

# KDDL Due Diligence on Responsible Sourcing Policy

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## 1. Preamble and Commitment

KDDL Limited (“the Company” or “KDDL”) is committed to responsible, ethical, and sustainable sourcing practices. The Company recognises that effective due diligence across its supply chain is critical to identifying, preventing, mitigating, and addressing adverse impacts related to human rights, labour practices, ethics, environment, and legal compliance.

This Due Diligence on Responsible Sourcing Policy (“Policy”) establishes a structured and risk-based framework to assess, monitor, and manage supply chain risks, in alignment with KDDL’s **Supply Chain Policy, Human Rights Policy, Child Labour Policy, Forced Labour Policy, Whistle Blower Policy, and Grievance Mechanism Policy.**

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## 2. Statutory and International Framework

This Policy is guided by and aligned with:

- Applicable Indian labour, employment, environmental, and contract laws.
- UN Guiding Principles on Business and Human Rights (UNGPs).
- OECD Due Diligence Guidance for Responsible Business Conduct.
- International Labour Organization (ILO) Core Conventions.
- ESG and responsible sourcing best practices.

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## 3. Objective

The objectives of this Policy are to:

- Establish a consistent and transparent due diligence framework for responsible sourcing.
- Identify and assess actual or potential risks in the supply chain.
- Prevent, mitigate, and remediate adverse impacts related to human rights, labour, safety, environment, and ethics.
- Integrate responsible sourcing considerations into procurement and supplier management processes.
- Strengthen accountability and governance across the supply chain.

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## 4. Scope and Applicability

This Policy applies to:

- All sourcing and procurement activities of KDDL Limited and its subsidiaries.
  - All suppliers, contractors, subcontractors, vendors, service providers, agents, and intermediaries in relation to RJC-scope materials.
  - All tiers of the supply chain, including upstream and downstream partners, where relevant activities connected to RJC-scope materials.
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## **5. Responsible Sourcing Due Diligence Framework**

KDDL shall adopt a **risk-based and proportionate due diligence approach**, which includes the following key elements:

### ***5.1 Risk Identification and Assessment***

- Identification of supply chain risks based on factors such as geography, sector, nature of goods or services, and supplier profile.
- Assessment and categorization of risks, followed by their management plan, in accordance with the **KDDL Risk Management Policy**.

### ***5.2 Supplier Due Diligence Tools***

Responsible sourcing due diligence shall be undertaken using **risk-based and proportionate tools**, as determined by the Company, which may include one or more of the following:

- Supplier self-disclosures or declarations, including structured questionnaires or other information sought by the Company;
- Evaluation of suppliers' legal standing, regulatory alignment, and declared compliance with applicable laws and standards;
- Physical or remote verification activities, including site visits, or other engagement mechanisms, where considered necessary;
- Reliance on external assurances, accreditations, certifications, or independent assessments, where deemed relevant by the Company.

The selection, scope, and depth of due diligence tools shall be **determined by the Company**, based on factors such as the nature of the supplier relationship, geographic location, sectoral risks, and materiality of potential impacts.

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## 6. Integration into Supplier Lifecycle

### 6.1 Pre-Onboarding Due Diligence

- Due diligence shall be conducted prior to onboarding new suppliers, proportionate to the assessed risk level.
- High-risk suppliers may be subject to enhanced due diligence or additional approvals.

### 6.2 Ongoing Monitoring

- Periodic reassessment of suppliers shall be undertaken during the business relationship, with methods as deemed appropriate by the company or in accordance with the Due Diligence Tools defined under section 5.2 of this policy.
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## 7. Corrective Actions and Remediation

- Where risks or non-compliances are identified, suppliers shall be required to implement **time-bound corrective action plans**.
  - Serious, repeated, or unremediated violations may result in suspension or termination of the business relationship.
  - In cases involving severe human rights impacts, KDDL shall cooperate with authorities and support remediation efforts, where feasible.
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## 8. Grievance Mechanism and Reporting

- Workers in the supply chain and other stakeholders may raise concerns related to responsible sourcing through:
    - Supplier grievance mechanisms; or
    - KDDL's **Grievance Mechanism Policy** and **Whistle Blower Policy**, as applicable.
  - Complaints shall be handled in a confidential, fair, and non-retaliatory manner, in line with KDDL's grievance framework and escalation matrix.
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## 9. Documentation, Record Keeping and Communication

- Supplier documents shall be kept in records, and retained in accordance with KDDL's record retention requirements.



- Documentation shall support audit, ESG reporting, and regulatory compliance.
- A copy of this Policy shall be made available on the company website.

## 10. Review, Disclosure and Amendment

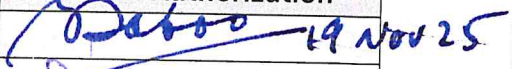
This Policy shall be reviewed **at least once every two (2) years** or earlier, if required due to changes in laws, supply chain risks, business operations, or governance standards.

Relevant disclosures may be made in sustainability, ESG, or statutory reports, as applicable.

In the event of any inconsistency between this Policy and applicable law, the provisions of the applicable law shall prevail.

The Company reserves the right to **interpret, implement, amend, suspend, or withdraw** this Policy or any part thereof, in accordance with applicable law and business requirements. The interpretation of this Policy by the Company's Management shall be **final and binding**, subject to applicable statutory provisions.

### Authorized By:

Authorizer	Name	Date of Authorization
Managing Director	Mr. Yashovardhan Saboo	 19 Nov 25
Executive Director	Mr. Sanjeev Masown	