

SUSTAINABLE PROCUREMENT POLICY



01/04/2023
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TABLE OF CONTENTS

INTRODUCTION TO SUSTAINABLE PROCUREMENT POLICIES:.....	3
SCOPE:.....	3
POLICY STATEMENT:	3
CORE PROCUREMENT PRINCIPLES:	6
GOALS AND COMMITMENTS (Baseline Year: 2022)	6
RESPONSIBILITY:.....	8
GENERAL SUSTAINABLE PROCUREMENT TARGETS	9
CONSEQUENCES OF VIOLATIONS OF SUSTAINABLE PROCUREMENT POLICIES.	10
REPORTING MECHANISM.....	11
SDG ALIGNMENT	13
REVIEW MACHENISM:.....	14
REVISION HOSTORY.....	14
EMPLOYEE ACKNOWLEDGMENT FORM FOR MERIDIAN INTERNATIONAL.....	15
EMPLOYEE ACKNOWLEDGMENT FORM FOR TULIP CREATION	16
EMPLOYEE ACKNOWLEDGMENT FORM FOR TULIP IMPEX SITE.....	17

INTRODUCTION TO SUSTAINABLE PROCUREMENT POLICIES:

At Meridian Global Ventures Pvt Ltd Group, we recognize that sustainable procurement is a key component of our commitment to environmental and social responsibility. Our sustainable procurement policies are designed to ensure that our purchasing practices support our sustainability goals and uphold the highest standards of ethics and responsibility. These policies focus on sourcing materials and services that are environmentally friendly and economically viable. By integrating sustainability criteria into our procurement processes, we aim to minimize our environmental impact, support sustainable development throughout our supply chain. Through these efforts, Meridian Global Ventures Pvt Ltd Group reaffirms our dedication to sustainable business practices and our commitment to creating a positive impact on the planet and society.

SCOPE:

This policy applies to all sites under Meridian Global Ventures Pvt Ltd Group purview, encompassing employees, workers, subcontractors, and all other stakeholders:

Sr. N o.	Site	Address
1	TULIP CREATION	D.No.3/10 C ATHUPALAYAM ROAD, 11 CHETTIPALAYAM V ILLAGE, POONDI, TIRUPUR-641 652
2	TULIP IMPEX	D.NO 369/2B,1 ST Floor, KS THOTTAM, MAHAVISHNU NAG AR ANGERIPALAYAM ROAD, TIRUPUR-641 603
3	MERIDIAN INTERN ATIONAL	SF NO 365 KG NAGAR, PITCHAMPALYAM PUDUR, TIRUPU R-641 603.

POLICY STATEMENT:

Meridian Global Ventures Pvt Ltd Group is committed to embedding sustainability into our procurement practices to drive positive environmental, social, and economic impacts throughout our supply chain. Our dedication extends to sourcing materials

and services in a manner that prioritizes ethical standards, minimizes environmental footprint, and supports responsible social practices. This includes selecting suppliers who adhere to rigorous sustainability criteria, promoting the use of environmentally friendly materials, ensuring fair labor practices, and fostering transparency and accountability in our supply chain. Through these efforts, we aim to create long-term value, enhance our environmental stewardship, and contribute to a more sustainable and equitable global economy.

DUE DILIGENCE

At Meridian Global Ventures Pvt Ltd Group, our due diligence process for sustainable procurement policies is designed to ensure thorough compliance with sustainability standards and effective management of our supply chain.

KEY COMPONENTS:

1. Assessment and Auditing:

- Conduct comprehensive assessments and audits of suppliers to evaluate their adherence to customer health and safety standards, sustainable sourcing practices, and labor and human rights requirements.
- Identify gaps and areas for improvement, ensuring that suppliers meet both regulatory standards and our internal sustainability benchmarks.

2. Monitoring and Reporting:

- Implement robust monitoring systems to track supplier performance on metrics related to environmental impact, labor practices, and sourcing sustainability.
- Maintain detailed records and prepare regular reports on procurement performance to ensure transparency, accountability, and alignment with our sustainability goals.

3. Implementation of Best Practices:

- Integrate best practices for sustainable procurement across all categories, from sourcing to supply chain management.
- Leverage advanced technologies and innovative solutions to enhance procurement efficiency, reduce environmental impact, and promote ethical practices.

