



SUPPLIER CODE OF CONDUCT

**HPCL-Mittal Energy Limited
& its' Subsidiary**

Version	Modification Date	Section	Amendment / Modification / Deletion	Brief Description of Change
1.0	September 2023			Launch

1. Policy Statement

HPCL-Mittal Energy Limited (HMEL) endeavors to conduct its business in a transparent and ethical manner, considering environmental sustainability and social responsibility. Therefore, HMEL aspires to integrate the best practices through its value chain. Suppliers are an essential part of our business value chain and immensely contribute to HMEL's growth and hopes to nurture long-term strategic partnerships in ensuring business sustainability.

This Supplier Code of Conduct is aligned with the principles outlined by the United Nations Global Compact (UNGC) such as anti-corruption, environment, human rights, labour. The principles and norms described under the theme of 'labour' are in line with the specified standards of International Labour Organization (ILO).

2. Scope and Applicability

This Code is applicable to all suppliers, including, but not limited to those individuals and organization that directly or indirectly provide services, raw materials, finished goods or other products (hereinafter referred to as Suppliers) to HMEL. However, within the scope of this policy, crude suppliers are not included.

3. Suppliers' compliance to this policy

This Supplier Code of Conduct has been developed based on standards globally recognizes and best practices which are followed across industries. We trust all our suppliers to read, understand and affirm compliance with this Policy.

4. Ethics and Compliance with laws

i) Conflict of interest

Suppliers are expected to use good judgement and avoid situations which may lead to a conflict. Conflict of interest can undermine the trust others place on the Suppliers as well as HMEL. Therefore, proactive measures must be taken to address any situation of potential conflict with HMEL or our employees.

ii) Fair business, advertising, and competition

Suppliers must uphold standards of fair business, advertising and competition and shall not engage in price fixing, bidding, price discrimination or unfair trade practices in violation of applicable antitrust laws.

iii) Statutory compliance

Suppliers are required to comply with all statutory laws, regulations, and rules as per national guidelines. Suppliers shall maintain a record of all licenses, permits, approvals and must furnish copies of the same whenever requested by HMEL.

iv) Tax evasion

Suppliers, their agents, subcontractors, intermediaries, and workers must not directly or indirectly engage in or facilitate fraudulent diversions of funds from a tax authority. HMEL shall not tolerate unlawful tax evasion or the facilitation of unlawful tax evasion. Therefore, proactive steps must be taken to prevent such conduct.

v) Gifts and hospitality

Suppliers must not offer any kind of gifts, free goods, services, or any other hospitality to any of our personnel's, staff, or professionals under any contract with HMEL. Suppliers shall promptly disclose any such requests made by HMEL's personnel's, staff, or professionals under any contract with HMEL.

vi) Post-employment restrictions

Suppliers shall not offer any kind of direct or indirect employment to any of HMEL's personnel, staff or professional under any contract with HMEL who are actively engaged in procurement process with them for a period of one year following separation from HMEL.

vii) Anti-corruption and bribery practices

Suppliers shall ensure the highest standards of moral and ethical conduct. Suppliers shall not indulge in any corrupt practices defined under laws of international trade government authority/ organization and must comply with relevant anti-bribery and corruption laws such as Prevention of Money Laundering Act 2002 (India), Prevention of Corruption Act, 1988 (India), the U.S. Foreign Corrupt Practices Act (FCPA) and Bribery Act 2010 (U.K.). Proactive steps shall be taken to eliminate all forms of corrupt practices such as bribery, fraud, cheating or any other practice considered illegitimate with adequate awareness programs to educate employees.

viii) Confidentiality

Suppliers must protect business and personal information of a confidential nature obtained due to business relationship for performing jobs assigned by HMEL and must not share such information with unauthorized persons in any manner. HMEL confidential information includes any employee information, personal data, and third-party information in HMEL's custody as shared by HMEL.

5. Human rights and labour

i) Protection of human rights

Suppliers are advised to support and respect the protection of internationally recognized human rights such as adopting Universal Declaration of Human Rights (UDHR).

ii) Indigenous culture

Suppliers shall ensure their operations are not adversely affecting any indigenous people, minorities (cultural, linguistic, and religious) and local communities. Proactive steps shall be taken to preserve local culture and communities.

iii) Local communities

Suppliers shall minimize or eliminate adverse impacts on local communities around their operations. Suppliers are advised to undertake stakeholder consultations to identify the needs and understand grievances of the local communities. Moreover, Suppliers shall also commit towards socio-economic upliftment of the local communities.

