



*E. I. D.-Parry (India) Limited*  
Supplier Code of Conduct

Adoption Date and Effective Date : April 01, 2022



## **SUPPLIER CODE OF CONDUCT**

### 1. Preamble:

E.I.D.-Parry (India) Limited (“The Company”) endeavours to conduct its business on the principles of ethics and transparency, social responsibility, and environmental sustainability. In this endeavour, the Company aspires to integrate the best practices into all aspects of its business.

### 2. Purpose:

The Company firmly believes that the Suppliers are an integral part of its business value chain and contribute substantially to the company’s growth and is committed to create an environment where our Suppliers are confident that they are treated with respect. The Company wishes to collaborate with its suppliers to nurture long-term strategic partnerships in ensuring business sustainability. In this endeavour, it is a pre-requisite for the Company and its suppliers to conduct business in a legal and ethical manner, and in compliance with all applicable laws and regulations. In this context, this Supplier Code of Conduct (“Code”) has been developed based on the best practices being followed across industries. This Code shall be complied by all the suppliers in letter and spirit to ensure mutual growth and development. Suppliers shall read, understand, and affirm compliance to this Code.

### 3. Scope and Applicability:

This Code shall be applicable to all ‘Suppliers’ of the Company. Furthermore, the Company shall determine applicability of this Code to the business associates of the Suppliers at a time and in a manner deemed appropriate. Such determination by the Company relating to the applicability of this Code shall be binding on the Suppliers and its business associates, who shall then be required to abide by the stipulations made in this Code.

This Code shall be read along with any other code, policy or guidelines that the Company may have in place for the Suppliers. The most stringent of the stipulations shall apply on a combined reading of all such codes, policies or guidelines. The compliance requirements under this Code may vary depending on the jurisdictions where the Suppliers operate or carry on their business, the Suppliers thus undertakes to abide by all such regional variations and requirements under the applicable laws, and the Company takes no such responsibility to ensure compliance on behalf of the Supplier or notify the Supplier of such requirements under the applicable laws.

### 4. Effective date:

This Policy shall come into force on 1<sup>st</sup> April 2022 .

5. Definitions:

- Business associates of Suppliers: Business associates of Suppliers shall include contractors, sub-contractors, employees' agents and other entities directly providing goods and services to the Suppliers.
- Code: Code refers to this Suppliers Code of Conduct, i.e., the current document unless specified otherwise.
- Suppliers: Suppliers include all suppliers, vendors, contractors, sub-contractors, business partners, consultants and any other entity entrusted with providing or which has provided goods and services to the Company.

6. Key Principles of Code of conduct:

I. Compliance:

- a) Statutory Compliance: Suppliers shall comply with all applicable statutory laws, rules, and regulations including applicable export law and regulations. Suppliers shall maintain records of all licenses, permits, approvals, necessary for conduct of its business, and furnish copies of same whenever requested. Suppliers are advised to develop internal systems to track change in the regulations and respond to the same.
- b) Statutory notices: Suppliers shall inform the Company of any notices, penalties or other sanctions issued or imposed for violation of existing laws and regulations.
- c) Tax evasion: The Company shall not tolerate unlawful tax evasion or the facilitation of unlawful tax evasion. The Suppliers must not directly or indirectly engage in, or facilitate the engagement by others in, the deliberate and fraudulent diversion of funds from a tax authority. The Suppliers shall ensure the same of their agents, subcontractors, intermediaries, and workers by adopting, maintaining and implementing reasonable processes that prevent such conduct.
- d) Insider Trading - Company complies with SEBI (Prohibition of Insider Trading) Regulations, 2015. During the course of engagement, if the Supplier becomes aware of any Unpublished price sensitive information ("UPSI") relating to Company, the Supplier of Company shall not communicate such UPSI nor trade in securities of Company that are listed or proposed to be listed when in possession of UPSI, in violation of applicable securities laws.

