

Eicher Motors Limited

Supplier Code of Conduct

This Supplier Code of Conduct (“Code”) is applicable to all ‘Suppliers’ of Eicher Motors Limited (“EML”). ‘Supplier’ here refers to service providers/ manufacturers/ vendors/ traders /third parties including their employees, agents and other representatives, who have a business relationship with and/or provide, sell, seek to sell, any kinds of goods or services to EML. This Code defines the basic requirements that EML expects its Supplier to adhere to when conducting business with EML and defines how EML chooses to do business and interact with the Suppliers.

Vision and core Value

- EML’s mission is not only to provide an immersive brand and retail experience to its customers by ensuring superior product and service experience but also to create brighter lives for today’s generation as well as for the generations to come. EML strongly believes that everything EML does should contribute to a more sustainable world. To EML, being sustainable means simultaneously creating value along all three dimensions: human, environmental and economic and with this multidimensional vision on sustainability, EML expects its Suppliers / Vendors to comply with and act in accordance with all applicable safety, health, environmental and employee welfare regulatory norms and to run their businesses in compliance with the applicable laws and regulatory requirements.

Labour & Human Rights

- Supplier shall comply with all applicable local, state and national laws regarding human rights, as well as the Company’s Human Rights Policy.
- Supplier shall ensure that all their employees/contract workers are hired on their own free will and guarantee that all their operations are free from forced, bonded, compulsory, indentured, prison labour or any other form of compulsory labour and child labour. Supplier shall also ensure that employees/workers are not being charged any fees or costs for recruitment (directly or indirectly), not confiscating or withholding worker identity documents or other valuable items, including work permits and travel documentation, of any of its workers/ employees.
- Supplier shall ensure that all its employees are provided equal employment opportunities, and the employees/workers are provided an environment conducive to their growth, free from any form of discrimination and harassment.
- Supplier shall ensure compliance with minimum working hours, minimum remuneration and minimum notice period prescribed by applicable laws and regulations.
- Supplier must take steps to ensure their business operations are free from slavery and human trafficking practices both internally and within their

supply chains and other external business relationships.

- Supplier’s employees/workers shall have the right to lawfully form, join or not join labour unions, bargain collectively, seek representation and join worker’s councils in accordance with local law and international conventions. Supplier’s employees/ workers shall be able to openly communicate and share ideas and concerns with management regarding working conditions and management practices without fear of discrimination, intimidation or retaliation.
- The Supplier must act in line with Convention 138 (Minimum Age) and Convention 182 (Worst Forms of Child Labor) of the International Labor Organization.

Occupational Health and Safety

- Supplier is expected to provide a safe, healthy and hygienic working environment, and comply with all local rules and regulations that are applicable to their business operations, and have obtained all the necessary permits and / or are following the local industry standards, in cases where these are more stringent than local legal requirements.
- Supplier shall ensure all employees/ workers work within safe and humane conditions, including providing adequate training and effective protective equipment to safely carry out their duties. Supplier will also provide access to clean sanitation facilities, potable water and clean and healthy working condition
- Supplier’s facilities must be constructed and maintained in accordance with applicable laws and regulations and accommodation, where provided, shall be clean, safe and meet the basic needs of workers while respecting their dignity. Supplier will also ensure that there are appropriate exits, procedures and equipment in place to deal with emergency.

Environmental Protection

- Supplier and their processes, products and services should comply with all regulations related to the environment. Supplier shall ensure that all permits, licenses and registrations are up to date and that operational and reporting requirements are met.

- Supplier is expected to ensure and demonstrate continuous environmental improvements, including a reduction in raw materials, energy, emissions, discharges, noise, waste and reliance on natural resources and hazardous substances by means of clear targets and improvement policies. Supplier is expected to have the safe handling, movement, storage, recycling, reuse and management of waste, air emissions and wastewater discharges. Any of these activities that have the potential to adversely impact environmental health will be appropriately managed, controlled and handled prior to release of any substance into the environment.
- Supplier will have systems in place to prevent or mitigate accidental spills and releases into the environment.
- Supplier is expected to use natural resources (e.g. water, energy, sources of energy, raw materials) in an economical way.
- Supplier will engage in the development and use of climate-friendly products and processes to reduce power consumption and greenhouse gas emissions.
- Supplier is expected to be part of EML's sustainability drive and participating initiatives such as Water Positive, Carbon neutral (use renewable energy, increase afforestation, etc.), eliminate single use plastic in their value chain and supply of products to EML.
- Supplier is expected to use enviro-friendly packing materials and reused / recycled materials wherever possible in the packaging of their products / services supplied to EML.
- Supplier is expected to declare that the materials / services supplied are free from substance of concern (SOC).
- Supplier is expected to declare its compliance with Restriction of Hazardous Substance (RoHS) Directive, eg., lead, mercury, arsenic, cadmium etc., in the product / services supplied to EML.
- Supplier is expected to comply with the legislation such as ELV Directive, REACH, Prop-65, Conflict Minerals Regulation and upcoming regulations, if any, and submit material data sheet to EML for the supply of parts.
- Supplier is expected to comply with the PUC test for vehicle emission, fitness certificate, valid driver's license for the class of vehicle authorised, speed limit (wherever applicable) related to all inbound & outbound vehicles for material transportation to EML.

