







Himadri Speciality Chemical Ltd

Supplier Code of Conduct

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Signature				
Date	07/12/2023	07/12/2023	07/12/2023	08/12/2023.



Introduction

At **Himadri (Himadri Speciality Chemical Ltd.)**, we are dedicated to conduct our business with the utmost integrity, transparency, and responsibility. Our commitment to sustainability is not just a core value, but a strategic priority that influences every aspect of our operations. As we advance our noble mission to create a positive impact on society and the environment, we expect our suppliers, contractors, and third-party providers to share and support our values and objectives.

This Supplier Code of Conduct (SCoC) outlines the principles and standards that we expect all our suppliers to adhere to. It is closely aligned with global sustainability agendas, including the United Nations Sustainable Development Goals (SDGs), the Ten Principles of the UN Global Compact, and the International Labour Organization (ILO) conventions including laws of the land where we operate. We believe that by working together, we can build a responsible, sustainable, and resilient supply chain that contributes to a better world.

1. Compliance with Laws and Regulations

Suppliers must operate in full compliance with all applicable local, national, and international laws, regulations, and standards. This includes:

- **Legal Compliance:** Adhering to all laws and regulations related to environmental protection, labor rights, health and safety, anti-corruption, anti-bribery, and fair trade, REACH or equivalent compliance.
- **Regulatory Monitoring:** Staying informed of and adapting to changes in laws and regulations that impact their operations and the supply chain.

2. Environmental Stewardship

We expect our suppliers to demonstrate leadership in environmental sustainability and to actively work towards minimizing their environmental footprint. This includes:

2.1. Environmental Management Systems

Suppliers are strongly encouraged to develop, implement, and maintain an Environmental Management System (EMS) in line with internationally recognized standards such as ISO 14001. The EMS should include:

- **Environmental Policy:** A clear policy that outlines the supplier's commitment to environmental protection and continuous improvement.
- **Risk Assessment:** Regular assessments to identify, evaluate, and manage environmental risks.
- **Performance Monitoring:** Ongoing monitoring and reporting of environmental performance, including energy usage, emissions, waste, and resource consumption.



2.2. Resource Efficiency and Waste Management

Suppliers should strive for efficiency in the use of resources, reducing waste and promoting recycling and reuse wherever possible. This includes:

- **Energy and Water Use:** Implementing measures to reduce energy and water consumption through efficient processes, equipment, and behaviours.
- **Waste Reduction:** Minimizing waste generation at all stages of the supply chain, from raw material acquisition to production and distribution.
- **Circular Economy Practices:** Encouraging the use of sustainable materials, extending product life cycles, and facilitating recycling and reuse to support a circular economy.

2.3. Greenhouse Gas (GHG) Emissions Reduction

Suppliers must actively work to reduce their greenhouse gas (GHG) emissions, contributing to global efforts to mitigate climate change. This includes:

- **GHG Inventory:** Conducting a thorough inventory of GHG emissions across Scope 1, Scope 2, and, where applicable, Scope 3 emissions.
- **Target Setting:** Establishing science-based targets for GHG reduction in line with the Paris Agreement and the goal of limiting global warming to 1.5°C above pre-industrial levels.
- **Emission Reduction Initiatives:** Implementing energy efficiency projects, renewable energy use, and other strategies to reduce GHG emissions.
- **Transparency:** Regularly reporting GHG emissions data to **Himadri** and other stakeholders.

2.4. Sustainable Sourcing of Raw Materials

Suppliers are expected to source raw materials in a manner that is environmentally responsible and socially beneficial. This includes:

- **Sustainable Certification:** Preference should be given to materials certified by recognized standards such as FSC (Forest Stewardship Council) for wood products, or Fair Trade certifications for agricultural goods.
- **Conflict Minerals:** Suppliers must ensure that their sourcing of minerals such as tin, tungsten, tantalum, and gold does not contribute to conflict or human rights abuses in the regions from which they are sourced.
- **Biodiversity Protection:** Suppliers must avoid sourcing materials from areas that threaten biodiversity and should support conservation efforts in their supply chains.



3. Labor and Human Rights

Himadri is committed to respecting and promoting human rights across its value chain. We expect our suppliers to uphold the highest standards of labor practices and human rights, in accordance with international conventions such as United Nation's Universal Declaration of Human Rights.

3.1. Child Labor

Suppliers must not engage in or benefit from the use of child labor. This includes:

- **Minimum Age Requirements:** Adhering to the Government of India's Child and Adolescent Labor (Prohibition and Regulation) Act, 1986 and ILO Minimum Age Convention (No. 138) and ensuring that no worker is employed below the legal age for employment in their country, or below 15 years old, whichever is higher.
- **Support for Education:** Encouraging and supporting access to education for young workers, particularly those under the age of 18, and ensuring that their work does not interfere with their education.

