

HR Dept.	KALYANI TECHNOFORGE LTD	Revision 00
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		Next Revision - 01-04-2025

Supplier Code of Conduct Policy

Mission
Sustainability



INTRODUCTION

Kalyani Technoforge Limited (KTFL) has always embodied the true spirits of business ethics in its interactions with all its stakeholders –the customers, suppliers, employees, agents, representatives, consultants, advisors, retainers, shareholders, the Government or the society at large.

Kalyani Technoforge Limited is proud of its heritage and would do everything to sustain this tradition. At KTFL, we are committed to integrate economic, social and environmental sustainability in all our activities. At KTFL, we are dedicated to exceed customer expectations, by always being first to market with the best products and world class practices. “*Supplier(s)*” here means any business, company, corporation, person or other entity that provides, sells, or seeks to sell, any kind of goods or services to KTFL and its group companies, including the Supplier's employees, agents and other representatives.

We believe that our Suppliers are extension of our company and an important part of our Supply chain who value our commitment to quality, timely delivery and low cost. To assist Suppliers in understanding KTFL’s expectations, we have a KTFL Supplier Code of Conduct (the “Supplier Code”), which applies to all businesses that manufacture/sell goods or provide services to KTFL and any of its subsidiaries, joint ventures, group companies, divisions, associates or affiliates having presence globally. The Supplier Code provides the foundation for KTFL’s ongoing assessment or audit of a Supplier and constitutes additional terms of the Purchase Order, work order, scheduling agreement or any commercial agreement entered into with the Supplier. It also deals with Supplier’s employees, officers, workers, agents, representatives and including any individual who provides direct service to the Supplier, whether full-time, part-time, temporary or occasional employment.

We expect that all our Suppliers promote and disseminate compliance with the Code of Conduct principles in their own supply chain. Failure to adhere with this Supplier Code may result in termination of commercial relationship with KTFL as its Supplier and any of KTFL subsidiaries/associate companies.

KTFL expects its Suppliers to comply with the following principles:

1. GENERAL PRINCIPLE

Suppliers shall comply with all the applicable laws, rules and regulations, including those related to labour, health, safety and environment and conduct their business in ethical manner.

2. BUSINESS ETHICS & COMPLIANCE

Suppliers shall at all times comply with the national or international anti-corruption laws or regulations of the countries in which they operate, and shall not engage in any activities of corruption, extortion, fraud, bribery or embezzlement in any form. Suppliers shall maintain high level of integrity, transparency and accuracy in record keeping. In particular, kickbacks, bribery and

blackmail is not permitted to influence the representatives of business partners, politicians, administration, the judiciary or the public. Laws protecting and promoting competition must be respected. Suppliers must respect fair competition and stick to the prohibition of agreements with competitors and other measures that hinder the free market. Suppliers are obliged not to disclose any commercial and technical details/processes, which become known by them through the business relation with KTFL. They shall be treated as business confidential/secrets.

3. SOCIAL RESPONSIBILITY

As per RBA principles focus on **Labor, Health and Safety, Environmental, Ethics and Supply chain management**. These guidelines are not just regulations; they are essential values that guide our daily actions and decisions, so suppliers are urged to respect internationally recognized human rights standards and to work towards them in all business activities within their own sphere of influence. Any slavery, servitude, human trafficking, forced or compulsory labour are prohibited.

Child Labour: Only workers who meet the minimum employment age requirement in the country where they are working, may be hired by a Supplier. The Suppliers must comply with all the applicable labour laws, including those related to hiring, wages, hours worked, overtime and working conditions. The Suppliers are urged to formulate work-study programs and government-sponsored educational programs for the younger working section of the society.

Wages, Benefits and Working Hours: Working hours, wages, overtime pay and other elements of compensation must comply with all applicable laws. Workers must be paid at least the minimum legal wage or a wage that meets local industry standards and will provide all legally mandated benefits. Workers should be paid annual leave and holidays as per the applicable laws.

Work Environment and Equal Opportunities / Anti-Discrimination: Suppliers are obliged to refrain from any discrimination and to ensure equal employment. Supplier shall not discriminate the employees, on the basis of nationality, color, origin, ideology, religion, race, caste, creed, trade union or political activity, sexual orientation, age, sex, illness, disability, pregnancy or any medical condition. Suppliers' employees should be treated with dignity and work environment should be free of all types of harassment, whether physical, verbal or psychological.

