



Himadri Speciality Chemical Ltd

CIN: L27106WB1987PLC042756

SUPPLIER CODE OF CONDUCT

Version	Revision Date	Approved By	Date Approved
Adopted on	January 2023	-	-
V1	10 February 2023	Board	10 February 2023

Supplier Code of Conduct

1. Policy Statement

Himadri Speciality Chemical Limited (HSCL) endeavors to conduct its business in a transparent and ethical manner, considering environmental sustainability and social responsibility. Therefore, HSCL aspires to integrate the best practices through its value chain. Suppliers are an essential part of our business value chain and immensely contribute to HSCL's growth and HSCL hope's to nurture long-term strategic partnerships in ensuring business sustainability. In continuation with our efforts, we have always strived to ensure best practices are being followed across our value chain and this policy is formalizing our expectations for the suppliers.

This Supplier Code of Conduct is aligned with the principles outlined by the United Nations Global Compact (UNGC) such as anti-corruption, environment, human rights, labour. The principles and norms described under the theme of 'labour' are in line with the specified standards of International Labour Organization (ILO).

2. Scope and Applicability

This Code is applicable to all suppliers, including, but not limited to those individuals and organization that directly or indirectly provide services, raw materials, finished goods or other products (hereinafter referred to as Suppliers) to HSCL.

3. Suppliers' compliance to this policy

This Supplier Code of Conduct has been developed based on standards globally recognized and best practices which are followed across industries. We trust all our suppliers to read, understand and affirm compliance with this Policy.

4. Ethics and Compliance with laws

i) Conflict of interest

Suppliers are expected to use good judgement and avoid situations which may lead to a conflict. Conflict of interest can undermine the trust placed by HSCL on the Suppliers. Therefore, proactive measures must be taken to address any situation of potential conflict with HSCL or our employees.

ii) Fair business, advertising, and competition

Suppliers must uphold standards of fair business, advertising and competition and shall not engage in price fixing, collusion and/or unfair trade practices in violation of applicable antitrust laws.

iii) Statutory compliance

Suppliers are required to comply with all statutory laws, regulations, and rules as per national guidelines. Suppliers shall maintain a record of all licenses, permits, approvals and must furnish copies of the same whenever requested by HSCL.

iv) Gifts and hospitality

Suppliers must not offer any kind of gifts, free goods, services, or any other hospitality to any of our personnel, staff, or professionals under any contract with HSCL, with any mala fide intention. Suppliers shall promptly disclose any such requests made by HSCL's personnel, staff, or professionals under any contract with HSCL.

v) Post-employment restrictions

Suppliers shall not offer any direct or indirect employment to any of HSCL's personnel, staff or professional under any contract with HSCL who are actively engaged in procurement process with them for a period of one year following separation from HSCL.

vi) Anti-corruption and bribery practices

Suppliers shall ensure the highest standards of moral and ethical conduct. Suppliers shall not indulge in any corrupt practices defined under laws of international trade government authority/ organization and must comply with relevant anti-bribery and corruption laws such as Prevention of Money Laundering Act 2002 (India), Prevention of Corruption Act, 1988 (India), the U.S. Foreign Corrupt Practices Act (FCPA) and Bribery Act 2010 (U.K.). Proactive steps shall be taken to eliminate all forms of corrupt practices such as bribery, fraud, cheating or any other practice considered illegitimate with adequate awareness programs to educate employees.

vii) Confidentiality

Suppliers must protect business and personal information of a confidential nature obtained due to business relationship for performing jobs assigned by HSCL and must not share such information with unauthorized persons in any manner. HSCL's confidential information includes, but is not limited to any proprietary information, employee information, personal data, and third-party information in HSCL's custody as shared by HSCL.

5. Human rights and labour

i) Protection of human rights

Suppliers are advised to support and respect the protection of internationally recognized human rights such as adopting Universal Declaration of Human Rights (UDHR).

ii) Indigenous culture

Suppliers shall ensure that their operations are not adversely affecting any indigenous people, minorities (cultural, linguistic, and religious) and local communities. Proactive steps shall be taken to preserve local culture and communities.

iii) Local communities

Suppliers shall minimize or eliminate adverse impacts on local communities around their operations. Suppliers are advised to undertake stakeholder consultations to identify the needs and understand grievances of the local communities. Moreover, Suppliers shall also commit towards socio-economic upliftment of the local communities.

iv) Protection of humane culture

Suppliers shall ensure dignified and respectful treatment of all within the workplace free and shall not tolerate instances of harassment including verbal, psychological and sexual abuse, the use of threats of violence and/ or sexual exploitation and abuse by any of their employees, contractors, parent company and/ or business associates. Suppliers must effectively bring awareness and communicate with workers to ensure a dignified and respectful workplace by having a written policy and providing grievance redressal mechanisms to address any concerns raised by employees.

