



GREEN & ETHICAL PURCHASING GUIDELINES

KSH AUTOMOTIVE PRIVATE LIMITED

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Approved By: Managing Director

1. Purpose

KSH Automotive Pvt. Ltd. is committed to conducting procurement activities in an environmentally responsible, socially ethical, and economically sustainable manner. These guidelines establish the requirements for selecting suppliers, products, and services that support environmental protection, human rights, ethical business conduct, and sustainable development.

2. Scope

These guidelines apply to:

- All procurement and purchasing activities.
- All suppliers, contractors, vendors, and service providers.
- Procurement of raw materials, components, consumables, packaging materials, machinery, equipment, utilities, and services.

3. Green Purchasing Requirements

KSH Automotive shall prioritize environmentally responsible products and services whenever technically and commercially feasible.



3.1 Environmentally Preferred Products

Preference shall be given to:

- Products carrying recognized environmental certifications or eco-labels.
- Energy-efficient machinery, equipment, lighting systems, and appliances.
- Products with recycled or recyclable content.
- Reusable and environmentally friendly packaging materials.
- Products containing fewer hazardous substances.
- Products with lower greenhouse gas emissions throughout their lifecycle.

3.2 Resource Conservation

Purchasing decisions shall consider:

- Energy efficiency.
- Water conservation.
- Waste reduction opportunities.
- Product durability and service life.
- Ease of reuse, recycling, and disposal.

3.3 Sustainable Suppliers

Preference shall be given to suppliers demonstrating:

- Environmental management systems (e.g., ISO 14001).
- Pollution prevention initiatives.
- Carbon reduction programs.
- Sustainable resource management practices.

4. Ethical Purchasing Requirements

KSH Automotive shall conduct business only with suppliers that uphold ethical business practices.

Suppliers shall:

- Comply with applicable laws and regulations.



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- Respect internationally recognized human rights.
- Prohibit child labor and forced labor.
- Prevent discrimination and harassment.
- Provide safe and healthy working conditions.
- Maintain fair wages and working hours.
- Operate free from corruption, bribery, and unethical conduct.

5. Socially Responsible Procurement

Where practical and feasible, KSH Automotive may prioritize procurement from:

- Social enterprises.
- Organizations supporting persons with disabilities.
- Fair trade organizations.
- Community-based enterprises.
- Suppliers demonstrating strong ESG performance and social responsibility.

6. Responsible Material Sourcing

KSH Automotive is committed to responsible sourcing throughout its supply chain.

6.1 Conflict Minerals and Responsible Minerals

Suppliers shall ensure responsible sourcing of:

- Tin
- Tantalum
- Tungsten
- Gold (3TG)
- Cobalt
- Mica

Suppliers shall provide declarations, traceability information, and supporting documentation when requested.



6.2 Deforestation-Free Sourcing

Suppliers shall support responsible sourcing practices relating to:

- Palm Oil
- Cocoa
- Soybeans
- Beef
- Timber and Wood-Based Products

Where applicable, suppliers shall provide information demonstrating compliance with relevant sustainability and deforestation-free sourcing requirements.

7. Supplier Evaluation and Selection

Supplier selection shall consider:

Criteria	Evaluation Factors
Quality	Product reliability and performance
Cost	Total cost of ownership
Delivery	On-time delivery and service capability
Environment	Resource efficiency and environmental impact
Health & Safety	Safety performance and compliance
Human Rights	Labor practices and worker welfare
Ethics	Business integrity and compliance
ESG Performance	Sustainability initiatives and certifications

8. Supplier Compliance Requirements

All suppliers shall:

- Comply with KSH Automotive Responsible Procurement Policy.
- Provide environmental, social, and governance information when requested.
- Maintain records supporting responsible sourcing claims.



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- Cooperate during supplier assessments, evaluations, and audits.
- Take corrective actions when non-conformities are identified.

9. Suspension or Restriction of Purchases

KSH Automotive reserves the right to suspend purchases, restrict transactions, or terminate business relationships if a supplier is found to be involved in:

- Serious environmental violations.
- Human rights abuses.
- Child labor or forced labor practices.
- Unsafe working conditions.
- Corruption, fraud, or bribery.
- Violations of applicable laws and regulations.
- Failure to comply with responsible sourcing requirements.
- Repeated failure to implement corrective actions.

10. Employee Awareness and Training

KSH Automotive shall promote awareness among employees involved in procurement regarding:

- Sustainable purchasing practices.
- Responsible sourcing requirements.
- Conflict minerals compliance.
- Ethical procurement principles.
- ESG expectations and supplier requirements.

11. Monitoring and Continuous Improvement

KSH Automotive shall:

- Periodically review supplier performance.
- Monitor compliance with these guidelines.
- Encourage suppliers to improve ESG performance.



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- Review procurement practices for sustainability opportunities.
- Update procurement requirements based on evolving regulations and customer expectations.

12. Review and Revision

These Guidelines shall be reviewed annually or whenever significant changes occur in:

- Regulatory requirements.
- Customer expectations.
- ESG standards and best practices.
- Business operations.

13. Effective Date

Effective Date: 01 April 2024

This Green & Ethical Purchasing Guideline shall remain effective until revised, superseded or withdrawn by KSH Automotive Pvt. Ltd.

For KSH Automotive Pvt. Ltd.

Mr. Yongsung Kim

Managing Director

KSH Automotive Pvt. Ltd.