



SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: cs@seml.co.in
URL: www.seml.co.in CIN: L27100MH1973PLC016617

Sustainable Sourcing Policy

1. Preamble

SEML ("the Company") recognises that sustainable sourcing is essential to responsible growth, operational continuity, and long-term value creation. The Company's supply chain partners play a critical role in supporting its operations, and SEMML is committed to working with business partners who share its values of ethical conduct, environmental responsibility, and respect for people.

This Policy outlines SEMML's approach to integrating environmental, social, and governance (ESG) considerations into sourcing and procurement decisions.

2 Objectives of the Policy

The purpose of this Policy is to establish a structured and responsible approach to sourcing goods and services by:

- i) Promoting ethical, transparent, and sustainable procurement practices;
- ii) Managing sustainability-related risks in the supply chain; and
- iii) Encouraging continuous improvement among suppliers and contractors.

3 Effective Date

This Policy comes into effect from 23.05.2026.

4. Scope and Applicability

This Policy applies to all sourcing and procurement activities undertaken by SEMML across its operations, including engagement with suppliers, vendors, contractors, consultants, and service providers. SEMML expects its business partners to align with the principles of this Policy and to adopt similar standards within their own operations, where feasible.

5 Sustainable Sourcing Approach

SEML adopts a risk-based and proportionate approach to sustainable sourcing, recognising that sustainability risks may vary depending on the nature of goods or services procured, geographic location, and operational context.

The Company endeavours to integrate sustainability considerations at various stages of the sourcing lifecycle, including supplier selection, onboarding, contract execution, and performance monitoring. Sustainable sourcing is viewed as a continuous process rather than a one-time assessment, with an emphasis on engagement, capacity-building, and improvement over time.

6 Environmental Responsibility

SEML seeks to minimise adverse environmental impacts associated with its supply chain by encouraging responsible environmental practices among its suppliers and contractors.

Business partners are expected to operate in compliance with applicable environmental laws

SEML: Sustainable Sourcing Policy



SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: cs@seml.co.in
URL: www.seml.co.in CIN: L27100MH1973PLC016617

and regulations and to adopt measures aimed at:

- i) Efficient use of natural resources such as energy and water;
- ii) Reduction of emissions, waste, and pollution;
- iii) Responsible handling and disposal of hazardous and non-hazardous waste; and
- iv) Adoption of environmentally sound technologies and processes, where practicable.

SEML may engage with suppliers to promote improved environmental performance and resource optimisation across sourcing activities.

7 Health, Safety and Human Rights

The Company places a high priority on the health and safety of individuals working within its supply chain. SEML expects suppliers and contractors to provide safe and healthy working conditions for their employees and workers engaged in SEML-related activities.

This includes implementing appropriate occupational health and safety management systems, conducting hazard identification and risk mitigation, providing necessary training and protective equipment, and enabling reporting of unsafe conditions without fear of retaliation.

8 Business Ethics and Integrity

Ethical conduct and integrity form the cornerstone of SEML's sourcing relationships. Suppliers and business partners are expected to conduct business in a transparent and ethical manner and to comply with SEML's expectations on:

- i) Anti-bribery and anti-corruption;
- ii) Avoidance and disclosure of conflicts of interest;
- iii) Fair competition and honest business practices; and
- iv) Protection of confidential information and intellectual property.

SEML encourages suppliers to establish grievance and reporting mechanisms that allow employees and stakeholders to raise concerns without fear of retribution.

9 Labour Practices and Human Rights

SEML is committed to respecting human rights across its value chain and expects its business partners to uphold the same standards. Suppliers are expected to comply with applicable labour laws and to:

- i) Prohibit child labour, forced labour, bonded labour, and human trafficking;
- ii) Provide fair wages and working hours in accordance with legal requirements;
- iii) Ensure non-discriminatory, respectful, and harassment-free workplaces; and
- iv) Respect freedom of association and collective bargaining, where permitted by law.

SEML may take appropriate action where significant or systemic violations of labour or human rights standards are identified.

10 Supplier Evaluation and Improvement

SEML may conduct sustainability-related evaluations and due diligence as part of supplier selection and engagement, based on risk and materiality. Such assessments may include:

- i) Review of legal and regulatory compliance;
- ii) Evaluation of health, safety, environmental, and labour practices; and

SEML: Sustainable Sourcing Policy



SARDA ENERGY & MINERALS LIMITED

Regd. Off: 73-A, Central Avenue, Nagpur (MH.) 440018
Ph: +91-712-2722407; Fax: +91-712-2722107 Email: cs@seml.co.in
URL: www.seml.co.in CIN: L27100MH1973PLC016617

iii) Assessment of ethical and governance standards.

Where gaps are identified, SEML may work with suppliers to develop time-bound improvement plans aimed at strengthening sustainability performance.

11 Governance & Review

This Policy shall be implemented by SEML's procurement and relevant functional teams, with oversight from senior management.

The Policy shall be reviewed periodically to ensure continued relevance and alignment with regulatory requirements and sustainability objectives.