3.2. Forced Labor

Suppliers must not engage in or support any form of forced, bonded, or involuntary labor. This includes:

- **Freedom of Employment:** Ensuring that all employment is voluntary and that workers have the freedom to terminate their employment with reasonable notice.
- **No Retention of Identity Documents:** Suppliers must not retain any personal documents, such as passports or identification cards, as a condition of employment.
- **Prevention of Modern Slavery:** Taking proactive steps to ensure that modern slavery does not occur in their operations or supply chain.

3.3. Fair Wages and Working Conditions

Suppliers must provide fair wages, benefits, and working conditions to their employees, in accordance with legal and ethical standards. This includes:

- **Wage Compliance:** Paying at least the minimum wage required by law or a living wage, whichever is higher, and ensuring that workers receive all legally mandated benefits.
- **Working Hours:** Complying with local laws and international standards on working hours, including limits on overtime, and ensuring that workers have adequate rest periods.
- **Safe and Healthy Workplace:** Providing a safe and healthy working environment, with access to necessary protective equipment, clean facilities, and health services. Regular risk assessments and safety training should be conducted.



3.4. Non-Discrimination and Equal Opportunity

Suppliers must ensure that all employees are treated fairly and with respect. Discrimination based on race, colour, gender, sexual orientation, religion, age, disability, or any other protected characteristic is prohibited. This includes:

- **Diversity and Inclusion:** Promoting diversity in the workplace and taking steps to eliminate barriers to equal opportunity.
- **Harassment and Abuse:** Implementing policies and procedures to prevent harassment, abuse, and exploitation in the workplace.
- **Grievance Mechanisms:** Providing accessible and confidential channels for employees to report grievances and ensuring that they are addressed promptly and fairly.

4. Ethical Business Practices

Ethical conduct is a cornerstone of our business operations, and we expect our suppliers to conduct their business with integrity, transparency, and accountability.

4.1. Anti-Corruption and Anti-Bribery

Suppliers must not engage in, or tolerate, any form of corruption, bribery, or unethical practices. This includes:

- **Prohibition of Bribery:** Suppliers must not offer, give, receive, or solicit bribes or other improper payments or gifts to obtain or retain business or secure any advantage.
- **Compliance with Anti-Corruption Laws:** Suppliers must comply with all applicable anti-corruption and anti-bribery laws, such as the Prevention of Corruption (Amendment) Act, 2018.
- **Reporting and Transparency:** Suppliers must maintain accurate records of all transactions and report any instances of corruption or bribery to **Himadri**.

4.2. Fair Competition and Anti-Trust

Suppliers must conduct their business in a manner that promotes fair competition and complies with anti-trust and competition laws. This includes:

- **Avoidance of Collusion:** Suppliers must not engage in practices such as price-fixing, market-sharing, bid-rigging, or any other form of anti-competitive behaviour.
- **Compliance with Competition Laws:** Suppliers must adhere to all applicable competition and anti-trust laws and regulations in the countries where they operate.



4.3. Conflicts of Interest

Suppliers must avoid situations where their personal interests could conflict with their duties and responsibilities to **Himadri**. This includes:

- **Disclosure of Conflicts:** Suppliers must disclose any actual or potential conflicts of interest to **Himadri** immediately.
- **Ethical Decision-Making:** Ensuring that all decisions are made in the best interest of the business relationship and are free from undue influence or bias.

5. Community Engagement and Social Responsibility

Suppliers should contribute to the social, economic, and environmental well-being of the communities in which they operate.

5.1. Community Investment

Suppliers are encouraged to engage in activities that positively impact local communities. This can include:

- **Economic Development:** Supporting local businesses, creating jobs, and contributing to the economic development of the communities where they operate.
- **Education and Health:** Investing in education, health care, and other social services that benefit local communities, particularly marginalized or disadvantaged groups.
- **Philanthropy and Volunteering:** Encouraging employee volunteering and corporate philanthropy to support community projects and social initiatives.

5.2. Respect for Indigenous Peoples and Local Cultures

Suppliers must respect the rights and traditions of indigenous peoples and local communities. This includes:

- **Free, Prior, and Informed Consent (FPIC):** Ensuring that indigenous peoples and local communities are consulted and give their free, prior, and informed consent before any project that affects their lands, territories, or resources is initiated.
- **Cultural Sensitivity:** Being mindful of the cultural heritage, practices, and values of the communities in which they operate, and ensuring that their activities do not harm cultural sites or traditions.



