

## **Sustainable Sourcing**

Jaiprakash Power Ventures Limited (JPVL) owns the following power plants in India:-

- Jaypee Vishnuprayag Hydro-Electric Power Plant (4 X 100 MW)
- Jaypee Bina Thermal Power Plant (2 X 250 MW)
- Jaypee Nigrie Super Thermal Power Plant ( 2 X 660 MW)

As a socially responsible Corporation, JPVL is determined to pursue the best environmental practices. All three of JPVL's power plants observe an Environmental Management System (EMS) and are ISO 14001 certified.

JPVL believes that sustainable sourcing of raw material ensures the continuity of the business. VPHEP is a run-of-the-river power plant with no storage, and it generates green energy. The raw material of this power plant is river water, which is one of the most reliable source to generate power.

For Thermal Power Plants, JPVL ensures the operation and maintenance according to best industrial practices and follows applicable national and international standards. This results optimum utilization of raw materials namely coal, water, oil etc.

### **1. Environmental Responsibility for Sustainable and Responsible Sourcing**

- a) JPVL strives to minimize carbon emissions by adopting advance practices.
- b) JPVL prefer renewable and recyclable materials during all type of procurements.

2. **Partner Development to Ensure Sustainability:** JPVL supports sourcing from local vendors, which in-turn develops support from nearby locations. Moreover, continuous efforts are made to develop local suppliers and service providers. This reduces the dependability on international suppliers, and strengthens the sustainability of sourcing. Moreover, it makes the sourcing cost effective.

To ensure the sustainable sourcing, JPVL follows the following ethos:-

***All the sourcing should be carried out with due consideration to reduce negative environmental impacts to avoid the avoidable and optimize the unavoidable acts of sourcing to make it more sustainable from environmental aspects.***

The following procedure is followed to ensure sustainable sourcing:-

- Green energy, generated at VPHEP is used in the entire project area.
- Biomass, a renewable energy source, is co-fired at both thermal power plants. This is an effort to motivate the farmers against stubble burning on agricultural land.
- Coal to thermal power plants is transported by rail, which is primarily driven by electric engines to reduce pollution during the transportation of major raw materials.
- Preference is given to ISO 14001-certified supply chains for major spares, systems, and services. All confirmation of ISO 14001 is taken from the major Suppliers and Contractors.
- Preference is given to local suppliers to limit the transportation of the material. Similarly, the Orders are combined to reduce multiple activities of transportation.

#### **4. Risk Management**

- Identify and mitigate environmental, social, and governance risks in the supply chain.
- Grievance mechanisms for suppliers, employees, and stakeholders to report and resolve sourcing-related concerns.