Freely Chosen Employment & Young Workers

No person below the age of 18 years will be recruited in by the supplier, also supplier should not employ any form of forced labour or any young workers

Equal Pay for Equal Work:

The Policy defines a pay structure based on "Equal pay for equal work" principles, meaning that workmen should be compensated commensurate with their skills and experience.

Non-Discrimination

The organization does not believe in discrimination amongst and within its organization based on caste, creed, color, religion, nationality, gender and pays equally to all its workmen as per the designated job roles of the workmen within the organization.

Diversity: Suppliers to promote such a culture where every individual is encouraged to reach his or her full potential, regardless of gender, ethnicity or cultural background. This diversity is considered a distinct competitive advantage as each individual is encouraged to contribute his or her unique perspective and strength to the whole, while respecting and learning from the experience of others.

Supplier shall maintain a fair, secure, productive and inclusive workplace for all members of their workforce, one in which everyone is valued for their unique contributions to the company. Suppliers shall ensure the freedom of association including without limitation collective bargaining etc. and should have whistle blower mechanism in place with protection against retaliation.

Use of private or public security forces

Suppliers that hire or use private or public security forces for protection must provide, sufficient instruction and oversight to avoid torture, cruel, inhumane, or degrading treatment, damages to life or limb of individuals, and the impairment of workers' freedom of association.

4. **SUSTAINABILITY**

Suppliers shall strive to abide and act in accordance with the applicable statutory and international standards for environmental protection. All products manufactured along the supply chain must meet the environmental protection standards of their market segment such as water quality, air quality etc. and should have in place Responsible Chemical Management. This includes the complete product life cycle as well as all used materials. Suppliers shall, on KTFL's request, provide evidence that they have implemented an environment program in order to reduce the carbon footprint on the environment.

GHG emissions Energy efficiency policy

Suppliers are to establish a greenhouse gas ("GHG") data. Energy consumption and all relevant Scopes 1 and 2 greenhouse gas emissions (using the GHG protocol) are to be tracked, documented, and publicly reported. Where such tracking is not currently available Suppliers should establish a plan to implement tracking within one-year and provide the data and/or components required to calculate GHG emissions. Suppliers are to look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions by using renewable energy.

Sustainable resources management

Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

Animal welfare Biodiversity, land use and deforestation

Prevent where possible or minimize and mitigate biodiversity risks throughout the business. Manage the operations in a manner that allows biodiversity conservation and animal welfare to be integrated with business needs. Implement methods for waste disposal that protects the ecosystem by reducing impacts on air, soil & water quality. Comply with regional and national regulatory requirements, for proper land management and biodiversity conservation.

Noise emissions

If the Noise level is found above the limit, restructure the process. Take necessary corrective actions to reduce the noise level. Arrange adequate and suitable safety PPEs.

5. **WORKING CONDITIONS IN FACTORY/PLANT/OFFICES**

A safe environment, in which all workers are treated with dignity and respect, is the most important and critical part of an effective business association between KTFL and the Suppliers. The Supplier should maintain an employee safety management as may be applicable to its business operations. The Suppliers must comply with all applicable laws regarding working conditions, including worker's health, safety, sanitation, fire safety, risk protection, mechanical and structural safety. The work environment should be well lighted and sufficient for the safe performance of production activities. There must be sufficient, clearly marked exits that allow workers to evacuate in an orderly fashion in the event of a fire or other emergencies. Emergency exit routes should be posted and clearly marked. Appropriate fire extinguishers should be highly visible and shall be mounted on walls and columns throughout the Supplier's factory. Production machinery must be equipped with operational safety devices. Appropriate PPE (personal protective equipment), such as gloves, rubber boots, safety glasses, goggles, ear plugs and ear muffs should be provided to the workers along with usage instructions

6. **POLITICAL ACTIVITY**

KTFL restricts the use of its name in any political activity. Suppliers shall not be involved in any political activity as a representative of KTFL or use the name of KTFL to participate in legislative campaigns.

7. **BRIBERY**

The Suppliers must comply with applicable anti-bribery laws in all such jurisdictions wherein they conduct their businesses. Suppliers and its employees shall neither receive nor offer or take, directly or indirectly, any illegal payments, remuneration or comparable benefits which are intended to or perceived to obtain business or uncompetitive favors for the conduct of its business and shall participate in efforts to eliminate such forms of an illicit payment, bribery, corruption and extortion.

8. **ANTITRUST COMPLIANCE**

The Suppliers must comply with applicable anti-trust laws and regulations. If a Supplier is under investigation for actions related to the anti-trust laws, he or she must be obliged to intimate KTFL immediately.

