



RESPONSIBLE SUPPLY CHAIN POLICY

Effective from: **June 28, 2024**

*Placed before the Board of Directors at its meeting held on July 15, 2024, and reviewed/approved thereat.

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RESPONSIBLE SUPPLY CHAIN POLICY

As a global metals business, we understand that risks of significant adverse impacts may be associated with the extraction, trading, handling and exporting of minerals from conflict-affected and high-risk areas (CAHRAs).

At the same time, we recognise the valuable role that our business can play in advancing responsible business standards, both internally and in our supply chains.

A. With the adoption of this Responsible Supply Chain Policy, we commit to:

- 1) Uphold our responsibility to respect human rights.
- 2) Refrain from any action which contributes to the financing of conflict.
- 3) Comply with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.
- 4) Neither tolerate nor by any means profit from, contribute to, assist with, or facilitate the commission by any party of serious abuses associated with the extraction, transport, or trade of minerals:
 - a) any forms of torture, cruel, inhuman and degrading treatment;¹
 - b) any forms of forced or compulsory labour;²
 - c) the worst forms of child labour;³
 - d) other gross human rights violations and abuses such as widespread sexual violence;
 - e) war crimes or other serious violations of international humanitarian law, crimes against humanity or genocide.⁴
- 5) Not tolerate any direct or indirect support to non-state armed groups⁵ through the extraction, transport, trade, handling or export of minerals, including but not limited to non-state armed groups or their affiliates who:
 - a) illegally control mine sites or otherwise control transportation routes, points where minerals are traded and upstream actors in the supply chain; and/or
 - b) illegally tax or extort money or minerals at points of access to mine sites, along transportation routes or at points where minerals are traded; and/or
 - c) illegally tax or extort intermediaries, export companies or international traders.
- 6) Refrain from any direct or indirect support to public or private security forces that commit abuses or act illegally as described above.
- 7) Not offer, promise, give or demand any bribes; resist the solicitation of bribes; and support efforts, or take steps, to contribute to the effective elimination of money laundering.
- 8) Ensure that all taxes, fees, and royalties related to mineral extraction, trade and export from CAHRAs are paid to governments.

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¹ As defined by the Convention against Torture and Other Cruel, Inhuman, or Degrading Treatment or Punishment, adopted on 10 December 1984 by the UN General Assembly.

² As defined by the ILO Convention No. 29 on Forced Labour (1930).

³ As defined by the ILO Convention No. 182 on the Worst Forms of Child Labour (1999).

⁴ As defined by the Rome Statute of the International Criminal Court.

⁵ As per relevant UN Security Council resolutions.

B. We endeavour to uphold these commitments by implementing a due diligence system aligned to the 5-step framework of the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas ("OECD Due Diligence Guidance"), which includes:

- 1) establishing a strong company management system;
- 2) identifying and assessing risks in the supply chain;
- 3) designing and implementing a strategy to respond to identified risks;
- 4) carrying out independent third-party audit of supply chain due diligence at identified points in the supply chain; and
- 5) reporting on supply chain due diligence;

as articulated in internal Standard Operating Procedures.

C. We use our influence over the supply chain to catalyse positive change. To this end, we best endeavour to:

- 1) Engage with suppliers, as well as central or local governmental authorities, international organisations, civil society, and affected third parties, as appropriate, to design and adopt appropriate risk management plans, to improve and track performance with a view to preventing or mitigating risks through measurable steps taken in reasonable timescales. This includes building capacity within our supply chains through training and dialogue.
- 2) If we or any company in our supply chain contract public or private security forces:
 - a) we endeavour to ensure or require that such engagement is in accordance with the Voluntary Principles on Security and Human Rights;
 - b) we will support efforts, or take steps, to engage with authorities, international organisations and civil society organisations to contribute to improving transparency, proportionality and accountability in payments made to public security forces; and
 - c) we will support efforts, or take steps, to avoid or minimise the exposure of vulnerable groups to adverse impacts associated with the presence of security forces, public or private, on mine sites.

D. While committing to the above strategy of engagement, the following risk management strategies will be adopted where necessary:

- 1) Regarding serious abuses associated with the extraction, transport or trade of minerals, we will immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party committing serious abuses as defined in this Policy.
- 2) Regarding direct or indirect support to non-state armed groups, we will immediately suspend or discontinue engagement with suppliers where we identify a reasonable risk that they are sourcing from, or linked to, any party providing direct or indirect support to non-state armed groups as defined in this policy.
- 3) Regarding public or private security forces, risk management of bribery and fraudulent misrepresentation of the origin of minerals, money-laundering, and non-payment of taxes, fees and royalties to governments, we will suspend or discontinue engagement with suppliers after failed attempts at mitigation within reasonable timelines.

- E. The commitments outlined in this Policy are integral to our broader responsibility to foster responsible supply chains, including respecting human rights and promoting environmental stewardship both internally and in our supply chains, as articulated in our dedicated policies (see [Human Rights Policy](#), [Rehabilitation, Resettlement and Protection of Indigenous People Policy](#) and [Environment Policy](#)).
- F. Any comments, questions, or grievances related to the topics covered in this Policy may be addressed via Hindalco's grievance mechanism:

Email ID	Toll-free Hotline	Web Portal
abg.ethicshelpline@integritymatters.in	1800- 102-6969	www.abgethicshelpline.integritymatters.in

- G. This Policy shall be communicated to all suppliers and other stakeholders, as appropriate, and be made publicly available on our website.