II. Environment:

- a) Environment Protection: Suppliers shall ensure compliance with existing legislations and regulations regarding the protection of the environment and promotion of good environmental practices. Suppliers should adopt the precautionary approach principle on environmental hazards. It is advised that Suppliers should develop and adopt comprehensive environmental protection policy to shoulder greater environmental responsibility and promote the diffusion of environmentally conscious culture within their organizations and their value chains. It is desirable that Suppliers plan to adopt life cycle-based approach and associated practices.

- b) Management of Hazardous Materials: Suppliers shall ensure that chemicals and other materials posing hazards to human health and environment are identified and managed responsibly through their safe handling, movement, storage, recycling, reuse, or/and disposal.
- c) Waste and Effluent Management: Suppliers shall ensure that the wastewater and solid waste generated from operations, industrial processes, and sanitation facilities are monitored, controlled, treated, and disposed of responsibly in accordance with the norms prescribed by the appropriate authorities or bodies.
- d) Energy Use: Suppliers shall monitor and track energy usage and take necessary steps to improve energy efficiency. It is advised that appropriate steps be taken to diversify their energy-mix by adoption of renewable energy sources to minimize reliance on fossil fuels.
- e) Water Use: Suppliers shall only extract water from the legally authorized sources. It is advised that Suppliers adopt and promote recycling and reuse of water and improve water efficiency. It is desirable that water conservation interventions such as rainwater harvesting be adopted wherever feasible.
- f) Responsible Production and Consumption: Suppliers are advised to take proactive steps to promote responsible production and consumption. Phasing out of harmful materials and use of raw materials less harmful to environment shall be promoted wherever possible. It is desirable that Suppliers promote recycling and reuse of materials and products.
- g) Air Emissions: Suppliers shall ensure consistent monitoring and tracking of Greenhouse Gases (GHGs) and other air emissions such as volatile organic compounds (VOCs), aerosols, corrosives, particulate matters, ozone depleting substances, and combustion by-products generated from their operations. Suppliers shall responsibly comply with the emission regulations and norms specified by the appropriate regulatory authorities. It is advised that Suppliers develop and adopt interventions to reduce harmful air emissions.
- h) Ecosystem: Suppliers shall take necessary steps to minimize their impacts on ecosystem and thereby contribute towards preservation and restoration of biodiversity. It is desirable that Suppliers adopt measures to avoid deforestation and contribute to the protection and restoration of forests and natural habitats.

### III. Human Rights and Labour:

- a) Protection of Human Rights: The Company expects its suppliers to support and respect the protection of internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses.
- b) Promotion of Humane Treatment: Suppliers shall ensure dignified and respectful treatment of all within the workplace. Suppliers are advised to develop and adopt systems and processes to prohibit the use of threats of violence, verbal or psychological harassment or abuse, physical abuse, and/or sexual exploitation and abuse by any of their employees, contractors, parent company, and/or other business associates.

- c) Indigenous Culture: Suppliers shall ensure that their operations are conducted in a manner that indigenous people, minorities (cultural, linguistic and religious), and local communities are not adversely affected. Suppliers shall take proactive steps to preserve local culture and community.
- d) Local Communities: Suppliers shall take necessary steps to minimize or eliminate adverse impacts of its operations on the local communities. Suppliers shall undertake broad-based stakeholder consultations and ensure local community participations for identifying their needs and understanding their grievances. Suppliers shall commit themselves for socio-economic upliftment of the local communities.
- e) Harassment- Company expects its Suppliers to provide a harassment-free workplace for everyone. Harassment based on any protected criteria is unlawful and the Suppliers shall not commit any act, which is not in compliance with applicable laws. Company has a zero-tolerance policy with respect to any form of harassment including sexual harassment and the Suppliers shall take appropriate initiative to ensure a harassment-free workplace by way of publication of policies, periodic trainings and requisite & timely support to affected parties. Suppliers shall also organize awareness programs at regular intervals for sensitizing the employees on the law pertaining to harassment in the applicable jurisdiction.
- f) Freedom of Association and Collective Bargaining: Suppliers shall recognize and respect employee rights to associate freely and to collective bargaining. Proactive steps shall be taken to promote fair working conditions as guided by the international conventions as applicable.
- g) Freedom of Speech and Expression: Suppliers shall ensure an enabling environment in which all employees enjoy the fundamental right to freedom of speech and expression subject to the limitations of public order and morality.
- h) Forced and Compulsory Labour: All forms of forced and compulsory labour shall be strictly prohibited. Suppliers shall ensure that their workforce is free from victims of human trafficking. Suppliers are advised to develop and adopt systems and practices to identify and take prompt corrective actions in any such instances.
- i) Child Labour: Suppliers shall prohibit employment of:
- Children below 14 years of age or a higher age in case it is determined as the minimum age of employment or that of compulsory schooling by prevailing national regulations
  - Adolescents under the age of 18 for hazardous and/or dangerous nature of work
- j) Suppliers are advised to establish systems and processes to reliably verify identity and age of their employees through verification of nationally accepted documents/reports.
- k) Non-Discrimination: Suppliers shall eliminate all forms of discrimination at workplace on the grounds of race, colour, age, gender, sexual orientation, religion, ethnicity, political opinion, nationality, social origin, disability, family status, or any such grounds as may be recognized under the applicable national laws as

