



VITHAL CASTOR POLYOLS PVT. LTD.

————— *An Indo-Japanese-Korean Joint Venture* —————

Supplier Code of Conduct



Supplier Code of Conduct

Introduction

We M/s. **Vithal Castor Polyols Pvt. Ltd. (VCPL)** are committed to respecting the human rights of our workforce, communities and those affected by our operations wherever we do business (including our contractors and suppliers) in line with internationally recognised frameworks, like:

- United Nations (UN) Guiding Principles on Business and Human Rights
- Guidelines for Multinational Enterprises of the Organization for Economic Cooperation and Development (OECD)
- National Guidelines on Responsible Business Conduct as defined by the Ministry of Corporate Affairs and Ministry of Labour of Government of India

Our commitment entails total legal compliance with applicable constitutional and regulatory human rights requirements and conforming to the VCPL's Sustainable Business Framework. This we do by respecting human rights and seeking to avoid involvement in human rights abuses, identifying, assessing and minimizing potential adverse impacts through due diligence and management of issues and resolving grievances from affected stakeholders effectively.

We shall comply with all relevant and applicable statutory requirements concerning

- Environment Protection in areas where our plants operate;
- Health and Safety of our employees and stake holders.

We expect our Suppliers also to comply with this policy as a part of their doing business with us and others.

Policy Scope

VCPL's Supplier Code of Conduct applies to all our suppliers with whom we do business.

Definition: Supplier

'Supplier' here refers to supplier's / service providers / vendors / traders / agents / consultants / contractors / joint venture partners / third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kinds of goods or services to Vithal Castor Polyols Pvt. Ltd.(VCPL) or any of its subsidiaries, divisions.



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A. Human Rights

General Principles

We expect our Suppliers to implement the Human Rights Policies by:

- Having a commitment to respect human rights, including those that apply to labour practices;
- Promoting awareness of the human rights with employees at various levels of our operations through training and communication;
- Engaging with stakeholders in an inclusive, transparent and culturally appropriate manner on human rights concerns related to our business activities;
- Providing access to remedy by resolving grievances in a timely and culturally appropriate manner;
- Having Standard Operating Procedures for detailing compliance and monitoring methodologies;
- Reviewing this policy periodically

Human Rights Policies

- **Child Labour:** The Supplier shall prohibit all forms of child labour and there shall be no recruitment of Child Labour;
- **Forced Labour:** There shall be no forced labour in any form, bonded or trafficked;
- **Discrimination:** The Supplier shall treat all employees fairly and equally. All the employees shall be provided with equal opportunities in relation to employment, access to training, growth and promotion or dismissal. There shall be no discrimination on the basis of gender, race, religion, cast, age, disability, sexual orientation, political opinions, nationality and social or ethnic origin;
- **Harassment and Abuse:** The Supplier shall ensure that all the employees are treated with respect and dignity;
- **Working Hours:** The Supplier shall ensure to strictly abide by all the local / state / national laws on working hours;
- **Wages and Benefits:** The Supplier shall strictly adhere to the local / state / national laws, in terms of regular payment of the minimum stipulated wages to the employees. No deductions shall be on account of disciplinary action;
- **Freedom of Association:** The Supplier shall respect the right of all workers to form and join a trade union of their choice without fear of intimidation or reprisal, in accordance with national law; and for their right to bargain collectively;
- **Safe and Healthy Workplace**
 - The Supplier shall keep the highest priority for health, safety and well-being of their employees, stakeholders and the communities where they live and operate;
 - The Supplier focusses on Occupational health and safety (OH&S) programme on a culture that strives for zero accidents;
 - The Supplier has an OH&S Programme for regular health and safety audits and safety training;
 - The Suppliers' company applies its safety standards to all visitors to its plant.



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B. Business Ethics Policy

We expect and demand that all our suppliers, that their employees at various level carry out their business and perform their duties to the highest ethical standards and in compliance with all relevant legal requirements.

This standard of behaviour and performance shall be maintained in the Suppliers' dealings with employees, customers, suppliers, and all other stakeholders.

General Principles

The Supplier and their employees will at all times demonstrate the highest levels of integrity, truthfulness and honesty in order to uphold both personal and corporate reputations and to inspire confidence and trust in their respective actions. The company will conduct its business in a competent, fair, impartial, and efficient manner.

