



## **CarTrade Tech – Sustainable Sourcing Policy**

## **Purpose**

As one of the leading companies in the online multi-channel auto classified platform, we are cognizant of the fact that our success in the long run will be determined by the efficacy of our sustainable practices. As part of this recognition, we acknowledge that our suppliers play an equally important role towards our sustainability goals. We lay emphasis on building relationship with suppliers who share the same approach and vision towards doing sustainable business.

This policy outlines CarTrade Tech Limited's (hereafter referred to as "the Company") commitment towards ensuring that our sourcing and procurement is transparent, managing health and safety risks, and minimizing the environmental impact of our value chain.

## **Applicability**

To ensure compliance with all applicable laws and regulations, all our suppliers are expected to adhere to the principles as laid out in this Policy in addition to following the necessary social, business integrity, and environmental sustainability standards.

## **Guiding principles**

The Company's procurement policy is guided by four key principles:

- a) Maintaining highest ethical standards
- b) Reducing environmental footprint
- c) Facilitating socio-economic development
- d) Ensuring highest quality standards

### **a) Maintaining highest ethical standards**

#### *❖ Transparency and fairness of conduct*

We deal with all our suppliers in an honest, transparent and fair manner. We follow the highest standards of ethics and professionalism in all our procurement activities. We adopt objective criteria comprising of factors like technical specifications, quality, price, service and technology as well as environmental and social impact to select our suppliers.

#### *❖ Prevention against corruption, fraud and anti-competitive practices*

Suppliers are expected to have established policies in place to prevent illegal payments, gifts, bribes, donations or extending other improper advantage to parties in commercial dealings in return for unethical favours. Suppliers are expected to demonstrate existence of procedures and safeguards in place to avoid violations of applicable laws related to money laundering, anti-bribery or anti-corruption, and conflict of interest. No supplier should offer financial or non-financial benefit to the Company's employees to gain unethical and unfair advantage for their business with the Company. Suppliers must adhere to the applicable laws to promote free and fair competition and to solicit business by offering innovative and sustainable products at competitive prices.

Suppliers must have adequate control measures in place to effectively mitigate the risk of fraud to their business. There must be systems in place to identify, assess, and report instances of fraud. These systems shall also include an effective mechanism for employees to flag unethical practices and instances of frauds without the fear of retaliation.

❖ *Confidentiality*

Suppliers shall demonstrate existence of procedures in place to secure the Company's intellectual property, trade secrets and any other confidential, proprietary, and sensitive information and/or data at all times. Suppliers are expected to use any information provided by the Company for the intended and designated purpose as agreed upon while signing the business contract.

❖ *Compliance with laws*

Suppliers must ensure to comply with all laws and regulations, including but not limited to, sanctions, export controls, reporting obligations, data protection and anti-trust/ant-competition laws, applicable environmental, health and safety, human rights related laws, etc. in their country/region/locality of operation.

**b) Reducing environmental footprint**

With the aim of improving the environmental sustainability of our value chain, the Company expects all suppliers to endeavour to undertake following initiatives within their operations.

- ❖ Responsible and efficient management of natural resources/ inputs.
- ❖ Improve energy efficiency and increase the use of renewable energy.
- ❖ Adopt the reduce, recycle and reuse framework for efficient waste management.
- ❖ Identify, quantify and monitor GHG emissions.
- ❖ Define targets and roadmaps for GHG emissions reduction, striving to be in line with the 1.5°C pathway.
- ❖ Reduce water consumption levels, especially in water stress areas.
- ❖ Put in place adequate procedures to treat effluents generated from operations before discharging them.
- ❖ Minimize the impact of operations on the areas in the vicinity to prevent adverse impact on health of local residents or the environment.
- ❖ Undertake initiatives to protect biodiversity in and around the area of operation.

**c) Facilitating socio-economic development**

We are cognizant of our responsibility towards holistic development of the community and society in general which gives us the social license to operate. Therefore, we constantly strive to contribute towards the social and economic development of the communities in which we operate and expect our suppliers to take steps towards same.

❖ *Health & Safety*

We lay special emphasis on the health and safety of everyone working with/ for us, including employees and workers of all our suppliers. We expect all our suppliers to adopt a Health & Safety management system with clear guidelines for assessment and management of related risks. The suppliers must make adequate provisions for personal protective equipment and ensure safety while operating the equipment.

❖ *Community development*

In line with our endeavour, we expect suppliers to take steps towards involvement of local communities and indigenous people within their value chain and operations by facilitating their employment as well as business contracts. We also expect our suppliers to protect the legal rights of local people, including but not limited to land rights. The suppliers are expected to put in place a formal grievance redressal mechanism to deal with the concerns of the local communities.

❖ *Human Rights*

We conduct our business activities with respect for human rights and require our suppliers to do the same. Consequently, we expect our suppliers to adopt practices to ensure protection of human rights of all their stakeholders. The suppliers must strictly ensure the following in their operations:

- ❖ Elimination of child labor and any form of forced/ compulsory labor.
- ❖ Prohibition of torture and inhumane or degrading treatment.
- ❖ Promotion of diversity and inclusion in hiring and employment practices, of equal opportunity, elimination of discrimination and harassment, and fostering a fair workplace irrespective of gender, age, religion, race, ethnicity, nationality, social group, disability, sexual orientation, marital status, or political opinion.
- ❖ Freedom of association and the right to collective bargaining.
- ❖ Compliance with all applicable laws regarding wages, benefits and working hours (including overtime).

**d) Ensuring highest quality standards**

We take pride in serving the needs of our customers through our high-quality offerings. We expect our suppliers -

- ❖ To adopt quality objectives, policies, manual, procedures and have in place a certified Quality Management System by competent authority like ISO.
- ❖ To ensure that the Quality Management System is effective by adhering to local regulations and registrations.
- ❖ To conduct staff trainings, internal management reviews and audits to obtain feedback on the Quality Management System for its timely improvement.
- ❖ To undertake proper installation of the equipment and conduct timely maintenance.
- ❖ To ensure proper housekeeping as well as hygiene, safety and security of staff.

### **Implementation and monitoring**

- We expect our suppliers to adopt management systems - policies, governance practices, processes and any other relevant measures that facilitate compliance with this Policy.
- The company reserves the right to seek relevant data/ information from the suppliers. We expect suppliers to disclose to us the initiatives undertaken to comply with the principles outlined in this Policy and the related KPIs.
- Wherever required, we shall work with our suppliers to identify and manage performance on KPIs, if any, that fall short of our expectations.

### **Policy review**

- We commit to ensure that this Policy keeps up with the evolving sustainability landscape and reflects consideration of material societal challenges and, with a review annually, if required.
- Any change shall be communicated to our suppliers.