4. Employee Training and Engagement:

- Provide ongoing training and education to procurement staff on sustainable practices, policy compliance, and ethical sourcing.
- Encourage a culture of responsibility and accountability among employees to support our sustainability objectives and enhance procurement practices.

5. Stakeholder Collaboration:

- Collaborate with suppliers, customers, and other stakeholders to promote and achieve shared sustainability goals.
- Engage in initiatives that improve overall procurement practices and support broader environmental and social objectives.

6. Continuous Improvement:

- Regularly review and update sustainable procurement policies to reflect evolving regulations, best practices, and industry advancements.
- Set clear, measurable targets for procurement improvements and develop action plans to achieve these goals.

Application of Due Diligence in Sustainable Procurement Policies:

The due diligence process is applied across all aspects of our sustainable procurement policies, including:

- Customer Health and Safety: Ensuring suppliers meet safety standards and regulations.
- Sustainable Sourcing: Verifying sustainable practices in the sourcing of goods and services.
- Supply Chain Management: Monitoring and managing sustainability across the entire supply chain.
- Environmental Issues: Addressing procurement's impact on the environment through responsible sourcing.
- Labor and Human Rights: Ensuring fair labor practices and respect for human rights within the supply chain.

By implementing this due diligence process, Meridian Global Ventures Pvt Ltd Group ensures that our sustainable procurement policies are effectively integrated into our

operations, driving responsible sourcing and minimizing our environmental and social impacts.

CORE PROCUREMENT PRINCIPLES:

1. **Ethical Sourcing:** Prioritize suppliers that ensure customer safety and uphold fair labour practices.
2. **Sustainable Sourcing:** Choose suppliers committed to reducing environmental impact and using resources responsibly.
3. **Transparent Supply Chain:** Implement robust monitoring and engage stakeholders for accountability and transparency.
4. **Innovation and Efficiency:** Adopt best practices and technologies to enhance procurement efficiency and sustainability.
5. **Community and Environmental Stewardship:** Support environmentally and socially responsible practices for broader positive impact.

GOALS AND COMMITMENTS (Baseline Year: 2022)

Customer Health & Safety

- Establish rigorous testing protocols for all products before market release
- Ensure transparency in product composition and care instructions
- Promote the use of eco-friendly and hypoallergenic materials
- Achieve 100% compliance with global textile safety standards (e.g., OEKO-TEX, GOTS) for all products by Year 2030.
- Ensure 100% of product labels and instructions include clear safety information and usage guidelines by Year 2022.

Sustainable Sourcing

- Prioritize the use of sustainable materials, such as organic cotton, recycled fibers, and low-impact dyes, in textile products.
- Increase the percentage of sustainable materials used in textile products to 50% by Year 2030, starting from a baseline Year 2022.
- Conduct annual sustainability audits for 10% of key suppliers, with audit results and improvement plans documented and implemented within 6 months of audit findings starting Year 2030.
- Provide annual training on sustainable sourcing practices to 100% of procurement staff by Year 2030.

Supply chain Management:

- Foster strong partnerships with suppliers to promote transparency, collaboration, and continuous improvement in sustainability practices.
- Develop and implement a risk assessment framework to identify and mitigate potential supply chain risks, including those related to sustainability and ethical practices.
- Achieve 100% compliance with sustainability and ethical standards among key suppliers by Year 2030, with annual compliance reviews starting Year 2030.

Sustainable Procurement on environmental issues

- Encourage suppliers to obtain and maintain relevant environmental certifications (e.g., ISO 14001, Global Organic Textile Standard) and integrate these certifications into procurement processes.
- Implement processes to evaluate the environmental impact of products throughout their lifecycle, from raw material extraction to end-of-life disposal.

Sustainable Procurement on labour and human rights

- Establish and communicate specific labour and human rights standards for suppliers, including requirements for fair wages, non-discrimination, and safe working conditions.

- Develop and enforce a supplier code of conduct that outlines expectations for labour practices and human rights, including mechanisms for reporting and addressing violations.
- Offer training for procurement staff and suppliers on human rights and labour standards, emphasizing the importance of compliance and best practices.
- Perform annual audits of 100% of high-risk suppliers for compliance with labour and human rights standards, with audit findings and corrective actions documented and implemented within 6 months of audit results starting Year 2030.