discriminatory. Suppliers are advised to take proactive steps to ensure equality of treatment in respect of employment and opportunity including but not limited to recruitment, promotion, training, remuneration and benefits.

- l) **Wages, Working Hours, and Other Conditions of Work:** Suppliers shall ensure adherence to the prevailing regulations concerning working hours, overtime allowances, leaves and other entitlements of their employees. Suppliers shall ensure that their employees are paid directly in legal tender at the regular intervals (not exceeding one calendar month). Such payments shall be fair and in compliance with the minimum wages determined by the prevailing regulations. It shall be ensured that no unauthorized deductions are effected into the wages paid. Any deduction to this regard shall be informed, in prior to the workers in writing. The wages, hours of work and other conditions of work provided by Suppliers should be consistent with the best conditions prevailing locally. Suppliers are advised to maintain a well-managed, documented record of wages paid to its employees and retain it for a reasonable period.
- m) **Occupational Health and Safety and Industrial Hygiene:** Suppliers shall provide their employees safe and healthy workplace, which is in compliance with all applicable safety and health laws, regulations, and practices. Suppliers shall ensure that all legal requirements including but not limited to occupational safety, emergency preparedness, occupational injury and illness, industrial hygiene, physically demanding work, machine safeguarding, sanitation, food and housing are addressed. Suppliers shall take adequate steps to minimize the causes of hazards inherent in the working environment. Suppliers shall take adequate steps to address the issue of substance abuse and shall prohibit the use, possession, distribution or sale of illegal drugs in their supply chain,
- n) **Protection of Vulnerable Groups:** Suppliers shall take necessary steps to protect the interests of vulnerable people such as children, older people, persons with disabilities, migrant workers and any such people who are affected by or have the potential to affect the operations of Suppliers or/and the Company.

#### *IV. Business Ethics and Integrity:*

- a) **Anti-Bribery:** The Supplier shall not, directly or through intermediaries, take any recourse to any unethical behaviour (implicit or explicit), or offer or promise any personal or improper advantage in order to obtain or retain a business or other advantage from a third party, whether public or private, including with any employee of the Company. More specifically:
  - Shall not offer or accept bribe or use other means of obtaining undue or improper advantage, offer or accept any kickbacks, and shall not take any actions to violate or cause its business partners to violate any applicable anti-bribery laws and regulations.
  - Shall not take any advantage of any family/ social/ political connections to obtain favourable treatment or for the advancement of business or obtaining any favours. Merit shall be the sole attribute of association with the Company.

