adhere to the standards outlined in this policy.

Business principles and ethics

At Tirupati Group, we adhere to principles of fairness, transparency, and integrity in all our business dealings, and we expect our suppliers to share and uphold these commitments.



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Ethical Business Practices

- **Conflict of Interest:** Suppliers are required to promptly disclose any conflicts of interest that may arise in their interactions with Tirupati Group.
- **Bribery and Corruption:** Suppliers must refrain from engaging in any form of bribery, corruption, or illegal payments while conducting business with Tirupati Group, and they are expected to comply with all applicable anti-corruption laws.
- **Anti-Competitive Practices:** Suppliers are encouraged to promote free and fair competition in their business operations, refraining from engaging in anti-competitive practices.

Human Rights

- **Child Labor and Slavery:** Suppliers must not employ child labor or forced labor in any of their operations, ensuring compliance with international labor standards.
- **Compensation:** We expect suppliers to provide fair wages to their employees, aligning with legal requirements and industry standards.
- **Health and Safety:** Suppliers are responsible for maintaining safe working conditions for their employees, complying with relevant health and safety regulations, and providing adequate training on workplace health and safety.
- **Harassment at Workplace:** Suppliers must take proactive measures to prevent and address any instances of harassment in the workplace, fostering a respectful and inclusive work environment.

Sustainable Operations:

We are committed to environmental sustainability and expect our suppliers to comply with local environmental regulations and adopt environmentally friendly practices.

- **Resource Efficiency:** Suppliers should endeavor to minimize their environmental footprint by reducing water usage and other raw material consumption, promoting sustainable resource management practices.
- **Ethical Standards:** Suppliers are expected to adhere to ethical standards relevant to their industry, avoiding corruption, and bribery, and maintaining transparency in all transactions.
- **Environment, Health, and Safety (EHS):** Suppliers must monitor and regulate the environmental, health, and safety impacts of their operations, ensuring compliance with national and international EHS regulations. Regular training



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and awareness programs should be conducted to promote a culture of safety and well-being among employees, with prompt reporting of any incidents with severe impacts.

Roadmap to a Sustainable Supply Chain

Tirupati Group aims to lead the Pharmaceutical, Newtra & Ayurveda manufacturing industry towards sustainability, setting a precedent for others to follow. We recognize the diversified nature of the current supply chain and seek to align the activities of all suppliers to minimize environmental impact and promote sustainability.

- *Supplier Training and Collaboration:* We shall organize training sessions for our suppliers, led by industry experts, to educate them about Tirupati Group's sustainable procurement targets for the upcoming fiscal years. These sessions will focus on practical strategies for achieving these targets and encourage suppliers to contribute innovative solutions.
- *Differentiated Targets:* Suppliers will be categorized with respect to their supplies and services with tailored targets and assessment criteria. Regardless of their category, all suppliers must deliver high-quality products/services within specified timelines.
- *Supplier Code of Conduct:* Each supplier shall be required to sign a Supplier Code of Conduct (TG/P/SCM/002-00), committing to adhere to relevant policies such as Environment Health and Safety, Labor and Human Rights, Child Labor, Business Ethics, and other allied policies mentioned in this document.
- *Sensitization of Suppliers:* The Supplier Code of Conduct will also encourage suppliers to promote sustainable and responsible business practices among their own suppliers, fostering a culture of sustainability throughout the supply chain.
- *Assessment Framework:* An assessment framework shall be developed and used to evaluate supplier performance, providing short to long-term targets based on their commitment to sustainability and results achieved. Till then audits & third-party ratings will be used to assess the suppliers on sustainable business readiness.
- *Incentivization and Partnership:* Top-performing suppliers will be incentivized through long-term partnerships, while those failing to meet our standards will be excluded from our supply chain.