RESPONSIBILITY:

- **Sustainable Sourcing Policy**
 - **Responsibility:** Chief Procurement Officer, Procurement Manager, Sustainability Coordinator
 - **Duties:** Ensure procurement practices align with sustainability criteria, including sourcing from environmentally responsible suppliers and using sustainable materials. Oversee supplier compliance and integrate sustainability into procurement strategies.
- **Supply Chain Management Policy**
 - **Responsibility:** Supply Chain Manager, Procurement Manager, Chief Operations Officer
 - **Duties:** Manage and optimize supply chain operations to enhance sustainability, including monitoring supplier performance, assessing environmental and social impacts, and ensuring compliance with sustainability standards.
- **Sustainable Procurement on Environmental Issues**
 - **Responsibility:** Chief Procurement Officer, Environmental Sustainability Manager, Procurement Manager
 - **Duties:** Implement procurement strategies that address environmental issues, such as selecting suppliers who adhere to environmental standards and promoting the use of eco-friendly materials.
- **Sustainable Procurement on Labour and Human Rights**
 - **Responsibility:** Human Resources Manager, Chief Procurement Officer, Procurement Manager

- **Duties:** Ensure procurement practices uphold labour rights and human rights standards. Evaluate suppliers based on their labour practices, provide training on human rights, and enforce compliance with ethical standards.
- **Customer Health and Safety Policy**
 - **Responsibility:** Quality Assurance Manager, Procurement Manager, Chief Product Officer
 - **Duties:** Ensure that all procured materials meet health and safety standards. Oversee the assessment of materials for safety compliance, manage customer feedback related to product safety, and ensure proper communication of safety information.

GENERAL SUSTAINABLE PROCUREMENT TARGETS

Meridian Global Ventures Pvt. Ltd. sets the following overarching sustainable procurement targets to guide our operations and supply chain management:

1. **Supplier Sustainability Integration:** Ensure that 100% of key suppliers comply with Meridian's Sustainable Procurement Policy requirements by Year 2030, with sustainability criteria embedded in all supplier contracts and evaluations.
2. **Sustainable Materials Adoption:** Achieve a minimum of 50% sustainable material usage (organic, recycled, or certified low-impact) in all procurement categories by Year 2030, starting from the Year 2022 baseline.
3. **Environmental Performance in Procurement:** Require all strategic suppliers to obtain recognized environmental certifications (e.g., ISO 14001, GOTS, OEKO-TEX) by Year 2030, ensuring reduced lifecycle environmental impacts.
4. **Supplier Training and Capacity Building:** Provide annual training on sustainable procurement standards to 100% of procurement staff and at least 75% of Tier-1 suppliers by Year 2030.

5. Transparency and Reporting: Publish annual sustainable procurement performance reports aligned with global standards (GRI, UN SDGs) and disclose progress toward Year 2030 targets to stakeholders.
6. Human Rights & Worker Welfare in the Supply Chain: Conduct 100% audits of identified high-risk suppliers on labor rights and worker welfare standards by Year 2030, with corrective actions implemented within 6 months of findings.

CONSEQUENCES OF VIOLATIONS OF SUSTAINABLE PROCUREMENT POLICIES

1. Corrective Actions:

- **Action Plans:** Issuance of formal corrective action plans requiring the responsible parties to address and rectify the violations within a specified timeframe.
- **Enhanced Monitoring:** Increased oversight and regular reviews to ensure that corrective actions are effectively implemented.

2. Financial Penalties:

- **Fines: Imposition** of financial penalties or fines on the responsible parties or suppliers for breaches of the procurement policies.
- **Contractual Penalties:** Withholding payments or reimbursement for costs related to noncompliance.

3. Contractual and Operational Actions:

- **Contract Termination:** Termination of contracts with suppliers or partners found to be in violation of the policies.
- **Suspension of Procurement Activities:** Temporary suspension of procurement activities with non-compliant suppliers until compliance is demonstrated.

4. Legal and Regulatory Consequences:

- **Legal Actions:** Initiation of legal proceedings against suppliers or partners if violations result in legal liabilities or significant damage.
- **Regulatory Fines:** Imposition of fines or sanctions by regulatory bodies for breaches of legal or environmental regulations.

5. Public Disclosure:

- **Transparency Reports:** Disclosure of violations and corrective actions in public sustainability reports or announcements to maintain transparency and accountability.
- **Reputational Impact:** Potential damage to the company's reputation due to publicized non-compliance, affecting stakeholder trust.

6. Supplier and Partner Management:

- **Increased Audits:** Increased frequency of audits and inspections for suppliers or partners with a history of violations to ensure ongoing compliance.
- **Supplier Suspension:** Suspension of supplier relationships until compliance with sustainable procurement policies is confirmed.