Health and Safety

The Suppliers shall follow all the applicable Statutory compliances and provide resources for ensuring a Safe and Health work place for its employees and others who visit them for business purposes. We recommend that Suppliers should endeavour for assessing their Health and Safety Systems, if possible through external independent agencies

Environment

The company respects the environment and the need to protect it and minimise the impact its operations have on it. It must be engaged in a programmes for improvement on environmental issues and opens itself to independent third party verification and inspection of its progress.

The Supplier shall endeavour to use environmental friendly methods in their operations and contributes to Global efforts in the reduction in carbon foot print.

Customers

The Supplier will take care to avoid misleading statements, concealment, and overstatement in all of its advertising and public statements. And will seek to build long term partnerships with their customers by being honest and straightforward in its dealings at all times. It will respect the confidentiality of any information that it might obtain in relation to its customers.

Suppliers

The Supplier will choose their Suppliers on the basis of integrity, Health and Safety performance, quality, price and quality. The company's choice of suppliers will be made objectively. Honesty and openness will be paramount in the company's dealings with its suppliers.

Competitors

The Supplier will build their reputation on the basis of their performance alone. They can compete vigorously and lawfully but will not compete unfairly with others. And will not seek to damage the reputation of its competitors either directly or by implication.



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Government, Regulators, and Legislators

The Supplier shall comply with international, national, and local legislation affecting its operations. And will meet its tax obligations.

Giving and Receiving Gifts and Entertainment

The Supplier shall ensure that their employees will neither seek nor accept for themselves or others any gifts, favours, or entertainment without a legitimate purpose from any person or business organisation that does or seeks to do business with them. Gifts, favours, and entertainment may be given to others at the expense of the company as long as these are consistent with customary business practice and are not excessive in value.

Bribes and Corrupt Practice

The Supplier does not allow the direct or indirect offer, payment, solicitation, or acceptance of bribes in any form. Any shall act as per laws if any of their employee found to be involved in any kind of corrupt practice or may well have committed a criminal act which could lead to prosecution.

Avoiding Conflict of Interest

The Supplier shall ensure that no employee of theirs will allow personal or family interests to influence their professional judgement. They must never accept anything of value, if it would constitute either an inducement to make, or a reward for making, any decision favourable to the interests of a third party. Whilst they are free to make personal financial investments and to maintain social relationships with people whom they meet through business activities, their business relationships must not create any interests that may conflict, or have the potential to conflict, with those of the Suppliers' organization.

Anti-money Laundering

The Supplier will comply with all applicable anti-money laundering laws, rules, and regulations. Money laundering is converting money or assets obtained through criminal activity into assets that appear legitimate. The Suppliers' employees should exercise caution that their companies' products and services are not used for any money laundering or illicit financial activity, including terrorism while conducting business in countries where there is limited enforcement of laws prohibiting money laundering and terrorist financing activities.

Fraud and Similar Irregularities

The Supplier should have a policy that prohibits fraud by any employee or any one working on their behalf.

Fraud includes, but is not limited to:

- Dishonest or fraudulent act;
- Embezzlement;
- Forgery or alteration of negotiable instruments such as Company checks and drafts;
- Misappropriation of Company, employee, customer, partner or supplier assets;
- Conversion to personal use of cash, securities, supplies or any other Company asset;
- Unauthorized handling or reporting of Company transactions; and
- Falsification of Company records or financial statements for personal or other reasons.

Any director, employee or a non-employee working for our Supplier who suspects that any fraudulent



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activity may have occurred is required to report such concern to the appropriate Dept. in their organization. All fraud investigations should be conducted as per their rules and regulations.

Information

The Supplier shall protect all information shared by us or any organisation for the purpose of business, against loss of availability, infringement and improper disclosure to others.

Business Integrity

The shall honour their commitments and promise only what they can deliver.

Business Principles

The Supplier does not sacrifice compliance with laws and commitment to their responsibilities or take undue risk for the sake of profits.

C. Sustainability

We expect and demand that all our suppliers to develop their sustainability performance by identifying objectives and KPIs. We expect our suppliers to comply with applicable laws and to adhere to internationally recognized environmental, social and corporate governance standards (ESG Standards). We also expect our suppliers to use their best efforts to implement these standards with their suppliers and sub-contractors.