v) Wages and benefits

Suppliers shall ensure that their employees are paid in alignment with applicable laws or regulations including, but not limited to minimum wages, deduction from wages, overtime hours and associated benefits as applicable. Overtime requirements if any must be based on business requirements and should be voluntary. Suppliers must provide components of pay structure to employees prior to recruitment and ensure that the compensation is competitive for the nature of work being performed. Recruitment, wages, and benefits must be in accordance with the principle of equal opportunity.

vi) Working hours

Suppliers shall ensure adherence to the prevailing regulations concerning working hours, overtime allowances, leaves, and other entitlements of their employees.

vii) Child labour

Suppliers shall prohibit employment of children below 18 years of age, or under the minimum age for employment in the country, whichever is greater. Established systems and processes are expected to be in place to verify the identity and age of their employees through verification of nationally accepted documents by the Suppliers or by contracting Third-party for the verification process, if necessary.

viii) Forced or compulsory labour

All forms of forced and compulsory labour shall be strictly prohibited. Suppliers shall comply with all slavery and human trafficking laws (Modern Slavery Act) and must ensure that adequate steps have been taken by the business operations to eliminate modern slavery and human trafficking practices. Suppliers are advised to develop and adopt practices to identify and take prompt corrective actions in any such instances. Moreover, Suppliers shall not confiscate or withhold worker identity documents including work permits and travel documentation of any of its workers/ employees.

ix) Non-discrimination

Suppliers shall eliminate all forms of discrimination at the workplace on grounds of race, color, 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 must take proactive measures to ensure that all

their employees are provided equal employment opportunities including but not limited to recruitment, promotion, training, remuneration and benefits and a conducive environment for growth which is free from any form of discrimination and harassment.

x) Freedom of association and collective bargaining

HSCL expects its Suppliers to respect and recognize the rights of its employees to freely associate and organize. Proactive steps shall be taken to promote fair working conditions as guided by international conventions as applicable.

xi) Freedom of speech and expression

Suppliers shall ensure an enabling environment in which all employees have the fundamental right to freedom of speech and expressions subject to the limitations of public order and mortality and company interest.

6. Health and Safety

Suppliers shall provide employees a healthy and safe workplace to ensure productivity, physical and mental wellbeing. Suppliers are expected to be compliant with all applicable health and safety laws, regulations and practices and must furnish copies of the same whenever requested by HSCL. Suppliers are advised to monitor and track essential health and safety indicators such as fatality rate, lost-time injury frequency rate and lost-time incident rate. Suppliers must take adequate steps to minimize hazards which may be inherent in their work environment by having processes in place and requirements such as occupational safety, emergency preparedness, machine safeguarding. Suppliers are encouraged to share best practices among their employees through conducting regular trainings on occupational health and safety.

7. Environment

Suppliers must comply with disclosure of environmental parameters such as air emissions, energy use, water use, waste and biodiversity as per regulations and norms as specified by the appropriate regulatory authorities.

8. Training and awareness programs

HSCL will conduct regular trainings among their suppliers to share best practices being followed by industry leaders and giving an opportunity to suppliers to showcase their practices. Selected suppliers will be expected to participate in these trainings.

9. Reporting concerns

HSCL's endeavor is to foster an environment of open and honest communication. The Supplier shall be assured that an effective grievance procedure has been established to ensure that any worker/ employee, acting individually or with other workers, can submit a grievance without suffering any prejudice or retaliation of any kind.

All reports are treated in a confidential manner and in the highest ethical regard. You may choose to remain anonymous while reporting.

In case of any potential violation or related queries please refer to the Grievance Redressal and Whistleblower Policy on the www.himadri.com

In case any violation of this Code is identified, the Supplier, at HSCL's discretion, would be given time to remediate the problem, with assistance from HSCL wherever possible. If the problem is not effectively addressed and within a clear timeframe which is acceptable to HSCL, then HSCL reserves the right to terminate its business relationship with the violating Supplier.

10. Review


The Policy will be reviewed on an annual basis or in case of any significant changes to the principles of UNGC, ILO, or HSCL's business strategy.

11. Suppliers' commitment

By accepting this Code of Conduct, it is implied that the suppliers will ensure compliance of this Code.

The supplier is required to send their confirmation of having read, understood and acknowledged the Supplier Code of Conduct.

Dated: 10 February 2023


Anurag Choudhary
Chairman Cum Managing
Director & CEO