

# eClerx



**ENVIRONMENTAL, SOCIAL AND GOVERNANCE**

## Sustainable Procurement Policy



Project	eClerx Sustainable Procurement Policy
Company	eClerx Services Ltd.
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eClerx

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## 1. Introduction

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At the core of eClerx’s business, we help organizations work smarter, not harder. eClerx was founded in 2000 with the goal of transitioning, managing, and transforming complex business processes. Created from humble beginnings in a small office in Mumbai, today eClerx employs 16,000+ people across 11 countries globally. Clients benefit from our operational and domain expertise that helps them improve operational efficiency, productivity, efficiency, speed, and quality. The industries we serve include financial services, cable and telecommunications, retail, fashion, media and entertainment, manufacturing etc. Our customizable services and solutions optimize the way companies conduct business by streamlining the processes and improving business performance – while keeping costs down.

As an organization endeavoring towards accomplishing sustainability, eClerx views procurement as an element of environment and people. We appreciate the fact that the sustainability of eClerx’s final products and services will not be considered “green” or sustainable, if the suppliers that we are engaged with are not making the supply chain sustainable. Here, we focus on the environmental practices the suppliers engage in, as well as the social and labor relations they associate with as part of their supply chain that are part of the procurement process for the firm. In view of this information, eClerx has created this Sustainable Procurement Policy.

## 2. Scope of Application

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This document dedicated to sustainable procurement policy is applicable to all employees who are involved in procurement work (full-time, part-time and contractual employees) and suppliers of eClerx Services Limited. Local laws may take precedence over this policy where applicable.

## 3. Our Commitment

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At eClerx, we believe in long-term value creation for the environment and society, and we would like our efforts in generating such value to be emulated by our supply chain partners. As such, we greatly appreciate suppliers who see it as their responsibility to preserve the integrity and state of both the environment and the people in their ecosystem. Suppliers who have a track record in sustainable practices, or those who demonstrate a clear intent to reduce their negative externalities for the betterment of the environment and society, are all welcome to work with us.

Our company abides by the commitments made with respect to the following topics:

### 3.1. Environmental Practices Among Suppliers

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At eClerx, we integrate environmental issues with the company’s supply chain management alongside conventional procurement considerations. We prioritize working with suppliers who are committed to environmental practices, including but not limited to, carbon emission minimization, efficient water and waste management and, eco-friendly products and materials provision. We have a supplier code of conduct to ensure that procurement from suppliers is done in a manner that impacts the environment least adversely. We also assess our suppliers to understand their environmental practices and performance by requesting the details of their practices and processes by means of a questionnaire and audit. We engage with our suppliers proactively on pro-environmental practices and processes.



Our collaboration with suppliers includes providing them with resources such as materials, standards or technologies, jointly developing more environment-friendly products and helping them to implement sustainable production processes. We are committed to addressing the lapses in green procurement by highlighting the gaps and corrective actions to the targeted suppliers.

### 3.2. Social Practices Among Suppliers

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Social responsibility and supplier diversity serve as strategic business advantages, and can help eClerx enhance its brand reputation and customer loyalty, reduce risks and compliance costs, and maintain quality and reliability. In the marketplace, this also helps improve innovation and competitiveness by providing access to new markets, products, and ideas, which can help to support local communities, enhance their economic development, and promote environmental sustainability. We integrate labour and human rights issues in the company's supply chain management alongside conventional procurement considerations. We prioritize the supplier who shares the common goals with eClerx on upholding labour and human rights standard, such as providing the employees with healthy and safe working environment, fair working conditions, and observing zero tolerance to child and/or forced labour. eClerx also implements a supplier diversity program that applies to all suppliers globally. Diversified suppliers are identified and prioritized throughout our procurement process. There is no discrimination based upon race, faith, gender, sexual orientation, age, marital status, disability or political affiliations. Suppliers shall follow practices of establishing supplier codes of conduct and monitoring supplier social performance through audits and third-party certifications. We encourage MSME (Micro, Small and Medium Enterprises) and try to help them by making prompt payments.

