

Sustainable Supply Chain Policy

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1.0	GCT	VP - Procurement	SVP & CCO

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OBJECTIVE

This policy aims to promote Sustainability for our suppliers and partners. It enables the social, ethical, and environmental performance of suppliers in line with the Code of Conduct.

SCOPE

This policy applies to the sourcing of products or services for Firstsource's key suppliers including products or services sourced from local or international suppliers; by tender (Request for Proposal); or Purchase Order (PO) or by negotiation with a targeted or strategic supplier or a joint venture partner.

THE POLICY

We expect our suppliers to be committed to:

1. Ethically conduct business and abide by all legal and regulatory requirements and other requirements like the Firstsource Supplier Code of Conduct, Firstsource Anti-Bribery Policy, etc.
2. Deal in good faith, ethically, and responsibly with suppliers, and build trusting, cooperative, and long-term relationships.
3. Comply with all local and international laws and regulations on social, ethical, and environmental issues
4. Respect the Human Rights of all stakeholders in the supply chain
5. Promote diversity and inclusivity
6. Provide a safe and healthy workplace to its employees and other partners
7. Demonstrate commitment to protecting the environment by conserving natural resources, preventing pollution, implementing waste reduction and management programs, and minimizing its impact on the climate
8. Create other benefits for our company, such as reduced costs, improved risk management, enhanced quality, and product or service innovation

In terms of ESG practices like Ethics And Compliance With Laws, Labour Practices And Human Rights, Health And Safety, and Environment we have well-defined guidelines in our [Supplier Code of Conduct Policy](#).

THE PROCEDURE

We view the FSL Sustainable Supply Chain Policy to be adhered to by the vendors by making it a clause in the MSA or PO wherever applicable.

Firstsource shall seek a response on the [Supplier screening questionnaire \(Scorecard\)](#) from its top 10 vendors based on the annual business value and make sure that the vendors engaged with Firstsource meet the minimum overall score of 5 points. If the vendors fail to meet the standard, Firstsource shall provide reasonable time to its vendors to bring relevant changes and be in line with the set threshold. Exceptional approval from CFO is required for the vendors falling below the threshold.

PREFERENTIAL PROCUREMENT POLICY

Commitment to supplier diversity is an integral component of Firstsource social responsibility program.

We take pride in our strategic supplier partnerships and embrace the vision and mission of our supplier diversity initiative.

Our vision is to institutionalize Supplier Diversity in all contracting and procurement initiatives within Firstsource to promote, increase, and improve the participation of minority-owned, woman-owned, disadvantaged-owned, LGBTQIA+ owned, veteran-owned, HUB Zone, and small businesses.

Our mission is to integrate and implement a measurable, quality Supplier Diversity process into all purchasing activities that support strategic sourcing and all lines of business as we work to meet client and business needs.

Our objectives include:

- Actively seeking out certified diverse suppliers that can provide competitive, high-quality goods and services whose business model is aligned with our business strategy.
- Ensuring the inclusion of diverse suppliers as a part of our strategic sourcing and procurement process.
- Leveraging our supplier diversity results to meet our clients' supplier diversity requirements.

Responsibilities:

Global Commercial team will identify small, minority-owned, women-owned, disadvantaged/disabled, veteran-owned, and LGBTQIA+ business enterprises to compete for business and from whom to obtain goods and services whenever possible

Procedure:

Firstsource uses many factors when deciding to engage vendors including, price, and contract terms, quality of services and/or reputation, service delivery, and service timeliness. Assuming the vendors are similarly situated, providing comparable services at comparable volumes upon comparable terms,

Quarterly GCT will report the total spending that occurred with diversified suppliers to the Compliance team and Client service team irrespective of contractual agreements we have with our Clients regarding diversity spending.

REVIEW

We view the FSL Sustainable Supply Chain Policy as an ongoing, long-term commitment to continuous improvement in the quality of sustainable business practices of Firstsource suppliers. The policy can be reviewed considering the views and suggestions of respective department heads and suppliers.