

Supplier Code of Conduct

Welspun Corp Limited (WCL) is committed to conduct its business in a responsible and sustainable manner, upholding the highest ethical and legal standards. The company expects a similar principled conduct from its value chain partners to manufacture a truly sustainable product which meets expectations of its stakeholders.

Scope and Application

WCL's Supplier Code of Conduct is applicable to its value chain partners including suppliers, contractors, sub-contractors (through the relevant contractors), logistics partners, service providers, business partners, agents, representatives or any other entity entrusted that provides goods and services to it, across geographies. The term supplier used in this WCL's Supplier Code of Conduct includes all the above value chain partners.

This code of conduct is aligned with local regulatory requirements, principles of United Nations Global Compact (UNGC), United Nations Guiding Principles on Human Rights and the relevant International Labour Organization (ILO) conventions.

The document lays down WCL's expectations from its suppliers under the 3 broad categories as below:

Environment

Environment Management and Compliance: We expect our suppliers to comply with existing environmental laws and have necessary licenses, permits and other required approvals for continuing its operations.

We also expect suppliers to have an environment management system in place through which they measure and monitor their environmental performance, set annual goals & targets, promote greater environmental responsibility, and use of environmental-friendly technologies.

Energy Conservation: We expect our suppliers to monitor their energy use and take necessary steps to improve energy efficiency.

Water management: We expect our suppliers to develop water management strategies to track & reduce water consumption and wastewater disposal.

Waste Management: Our suppliers embrace the principles of circular economy by reducing, reusing, recycling, and recovering waste materials generated in operations.

Air Emissions: We expect our suppliers to monitor, regulate, and treat air emissions of volatile organic compounds, aerosols, corrosives, particulates, ozone depleting chemicals, and combustion by-products generated from operations.

Responsible Sourcing: We expect our suppliers to integrate sustainability into their supply chain through sustainable procurement practices, use of sustainable raw materials and continuous engagement.

Hazardous Substances: We require our suppliers to handle, store, and dispose of chemicals and hazardous materials in an environmentally responsible manner and train workers on these procedures.

Biodiversity: We expect our suppliers to avoid deforestation in their operations & supply chains. They shall focus on biodiversity conservation in and around the project sites with emphasis on places of concern and protected areas, where applicable.

Climate Change: As climate change becomes a major global concern, we expect our suppliers to undertake result-oriented climate actions including risk assessment and mitigation, GHG reduction and climate adaptation.

Social

Freedom of Association and Collective Bargaining: We expect our suppliers to respect the right of workers to freedom of association and collective bargaining. Workers shall be free to join an organisation of their choice and that their doing so will not result in any negative consequences or penalty. The company shall not in any way interfere with the establishment, its functioning, or administration of such organizations.

Prohibition of Forced or Compulsory Labour: We expect our suppliers to refrain from using or supporting forced, bonded or indentured labour or involuntary prison labour. In addition, they should not keep original identification papers/documents and demand employees to pay deposits when they start working. No part of any employee's salary, benefits, property or documents shall be withheld by the supplier or any entity supplying labour to them. Furthermore, the employees must have the right to leave the workplace after usual workday is over, as well have the option to leave their job.

Prohibition of Child Labour: Suppliers must not, under any circumstances, use child labour as defined by national and local laws and / or ILO Convention, whichever is more stringent. In this regard, we, at WCL, ensure that no child labour is employed at our suppliers' end that supports us with procuring goods or rendering services. Child Labor remediation procedure has to be developed by suppliers to provide adequate financial and/or other support to enable the children to attend and remain in school until no longer a child, in case any child found to be working in the business supply chain.

Non-Discrimination: We expect our suppliers to adhere to applicable laws and regulations and prohibit workplace discrimination or discrimination in hiring, termination, or retirement based on religion, age, nationality, colour, gender, sexual orientation, physical ability, health condition, political opinion, creed or any other condition that could give rise to discrimination.

Health and Safety: We expect our suppliers to provide a safe and healthy workplace to its employees which is in compliance with applicable laws, regulations and industry standards. They shall adopt a risk based approach to identify work place hazards and implement suitable mitigation strategies. The suppliers should maintain necessary documentation and records of their Health & Safety performance and develop improvement goals and targets. In addition, we expect our suppliers to provide the necessary PPE's to its employees and protect themselves from work place hazards.

Working Hours, Wages and Leave Benefits: We expect our suppliers to comply with applicable laws and regulations on working hours, weekly rest day and public holidays. The normal work week, not including overtime, shall be defined by law but shall not exceed 48 hours. Personnel shall be provided with at least one day off following every six consecutive days of working. In addition, we expect our suppliers to comply with applicable laws and regulations concerning wages and benefits. Wages and benefits paid to the employees shall meet the local legal requirements. Deductions from wages as a disciplinary measure shall not be permitted unless authorized by applicable law.