7. Policy Review and Improvement:

- **Policy Updates:** Regular review and updating of procurement policies to address identified weaknesses and prevent future violations.
- **System Enhancements:** Implementation of enhanced systems and controls to improve management and monitoring of compliance with the policies.

REPORTING MECHANISM

1. Regular Monitoring and Data Collection

- **Responsibility:** Chief Procurement Officer, Procurement Manager, Sustainability Coordinator
- **Actions:** Continuously monitor and collect data related to procurement practices, including supplier compliance with sustainability criteria, environmental and social performance, and adherence to ethical standards. Use automated systems and manual reviews to ensure comprehensive data collection.

2. Internal Reporting

- **Responsibility:** Procurement Manager
- **Actions:** Prepare detailed internal reports on the implementation and performance of sustainable procurement policies. These reports should cover procurement activities, supplier performance, progress towards sustainability targets, and any issues encountered. Reports should be generated quarterly and annually.

3. Review and Analysis

- **Responsibility:** Chief Procurement Officer, Sustainability Coordinator
- **Actions:** Conduct regular reviews of internal reports to assess the effectiveness of sustainable procurement policies. Analyze data trends, identify areas for improvement, and determine if corrective actions are needed. Review meetings should be held quarterly.

4. Management and ESG Committee Oversight

- **Responsibility:** ESG Committee, Chairperson
- **Actions:** Present internal procurement reports to the ESG Committee during scheduled meetings. Discuss procurement progress, challenges, and required actions. Ensure that the ESG Committee provides guidance and approves any necessary adjustments to procurement policies or practices.

4. External Reporting

- **Responsibility:** Communications Manager, Finance Manager
- **Actions:** Prepare and publish annual sustainability reports or procurement performance reports for external stakeholders, including investors, regulatory bodies, and the public. Include information on policy implementation, performance metrics, supplier compliance, and achievements. Ensure compliance with relevant reporting standards and regulations.

5. Stakeholder Feedback

- **Responsibility:** Communications Manager
- **Actions:** Collect feedback from stakeholders, including suppliers, employees, and customers, regarding the company's sustainable procurement practices. Use surveys, focus groups, and direct feedback mechanisms to gather insights and address concerns.

6. Corrective Actions and Improvement Plans

- **Responsibility:** Chief Procurement Officer, Procurement Manager
- **Actions:** Based on the analysis of internal and external reports, develop and implement corrective action plans to address any identified issues or non-

compliances in procurement practices. Track the progress of these actions and make necessary adjustments to procurement policies and practices.

7. Documentation and Record-Keeping

- **Responsibility:** Procurement Manager
- **Actions:** Maintain thorough documentation of all monitoring activities, reports, reviews, and corrective actions. Ensure that records are up-to-date, secure, and accessible for audits and regulatory reviews.

8. Annual Procurement Review

- **Responsibility:** Chief Procurement Officer, ESG Committee
- **Actions:** Conduct an annual review of sustainable procurement policies and performance. Evaluate the effectiveness of the reporting mechanism, make recommendations for improvements, and set new targets for the coming year.

By following this reporting mechanism, Meridian Global Ventures Pvt Ltd Group ensures that sustainable procurement policies are effectively implemented, performance is transparently reported, and continuous improvement is achieved in our procurement practices.

SDG ALIGNMENT

At Meridian Global Ventures Pvt Ltd Group, we are dedicated to aligning our Sustainable Procurement Policies with the United Nations Sustainable Development Goals (SDGs). These goals provide a robust framework for tackling global sustainability challenges and fostering responsible procurement practices. By integrating the SDGs into our procurement strategies, we aim to promote ethical sourcing, enhance supplier sustainability, and reduce our supply chain's environmental and social impact. This alignment underscores our commitment to ethical business practices, sustainable supply chain management, and long-term positive contributions to global sustainability.

8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



13 CLIMATE ACTION



15 LIFE ON LAND



REVIEW MACHENISM:

The Sustainable Procurement Policy Review Mechanism is overseen by the Chief Procurement Officer and conducted once every two years. The Chief Procurement Officer collects and analyses data on procurement practices, supplier performance, and policy compliance. A detailed internal report is prepared, and the findings are thoroughly evaluated to assess policy effectiveness and identify areas for improvement. Based on the review's outcomes and recommendations, the Chief Procurement Officer develops and implements corrective action plans, ensuring progress is tracked and documented. This rigorous review mechanism guarantees that our procurement policies remain aligned with the SDGs and reinforces our commitment to sustainable development.