- Shall not enter into a financial or any other relationship with the Company's employee that creates any actual or potential conflict of interest for the Company. The Supplier is expected to report to the Company any situation where an employee or professional under contract with the Company may have an interest of any kind in the Supplier's business or any kind of economic ties with the Supplier.
  - Suppliers shall not offer any kind of gifts, free goods, services, or any other hospitality to any of our personnel, officials, staff, or professionals under any contract with the Company. Suppliers must disclose promptly any such requests made by any of the Company's personnel, officials, staff, or professionals under any contract with the Company.
- b) **Prohibition of Corrupt Practices:** Suppliers shall ensure adherence to the highest standards of moral and ethical conduct, prevailing regulations, and generally accepted good business practices. Suppliers shall take proactive steps to eliminate all forms of corrupt practices such as bribery, fraud, cheating, or any other practice considered illegitimate. Suppliers are advised to make anti-corruption an integral part of employee learning and development system. The Suppliers and the associates of Suppliers shall not indulge in any corrupt practices defined under the laws. The Suppliers and the Business associates of Suppliers shall not directly or indirectly use the consideration paid by the Company to facilitate money laundering or terrorism funding.
- c) **Conflict of Interest:** This includes situations where a Company employee or director may have an interest of any kind in the Supplier's business, whether through personal relationships, investments, directorships or any kind of economic ties with the Supplier. In event of any conflict of interest arising at the time of empanelment or prior/post/during engagement, Suppliers are required to promptly disclose such situations to the Company.
- d) **Post-employment Restrictions:** Suppliers shall not offer any kind of direct or indirect employment to any of the Company's personnel, officials, staff, or professionals under any contract with the Company who are actively engaged in procurement process with them for a period of one year following separation from the Company.
- e) **Business Conduct:** Suppliers shall ensure timely provision of the goods and services of good quality at a competitive price. the Company shall ensure that Suppliers have requisite authorizations to access or use the Company's assets, properties, information, and intellectual rights for official purpose only, as per the terms of the contract entered into. Suppliers shall ensure that the Company's resources are not misused or abused beyond the terms of the contract.
- f) **Ethical Competition:** Suppliers shall comply with all anti-trust and competition laws as applicable and shall not indulge in any anti-competitive practices whether by itself or in combination with other entities. Suppliers are advised to participate actively in relevant forums to collaborate and cooperate for fair competition.

- g) Responsiveness: Suppliers shall disclose any violations of prevailing regulations and laws observed or reported to relevant stakeholders and take prompt corrective actions. It is advised that Suppliers plan for non-financial disclosures in accordance with the globally accepted standards, if not being done already.
- h) Quality & Product responsibility - Suppliers must ensure that the quality of product/service delivered shall be in-line with all the contract terms and conditions. Suppliers shall adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances, including labelling of products, if required.

The Suppliers shall comply with the quality assurance plan of the Company and shall ensure that the quality of supplies and services provided to the Company are of a good quality as per industry standards. The Suppliers shall take prior consent of the Company before procuring supplies that are to be provided to the Company, unless instructed otherwise in writing. In cases where an approved list of vendors, make or sub- Suppliers is provided by the Company, the Suppliers shall endeavour to adhere to such list with a view to maintain the quality and the specifications with respect to the products and services. Any deviation from such quality assurance plan or list provided shall be communicated to the Company at the earliest instance and the decision of the Company in this regard shall be final and binding.

- i) Confidentiality - Suppliers must ensure that confidential or proprietary information about Company, our clients, employees, or other parties, which has been gained through employment or affiliation with Company, is not used for personal or professional advantage. The confidential information also extends to any employee data, personal data or third-party information as shared by Company.
- j) Information Security - Company expects its suppliers to comply with the applicable laws and regulations and Company security requirements as communicated from time to time and included under the agreement. Supplier organization is responsible for agreeing on service deliverables, ensuring compliance against contractual security requirements, extending support on annual security assessments, ensuring timely notification of incidents and notifying major changes/vulnerabilities to Company.
- k) Business Continuity - The Supplier shall ensure that there are plans and procedures to resume business in the event of any physical disaster (e.g. Such as fire, flood, wind, earthquake, explosion, etc.) or work stoppage of any kind (e.g. Labour strike, economic/social structure breakdown, etc.). Subject to mutual agreement on business continuity plan terms by both parties, the Supplier shall resume services within committed timelines following a disaster or work stoppage event.
- l) Intellectual Property Rights - The Supplier shall take all steps to adhere to the intellectual property rights of Company including but not limited to the Company copyrights, patents, trade secrets and trademarks. The Supplier shall take appropriate steps to safeguard and not infringe any of the Company's confidential and proprietary information/intellectual property/ technology which come to its knowledge during its business relationship/ dealings with The Company. In case of sub-contracting, sharing of confidential information should be made with the consent of the Company.

