

Sustainable Procurement Policy

Purpose:

To ensure that all procurement activities are conducted in a sustainable manner that minimizes the impact on the environment, promotes social responsibility, and supports the local economy.

Scope:

This policy applies to all procurement activities carried out by Shapoorji Pallonji Real Estate (SPRE), including but not limited to purchasing goods and services, leasing or renting equipment, and awarding contracts.

Policy Statement:

SPRE is committed to sustainable procurement practices that consider the economic, social, and environmental impacts of our procurement decisions. In order to achieve this, we will:

- Incorporate sustainability criteria into our procurement processes:**
We will focus on sustainability factors such as energy efficiency, waste reduction, sustainable materials and ethical labour practices while taking procurement decisions.
- Give preference to suppliers who demonstrate sustainable practices:**
We will give preference to suppliers who demonstrate sustainable practices, including those who have environmental certifications, implement green policies etc.
- Support the local economy:**
We will support the local economy by giving preference to local suppliers based on its economic impact on our procurement.
- Monitor and report on our sustainable procurement practices:**
We will monitor and report on our sustainable procurement practices to ensure continuous improvement and transparency.

Sustainable Procurement Objectives:

Our organization will strive to achieve the following objectives in all procurement activities:

- Minimize environmental impact:** We will ensure that our environmental impacts are minimized and promote sustainable practices in our operations
- Promote social responsibility:** We would promote social responsibility through our supply chain. Supplier shall adhere to ethical business practices, providing safe working conditions for their employees, and respecting their human rights.
- Ensure economic viability:** We will consider the total cost of ownership, including life cycle costs, when evaluating potential suppliers.

Sustainable Procurement Principles:

To achieve our sustainable procurement objectives, we will adhere to the following principles:

- Sustainable supplier selection:** We will evaluate suppliers based on their environmental, social, and economic performance. We will prioritize suppliers who demonstrate a commitment to reducing waste and promoting resource efficiency

Sustainable Procurement Policy

- b. Local sourcing: We will give preference to local suppliers to reduce the environmental impact of transportation of procured goods in order to support the local economy.
- c. Supplier engagement: We will encourage suppliers to adopt sustainable practices and provide guidance on how to do so through improving awareness and training.
- d. Continuous improvement: We will regularly review and improve our procurement practices to ensure they align with our sustainable procurement objectives and common market practices.

Monitoring and Reporting:

We will establish a monitoring and reporting system to track our progress in achieving our sustainable procurement objectives. We will regularly report on our sustainable procurement performance to our stakeholders and seek feedback on how we can improve.

Force Majeure:

The implementation and achievement of our sustainable procurement objectives under this Policy are dependent on non-existence of adverse market and force majeure conditions, which may be beyond our control.

Review & Update:

This policy shall be regularly reviewed and updated to ensure that we are able to address all potential challenges of procurement and ensure environmental viability at the same time.

Compliance:

All procurement activities must comply with applicable laws, regulations, and policies. All staff involved in procurement activities must adhere to this policy.