REVISION HOSTORY

Effective Date: 01/04/2022

Next Review Date: 01/04/2026

Last Review Date: 01/04/2025

Revision	Date	Reviewed by	Review outcome	Approved by
01	01-04-2022	HR Manager	Initial release	
02	01-04-2024	HR Manager	Add Sustainable Procurement on labour and human rights in goals and commitment	
03	01-04-2025	HR Manager	Add General Sustainable Procurement Target	

EMPLOYEE ACKNOWLEDGMENT FORM FOR MERIDIAN INTERNATIONAL

I acknowledge that I have received, read, and understood the Meridian Global Ventures PVT LTD (Meridian International Site) Sustainable Procurement Policy.

I recognize the company's commitment to responsible sourcing practices that promote sustainability, ethical supply chains, and long-term environmental and social benefits.

I understand my responsibility in supporting this policy by adhering to fair procurement practices, avoiding conflicts of interest, and ensuring that suppliers and partners meet the company's standards on ethics, human rights, environmental protection, and labor welfare. This includes promoting transparency, supporting local and sustainable suppliers where possible, and reducing environmental and social risks within the supply chain.

I also commit to reporting any concerns related to procurement practices and to actively contributing toward the company's efforts in building a responsible, ethical, and sustainable supply chain.

By signing below, I confirm my commitment to upholding the Sustainable Procurement Policy and supporting the company's mission of driving positive impact through responsible sourcing practices.

Employee Name: MUTHUKANNAN V

Department: SEWING

Site: Meridian International Site

Employee Signature:

Date: 02/04/2025

For MERIDIAN GLOBAL VENTURES PVT LTD

General Manager Purchase & Admin

EMPLOYEE ACKNOWLEDGMENT FORM FOR TULIP CREATION

I acknowledge that I have received, read, and understood the Meridian Global Ventures PVT LTD (Tulip Creation Site) Sustainable Procurement Policy.

I recognize the company's commitment to responsible sourcing practices that promote sustainability, ethical supply chains, and long-term environmental and social benefits.

I understand my responsibility in supporting this policy by adhering to fair procurement practices, avoiding conflicts of interest, and ensuring that suppliers and partners meet the company's standards on ethics, human rights, environmental protection, and labor welfare. This includes promoting transparency, supporting local and sustainable suppliers where possible, and reducing environmental and social risks within the supply chain.

I also commit to reporting any concerns related to procurement practices and to actively contributing toward the company's efforts in building a responsible, ethical, and sustainable supply chain.

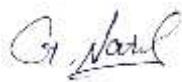
By signing below, I confirm my commitment to upholding the Sustainable Procurement Policy and supporting the company's mission of driving positive impact through responsible sourcing practices.

Employee Name:NATARAJ G

Department:SEWING

Site: Tulip Creation Site

Employee Signature:



Date: 03/04/2025

For MERIDIAN GLOBAL VENTURES PVT LTD

General Manager Purchase & Admin

EMPLOYEE ACKNOWLEDGMENT FORM FOR TULIP IMPEX SITE

I acknowledge that I have received, read, and understood the Meridian Global Ventures PVT LTD (Tulip Impex Site) Sustainable Procurement Policy.

I recognize the company's commitment to responsible sourcing practices that promote sustainability, ethical supply chains, and long-term environmental and social benefits.

I understand my responsibility in supporting this policy by adhering to fair procurement practices, avoiding conflicts of interest, and ensuring that suppliers and partners meet the company's standards on ethics, human rights, environmental protection, and labor welfare. This includes promoting transparency, supporting local and sustainable suppliers where possible, and reducing environmental and social risks within the supply chain.

I also commit to reporting any concerns related to procurement practices and to actively contributing toward the company's efforts in building a responsible, ethical, and sustainable supply chain.

By signing below, I confirm my commitment to upholding the Sustainable Procurement Policy and supporting the company's mission of driving positive impact through responsible sourcing practices.

Employee Name: RAJIV GANDHI

Department: SEWING

Site: Tulip Impex Site



Employee Signature:

Date: 03/04/2025

For MERIDIAN GLOBAL VENTURES PVT LTD

General Manager Purchase & Admin