- m) Brand Name and Logo, Media Rights - Our logo is the most prominent symbol of our products and services. The Supplier shall ensure the following:
- All usage of the Company logo must strictly adhere to Company brand guidelines with respect to colour, appearance, and size.
  - All manifestations of the Company brand including but not limited to case studies, brochures and advertisements must be in accordance with established brand guidelines.
  - Suppliers shall not use Company brand name, logo or any other visual vehicles implying or representing Company without explicit consent
  - Suppliers shall not make any comments about their engagement with Company in the media without prior approval. The specific content of any media report and/or comments and details of usage shall be shared for approval with Company.

7. Enforcement:

- a) The Suppliers shall endeavour to procure such licenses, certifications and approvals from such regulatory authorities, recognized global/industrial organizations etc., to exhibit its compliance with this Code, global standards and best industry practices.
- b) To ensure compliance with this Code, the Company may, at its discretion carry out self-assessment surveys, audits and/or inspections and/or delegate an entity to perform these tasks on its behalf; during such assessments various internal standards, systems and processes, practices, and relevant reports shall be examined and verified. In instances of non-adherence to the provisions of this Code, the Company shall take necessary corrective actions at its own sole discretion that may include, but not be limited to, capacity building of the Suppliers to take remedial measures, allowing a time as deemed fit by the Company to take remedial actions, or termination of business relations with the concerned Suppliers. In case of remedial measures being taken by the Suppliers, it is advised that the Suppliers should adopt relevant frameworks, e.g. Plan-Do-Check-Act (PDCA), for continually improving their operations and tracking the progress.
- c) The Suppliers by signing/accepting the term this document, declares that it complies with all the stipulations made herein and that it shall conduct its business in strict compliance with this Code, applicable laws, global standards, and best industry practices. The Suppliers shall be solely responsible for any non-compliance, and the Company shall to such extent have a right to be indemnified by the Suppliers, Business Associates of the Suppliers, or any other stakeholder to whom such Code applies. Nothing contained in this Code shall be in prejudice to any other right or remedy.

8. Monitoring and Review:

Suppliers shall develop internal standards and information management systems for operationalizing compliance with this Code and monitoring progress. Such standards and systems shall be updated from time to time to make it consistent with prevailing regulations. It is desirable that Suppliers communicate such standards to their stakeholders at the earliest. Suppliers shall produce the requisite documents, reports, or any other information required to verify compliance with this Code, whenever asked for by the Company or by any other entity engaged by the Company for this purpose. Any failure to provide such documents, reports, or any other information within such timeline as communicated shall be deemed to be a non-compliance and shall render the Suppliers, its stakeholders and business associates liable for breach of this Code.

Monitoring and review of this policy is governed by Commercial Department in consultation with the Head- HR and Company's compliance Officer. Due diligence is undertaken at periodical intervals as and when required to identify and prevent human rights risks to people in our business and value chain.

The Managing Director is authorized to make modifications to this policy as and when deemed necessary and appropriate to ensure the ends of the policy being served.

9. Reporting and Remedy:

Should you suspect any violation of this Supplier Code, you can report through writing to [ombudsperson@corp.murugappa.com](mailto:ombudsperson@corp.murugappa.com)

It is important that you report all suspected violations, including retaliation. Retaliation includes adverse actions, harassment, or discrimination on a professional front relating to your reporting of a suspected violation. EID Parry will maintain confidentiality to the extent possible and will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behaviour or a possible violation of the Supplier Code. The Company is committed to fairly assess all the issues raised and provide resolution