- In accordance with the principles of product stewardship, Supplier shall identify the risks and adverse environmental impact attached to their products during the production, distribution and transportation process as well as their entire lifecycle and look for opportunities to reduce the same. In this context, Supplier shall share relevant knowledge, expertise and experience with their own suppliers, customers and other parties.

Business Ethics

Anti-Corruption:

- The Supplier shall not, directly or through intermediaries, engage in 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 EML and shall refrain from any form of corruption including extortion and active or passive bribery. More specifically, Supplier:
 - shall not offer or accept bribes 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 on Prevention of Corruption Act, 1988, Prevention of Money Laundering Act, 2002, United States Foreign Corrupt Practices Act (FCPA) and the United Kingdom's Bribery Act, 2010.
 - shall not take any advantage of any family/ social/ political connections to obtain favorable treatment or for the advancement of business
 - shall respect that EML employees do not give or accept any gift or favor (nor are they permitted to). Supplier is aware of and shall adhere to EML's requirements and shall not offer any gift, hospitality or entertainment for the purpose of obtaining any advantage, order or undue favor.
 - shall not enter a financial or any other relationship with an employee of EML. The Supplier is expected to report to EML any situation where an employee or professional under contract with EML may have an interest of any kind in the Supplier's business or any kind of economic ties with the Supplier. Further the Supplier's accounting records and supporting documents shall show a true, fair and complete picture and reflect the nature of underlying transactions.

Fair Competition

- Supplier shall respect and comply with all applicable fair trade, competition and anti-trust laws and regulations and shall not have any anti- competitive discussions or enter into any anti- competitive agreements, including illegal price-

fixing, market sharing, customer allocation or other illegal restrictive practices, at any level of the production or distribution chain

Grievance Redressal and Disclosure

- The Supplier shall ensure that an effective grievance redressal 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.
- Supplier shall also forthwith report any unethical activity or discrimination if practiced by any EML employee.

Embargo and Trade Law

- Supplier shall respect the applicable trade laws and restrictions as imposed by the United Nations or other national or supranational bodies or governments, and shall implement strict policies to ensure compliance therewith.

Business Continuity

- Supplier shall strive to maintain policies and plans that mitigate exposure to terrorism, crime, threats, pandemics, natural disasters and related major accidents.

Intellectual Property

- The Supplier shall take appropriate steps to safeguard EML's confidential and proprietary information/intellectual property/ technology which come to its knowledge during its business relationship/ dealings with EML. Sharing of EML's confidential information with subcontractors should be done with the prior written consent of EML.
- Supplier shall not use EML's name, logo, or any design which is similar thereto, or any of its registered or unregistered trademarks, on any components, or on any container or packing materials used for packing of such components, without prior and specific written approval of EML, and/or without complying with the terms prescribed by EML.

Commitment of the Supplier

- EML expects the Supplier to adhere to all applicable laws and regulations and comply with this Code. It is the Supplier's responsibility to read and understand the contents of this Code.
- As a condition of doing business with EML, the Supplier must comply with this Code and agree to uphold such values during its business association with EML.

- Supplier warrants that it has read and understands and will comply with the requirements set forth in this Code, which may be amended by EML, from time to time.
- The Supplier shall maintain adequate documentation to demonstrate compliance with the principles of this Code and allow access to EML to check compliance upon request with reasonable notice.
- Supplier shall ensure responsible procurement of materials critical to the industries in which EML operates, and of those from conflict affected and high-risk areas.
- The Supplier shall implement a sustainable procurement policy for its own suppliers, aligned to EML's Supplier Code of Conduct.
- Supplier shall provide EML with timely and accurate information about the products it provides to EML. EML relies on this information to make business, legal, and compliance decisions, among other purposes.
- Where appropriate, products must contain instructions adequate to use the product safely.
- All taxes paid by the company to the Supplier as part of consideration should be promptly remitted by the Supplier to the government as per statutory due dates.
- Supplier is expected to file all statutory returns as per due dates applicable under various laws in force.
- Supplier is expected to comply with all the legal requirements as required under GST or any other laws with regard to invoicing format and documents supporting movement of goods like e-way bill etc..
- Supplier is expected to submit a statement of accounts to EML for the purpose of account reconciliation as and when requested for.
- Supplier is expected to provide periodic asset holding confirmation wherever any inventory or tools belonging to EML are physically held in the premises of the Supplier. EML also holds the right to physically inspect these assets at the Supplier premises.
- The concerned EML Business Head can be contacted on vivekagrwal67@royalenfield.com for queries related to this Code.