9. **CONFLICT OF INTEREST**

Suppliers are expected to avoid conflicts of interest that may compromise the Supplier's credibility with KTFL. There is a potential for conflict of interest, if a Supplier's employee or his or her family member has a relationship with a KTFL employee who can make decisions that will affect the Supplier's business.

COMMUNICATIONS, ENFORCEMENT

All Suppliers must comply with this Supplier Code as a condition of doing business with KTFL. KTFL will maintain a system to assess and ensure compliance. KTFL understands that many Suppliers have code of conducts of their own that cover most or all of the principles listed herein; Suppliers can use their own code of conducts to meet the intent of this requirement. If KTFL determines that a Supplier has violated this Supplier Code, the Supplier must provide information relating to the incident(s) and show within 30 days the actions taken to correct the condition. KTFL has the authority to access the Supplier's code of conduct as and when required.

10. SUPPLY CHAIN MANAGEMENT

The Supplier is expected to implement its own binding code of conduct, and is expected to make reasonable efforts to promote the principles of this Supplier Code in its own supply chain. The Supplier must establish a proactive process to ensure compliance with the intention of this Supplier Code. Acceptance of purchase order/work contract by a Supplier shall be presumed as an acceptance of this Supplier Code as well.

11. THIRD PARTY REPRESENTATION

The Suppliers shall not be authorized to represent KTFL or to use the *KTFL/Kalyani* brand without the written permission of KTFL. Authorized representatives of KTFL are expected to abide by this Supplier Code in their interaction with, and on behalf of KTFL, including the confidentiality of information shared with them. The actions of third-party agents or representatives (including government representatives) on behalf of the Supplier will be considered to be the actions of the Supplier for the purposes of this Supplier Code.

12. PROTECTING COMPANY ASSETS AND INTELLECTUAL PROPERTY

Suppliers shall ensure that the assets of KTFL are not misused and shall use in a reasonable manner as Suppliers use its own assets. Suppliers shall use assets for the purpose of conducting business for which they are duly authorized and shall not cause damage to the assets of KTFL. Suppliers must respect and protect the intellectual property rights of all parties by only using information technology and software that has been legitimately acquired and licensed. Suppliers must protect and responsibly use the physical and intellectual assets of KTFL, including intellectual property, tangible property, supplies, consumables, and equipment, when authorized by KTFL to use such assets.

Suppliers must comply with all KTFL requirements and procedures for maintaining passwords, confidentiality, security and privacy as a condition of providing KTFL with goods or services or receiving access to the KTFL internal corporate network, systems, and buildings. All data stored or transmitted on KTFL owned or leased equipment is to be considered private and the property of KTFL. Supplier shall inform KTFL of any new intellectual property acquired by the Supplier (including any of its employee, representative or its group company).

13. DATA PROTECTION

Suppliers shall comply with all data protection and privacy laws applicable to the processing of personal information/ data and maintain reasonable safeguards to protect personal data from misuse, loss, disclosure, unauthorized access and illegal use. Personal data shared by KTFL, if any, shall be processed only for the sole purpose of providing goods and/ or services to KTFL.

Suppliers shall comply with General Data Protection Regulation (GDPR) in EU law wherever applicable.

14. LEGAL COMPLIANCE

Suppliers will be responsible for violations of the rules, regulations and laws of their own country or country of origin of goods and services. For example, if a Supplier is a U. S. based company, it will be subject to laws that regulate, restrict and sometimes prohibit business dealings with certain countries, entities and individuals. These restrictions include controls on the exports and re-exports of goods that originate in the U. S. or that contain U. S. parts, components or assemblies. Suppliers must be aware of these restrictions and must not take any action that violates U. S. laws and regulations.

REPORTING

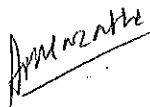
If you observe any situation, circumstance, or action that violates this Supplier Code, please contact the KTFL's Corporate Office.

For contacting the Corporate Office in India, please reach us at

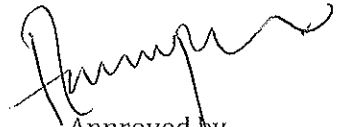
Direct Telephone: +91 8956891044 Email: Ashish.Marathe@kalyanitechnoforge.com



Prepared by
Mr. Sandeep Raut



Reviewed by
Mr. Ashish Marathe



Approved by
Mr. Anant Pethkar