6. Data Privacy and Security

The protection of personal and confidential information is of utmost importance. Suppliers must take appropriate measures to safeguard data and ensure compliance with all relevant data protection laws.

6.1. Data Protection Compliance

Suppliers must comply with all applicable data protection and privacy laws, including India's Digital Personal Data Protection Act (DPDPA), 2023, General Data Protection Regulation (GDPR) in the European Union, the California Consumer Privacy Act (CCPA), and other relevant regulations. This includes:

- **Data Collection and Use:** Collecting and using personal data only for legitimate business purposes and with the consent of the data subjects.
- **Data Minimization:** Limiting the collection of personal data to what is necessary for the intended purpose and ensuring that it is retained only for as long as necessary.
- **Data Subject Rights:** Respecting the rights of data subjects, including their right to access, correct, delete, or restrict the use of their personal data.

6.2. Cybersecurity Measures

Suppliers must implement robust cybersecurity measures to protect against data breaches, cyberattacks, and other threats. This includes:

- **Security Protocols:** Implementing encryption, firewalls, intrusion detection systems, and other security measures to protect sensitive data.
- **Incident Response:** Having an incident response plan in place to address and mitigate the effects of any data breach or cybersecurity incident.
- **Employee Training:** Providing regular training to employees on data security best practices and the importance of safeguarding sensitive information.

7. Compliance, Monitoring, and Reporting

To ensure adherence to this Code, **Himadri** expects suppliers to implement and maintain systems that monitor compliance and promote continuous improvement.

7.1. Internal Monitoring and Self-Assessment

Suppliers are expected to establish internal monitoring mechanisms to ensure compliance with this Code. This includes:

- **Regular Audits:** Conducting regular internal audits and self-assessments to identify areas of non-compliance and opportunities for improvement.
- **Corrective Actions:** Implementing corrective actions promptly to address any identified issues and prevent recurrence.



7.2. Cooperation with Audits and Inspections

Suppliers must agree to allow **Himadri** or its designated third-party auditors to conduct audits and inspections of their facilities, records, and practices. This includes:

- **Access to Information:** Providing auditors with unrestricted access to relevant documents, records, and personnel.
- **Transparency:** Being transparent and cooperative during the audit process, and addressing any audit findings in a timely manner.

7.3. Reporting Non-Compliance

Suppliers are required to report any actual or suspected non-compliance with this Code to **Himadri** immediately. This includes:

- **Anonymous Reporting:** Providing employees with safe and confidential channels to report unethical behaviour or non-compliance, without fear of retaliation.
- **Proactive Disclosure:** Suppliers must proactively disclose any potential issues or risks that could impact their compliance with this Code.

8. Continuous Improvement and Capacity Building

We believe in the importance of continuous improvement and capacity building to enhance sustainability and ethical practices across the supply chain.

8.1. Training and Education

Suppliers should provide ongoing training and education to their employees on topics relevant to this Code. This includes:

- **Sustainability Training:** Educating employees on environmental management, resource efficiency, and sustainable practices.
- **Ethics and Compliance:** Providing training on ethical business conduct, anti-corruption measures, and compliance with laws and regulations.
- **Health and Safety:** Ensuring that employees are trained in health and safety protocols, risk management, and emergency response procedures.



8.2. Collaboration and Innovation

Suppliers are encouraged to collaborate with **Himadri** and other stakeholders to develop innovative solutions that drive sustainability and ethical practices. This includes:

- **Joint Initiatives:** Participating in joint initiatives and projects that promote sustainability, such as reducing GHG emissions, enhancing resource efficiency, or advancing social responsibility.
- **Research and Development:** Investing in research and development to create sustainable products, technologies, and processes that align with the goals of this Code.
- **Best Practice Sharing:** Sharing best practices, case studies, and success stories with **Himadri** and other suppliers to foster a culture of continuous improvement.

9. Business Continuity Management System (BCMS)

At **Himadri**, we recognize that resilience is key to maintaining operational integrity, especially in the face of unforeseen disruptions. As part of this Supplier Code of Conduct, we require all our suppliers to implement a robust Business Continuity Management System (BCMS) based on ISO 22301:2019. Suppliers are expected to establish clear recovery strategies, maintain critical operations, and safeguard essential resources.

10. Non-Compliance with Code of Conduct

In the event that the Supplier is found to be in violation of any provision of this Supplier Code of Conduct, the Company reserves the right to immediately terminate any existing agreements or contracts with the Supplier, subject to the conditions outlined in this Clause.

Acknowledgment:

By signing below, the supplier acknowledges that they have read, understood, and agree to comply with the **Himadri's** Supplier Code of Conduct.

Authorised Representative Name: _____

Signature: _____

Authorized Representative's Title: _____

Date: _____

Organization's Name: _____