### 3.3. Business Integrity and Ethics

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eClerx suppliers are to conduct themselves ethically and morally and respect local laws and strictly prohibit bribery and corruption in any form. As a business, eClerx's reputation is vital to its success. Customers, suppliers, business partners, and investors need to trust that eClerx is operating a sustainable and ethical business across its entire value chain. Suppliers are encouraged to report all suspected cases, actual breaches and concealment of any forbidden acts. eClerx's suppliers must act in accordance with the highest ethical and legal standards of eClerx Code of Business Integrity and we are determined to work with suppliers who are aligned with our values. To make our expectations clear, eClerx has created this Supplier Code of Business Integrity which reflects our own ethical standards as well as eClerx's commitments to integrating economic, societal and environmental sustainability in all its activities. eClerx's supplier diversity program expands purchasing opportunities for businesses owned and operated by minorities, women, LGBTQIA+, veterans, and service-disabled veterans, and disabled persons. Purchasing opportunities are also expanded for our non-profit organizations that hire disabled persons as well, if possible.

### 3.4. Targets

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- To put in place a CSR/Sustainability code of conduct for procurement by 2023-24
- To increase the percentage of targeted critical suppliers with contracts integrated with social & environmental clauses by 100% by year 2024
- To ensure that CSR risk assessments or supplier assessment questionnaire are conducted on 10% of all defined critical vendors by year 2024. Apart from that, we will ensure that it is conducted for at least 70% of new suppliers going forward.
- To increase the percentage of all defined critical suppliers undergoing on-site audits by 5% by year 2024

## 4. Responsibilities

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The management and all employees of eClerx are responsible for abiding by this policy document. They are also obligated to ensure that the policy is enforced uniformly and the information regarding the same is easily available to all relevant full-time, part-time and contractual employees, as well as our suppliers. eClerx strongly encourages its suppliers/employees and management to go beyond the requirements set out in this Code and to promote best practices as well as continuous improvement.

For vendors, benchmarking and selection/on-boarding is based on the defined parameters under our standard vendor evaluation template. Extra or additional weightage is applied based on the sustainable procurement policy or as per the terms of the sustainability/diversity program. Turnaround times for each vendor are defined on a case-by-case basis, and have been defined in the procurement-to-pay cycle. Any grievances will be addressed directly by the procurement department.

- Management – To enforce the policy document upon the organization and all employees
- Employees – To adhere to this policy and execute it

## 5. Review

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Annual review about the extent to which this policy document is being enforced and followed by the organization, its various functions as well as all business units will be conducted by the senior management of the organization. Review of this policy document also extends to its application by the suppliers. The date of the last review conducted and the upcoming review to be conducted should be noted for record keeping and ensuring transparency in the review system. Such noting shall be done through an annexure to this policy.

Date of last review	Date of next review
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## 6. Communication

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eClerx will rely on the following channels of communication to dissipate information about this policy

- During onboarding of employees, the policy document will be shared with the new employees in procurement and related functions
- Any significant development with regard to the policies will be shared via email with all employees in procurement and related functions of eClerx
- Annual reminder to all employees about the organization’s commitment to sustainable procurement and this policy document

## 7. Sanctions

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Non-compliance of this Policy is frowned upon by the organization. Full-time, part-time, contractual employees and especially the senior management will be responsible for identifying the areas of negligence and any assistance from the employees is encouraged.

We depend on our stakeholders to report any suspected violations of this policy by writing to **Infra\_Procurements@eclerx.com** or writing to the following address: **eClerx Services Limited Sonawala Building, 1st Floor, 29 Bank Street, Fort, Mumbai - 400 023**. The confidentiality and anonymity of all employees reporting any suspected neglect of this policy will be protected by the company. There will also be no retaliation against any employees who report instances of non-compliance.

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Kapil Jain

Managing Director and Group CEO

November 08, 2023



## **ANNEXURE**

<b>Date of last review</b>	<b>Date of next review</b>
-	October 2024

### **Revision History**

<b>Date</b>	<b>Description of the Change</b>	<b>Updated by</b>	<b>Approved by</b>	<b>Document version</b>
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