Fair Treatment: We expect our suppliers to treat its employees with dignity and respect. The company does not engage in or tolerate the use of corporal punishment, mental or physical coercion, or verbal abuse of personnel. In addition, no harsh or inhumane treatment is allowed.

Community Engagement: We encourage our suppliers to actively engage with local communities and contribute towards the enhancement of their quality of life and making them self-reliant.

Product Stewardship: We encourage our suppliers to take necessary precautions to avoid ingredients, designs, faults that may have an adverse effect or harm human life or health during product manufacturing, use, or disposal.

Governance

Stakeholder Engagement: We expect our suppliers to practice transparent and effective communication with their stakeholders on a periodic basis.

Regulatory Compliance: We expect our suppliers to follow the applicable laws of the land in which it operates. Suppliers shall identify the risks connected with their operations including but not limited to environmental, health and safety, labour practises and ethics. Furthermore, suppliers are expected to put in place adequate procedures and controls to manage such risks.

Transparency and anti-corruption: We expect our suppliers to comply with the relevant anti-bribery and anti-corruption laws applicable in countries where they do business. The suppliers for obtaining contract/favourable treatment shall ensure adherence to the following:

- Supplier and or its employees shall not directly or indirectly offer or give any bribe, kickbacks or any other improper payments in order to obtain or retain a business.
- Supplier shall not offer any cash, gift, meals, entertainment, or other hospitality for the purpose of obtaining any improper benefit or advantage.
- Supplier shall not take any advantage (social/ political connections) to obtain favourable treatment from WCL.
- Suppliers shall not take any advantage (social/ political connections) to obtain favourable treatment from WCL. Any dealings or transactions with WCL shall be solely based on the merit, honesty and integrity.
- Suppliers must take aggressive actions to remove the forms of corruption, including bribery, fraud, maintaining falsified documents, cheating, and any other illicit behaviour.

Conflict of Interest: We expect our suppliers to disclose any actual or potential conflicts of interest arising from personal or professional ties with anybody, including but not limited to WCL's suppliers, business associates, rivals, or employees before entering into any contractual or other relationship with such persons. Suppliers should not indulge in any business, monetary or any other transaction either directly with WCL employee or relatives that creates any conflict of interest for WCL. Suppliers should report forthwith to WCL of any situation where an employee of WCL may have an interest, either directly or indirectly, in the Supplier's business or economic ties with the Supplier.

Data Privacy and Information Security: We expect our suppliers to protect and appropriately use the personal data of their workers and other stakeholders, in line with existing laws and regulations. Furthermore, our suppliers must implement systems to secure information related to WCL against unauthorised access, use, or disclosure.

Grievance Mechanism: We expect our suppliers to enable their employees voice their concerns freely through robust grievance redressal mechanisms. Employee hotlines and open-door policies shall be encouraged.

Accountability: We expect our suppliers to have a governance framework with designated personnel / team to oversee and ensure adherence of WCL’s Supplier Code of Conduct at their end.

Implementation of WCL’s Supplier Code of Conduct

This Code of Conduct is effective from 23rd March 2022. Suppliers shall conduct regular/periodic internal assessments to assure their compliance with the aforesaid Code of Conduct. WCL or any third party appointed by WCL reserves the right to conduct announced or unannounced inspections of suppliers and their facilities to verify compliance with the said Code of Conduct.

By accepting any purchase order or entering into a contract with WCL, the supplier thereby acknowledges and certifies its compliance with the above-mentioned principles under this Code.

Compliance declaration

We, the undersigned hereby confirm:

1. That we have received and taken due note of WCL’s Supplier Code of Conduct and therefore, we commit ourselves to fully comply with its principles and requirements.
2. That we agree that WCL or a third party appointed by WCL may carry out periodic, announced or unannounced inspection/audit at our facilities to verify our compliance with the aforesaid Code of conduct.
3. That we effectively communicate the contents of this Code of conduct to our employees, agents, sub-contractors and suppliers and ensure measures required are implemented accordingly.
4. That the compliance with WCL’s Supplier Code of Conduct is a material obligation and any non-compliance of it shall constitute a material breach of the contract, agreement, purchase order (as may be applicable).

Name (Authorized Signatory):

Position / Designation:

Supplier / Company Name:

Address:

Date: Seal:

(Note: The Compliance Declaration must be signed by a duly authorized representative of the company and returned to the assigned WCL contact within 5 working days of receipt