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- *Continuous Improvement:* We shall closely monitor supplier performance and collaborate with them to identify and address any challenges or shortcomings. Tirupati Group is committed to supporting all suppliers in their efforts to improve and uphold sustainability standards.
- *Independent Audits:* Regular independent or third-party audits will be conducted on assessing supplier compliance to confirm the satisfactory performance of our vendors, reflecting our steadfast commitment to sustainable procurement practices.

Targets and KPIs

Target	KPIs
Increase the percentage of locally sourced materials by 41% of total spend over the next fiscal year	Percentage of locally sourced materials in the overall procurement portfolio
Achieve a minimum of 51% of total spend supplier compliance with the Supplier Code of Conduct within the next fiscal year	Supplier compliance rate with the Supplier Code of Conduct
Increase the number of suppliers certified for environmentally-friendly practices (e.g., ISO 14001)	Number of suppliers certified for environmentally-friendly practices

Implementation and Accountability

This policy applies to all employees, management, and contractors within the Tirupati Group (Tirupati Medicare Limited, Tirupati Lifesciences Private Limited, Tirupati Wellness Private Limited & Newtramax Healthcare Private Limited).

The supply chain department with the help of department heads will strive to extend sustainability principles to all our suppliers.

Escalation Matrix:

Tirupati Group has a robust escalation protocol to address any deviation or lapse in adherence to this policy.

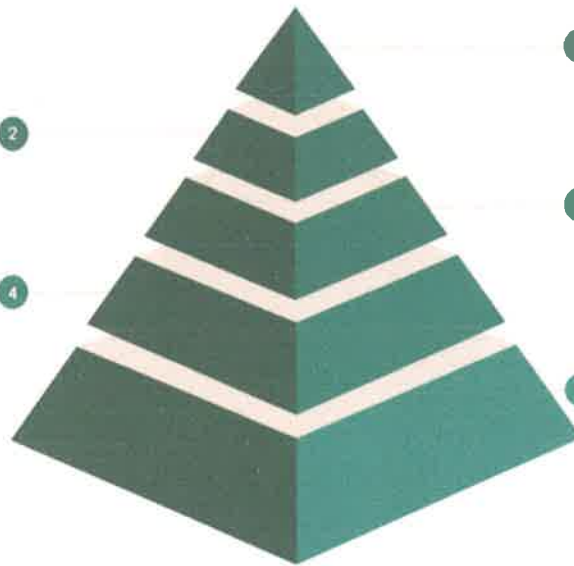
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Response

Upon receiving the notice, supplier is given 15 days to submit his/her response explaining if this is a temporary issue or a permanent issue, and the reasons for default

Assistance

If procurement officer is satisfied that adequate mechanisms may be deployed to improve the situation, he/she must send a team of experts on the supplier's premises. The team studies the case and prepares a remedial plan.



Reporting and Identification

In case a supplier is found non-compliant with Tirupati Group's Sustainable Procurement Policy, a notice shall be sent by the respective department's procurement officer who deals with the supplier

Assessment

Upon receiving the supplier's response, procurement officer assesses the situation and decides if assistance be provided to the supplier to take corrective actions.

Resolution and Follow-Up

The team of experts suggests measures to rectify errors and provides training to avoid repetition of such instances. Based on their examination of the situation, they submit a performance report with the procurement officer who then decides whether to continue relationship with this supplier or terminate the contract

Allied Policies and Procedures

Below is a list of relevant policies and SOPs that have already been put in place by Tirupati Group. These shall be seen as additional documents to supplement this Sustainable Procurement policy:

- a) EHS Policy
- b) Anti-Money Laundering Policy
- c) Anti-Bribery and Anti-Corruption Policy
- d) POSH Policy
- e) Whistle Blower Policy
- f) Code of Conduct
- g) Human Rights Policy
- h) Child Labour Policy

Monitoring and Compliance

- a. We will measure and report on performance through vendor evaluation & at a time of Periodic or third-party Audit to ensure ongoing compliance with this policy.
- b. The ESG Committee will review this policy annually and recommend necessary revisions to the board.

By adhering to these guiding principles, we aim to enhance & uphold sustainability within supply chain.