iv) Protection of humane culture

Suppliers shall ensure dignified and respectful treatment of all within the workplace free and shall not tolerate instances of harassment including verbal, psychological and sexual abuse, the use of threats of violence and/ or sexual exploitation and abuse by any of their employees, contractors, parent company and/ or business associates. Suppliers must effectively bring awareness and communicate with workers to ensure a dignified and respectful workplace by having a written policy and providing grievance redressal mechanisms to address any concerns raised by employees.

v) Wages and benefits

Suppliers shall ensure that their employees are paid directly at regular intervals in alignment with applicable laws or regulations including, but not limited to minimum wages, deduction from wages, overtime hours and associated benefits as applicable. Overtime requirements if any must be based on business requirements and should be voluntary. Suppliers must provide components of pays structure to employees prior to recruitment and ensure that the compensation is competitive for the nature of work being performed. Recruitment, wages, and benefits must be in accordance with the principle of equal opportunity.

vi) Working hours

Suppliers shall ensure adherence to the prevailing regulations concerning working hours, overtime allowances, leaves and other entitlements of their employees. In addition, employees must be allowed at least one day of rest in every seven calendar days.

vii) Child labour

Suppliers shall prohibit employment of children below 18 years of age, or under the minimum age for employment in the country, whichever is greater. Established

systems and processes are expected to be in place to verify the identity and age of their employees through verification of nationally accepted documents and reports by the Suppliers or by contracting Third-party for the verification process. HMEL expects its suppliers to comply with the Convention on the Rights of Child, International Labour Organization Minimum Age Convention and Prohibition and Immediate Elimination of the Worst Forms of Child Labour Convention.

viii) *Forced or compulsory labour*

All forms of forced and compulsory labour shall be strictly prohibited. Suppliers shall comply with all slavery and human trafficking laws – Modern Slavery Act and must ensure that adequate steps have been taken in the business operations to free from slavery and human trafficking practices. Suppliers are advised to develop and adopt practices to identify and take prompt corrective actions in any such instances. Moreover, Suppliers shall not confiscate or withhold worker identity documents or other valuable items, including work permits and travel documentation of any of its workers/ employees.

ix) *Non-discrimination*

Suppliers shall eliminate all forms of discrimination at the workplace on grounds of race, color, age, gender, sexual orientation, religion, ethnicity, political opinion, nationality, social origin, disability, family status, or any such grounds as may be recognized under the applicable national laws as discriminatory. Suppliers must take proactive measures to ensure that all their employees are provided equal employment opportunities including but not limited to recruitment, promotion, training, remuneration and benefits and a conducive environment for growth which is free from any form of discrimination and harassment.

x) *Freedom of association*

HMEL expects its Suppliers to respect and recognize the rights of its employees to freely associate and organize. Proactive steps shall be taken to promote fair working conditions as guided by international conventions as applicable.

xi) *Freedom of speech and expression*

Suppliers shall ensure an enabling environment in which all employees have the fundamental right to freedom of speech and expressions subject to the limitations of public order and mortality.

6. Health and Safety

Suppliers shall provide employees a healthy and safe workplace to ensure productivity, physical and mental wellbeing. Suppliers are expected to be compliant with all applicable health and safety laws, regulations and practices and must furnish copies of the same

whenever requested by HMEL. Suppliers are advised to monitor and track essential health and safety indicators such as fatality rate, lost-time injury frequency rate and lost-time incident rate. Suppliers such as take adequate steps to minimize hazards which may be inherent in their work environment by having processes in place and requirements such as occupational safety, emergency preparedness, machine safeguarding. Suppliers are encouraged to share best practices among their employees through conducting regular trainings on occupational health and safety.

7. Environment

i) Air emissions

Suppliers shall monitor and track Greenhouse Gas Emissions (GHG) and other air emissions such as volatile organic compounds (VOCs), aerosols, corrosives, particulate matters, ozone depleting substances, and combustion by-products generated from their operations. Suppliers must comply with emission regulations and norms as specified by the appropriate regulatory authorities.

ii) Energy use

Suppliers shall monitor and track energy usage and take necessary steps to improve energy efficiency. Suppliers are encouraged to diversify their energy-mix by renewable energy sources and minimizing reliance on fossil fuels.

iii) Water use

Suppliers shall monitor and track water usage and take necessary steps to improve water efficiency. Water interventions such as promoting recycling and reusing of water, rainwater harvesting, wherever applicable.

iv) Management of hazardous materials

Suppliers shall ensure that chemical and other hazardous materials are managed responsibly through safe interventions such as handling, movement, storage, recycling, reuse and/ or disposal.

v) Waste and effluent management

Suppliers shall ensure that wastewater and solid waste generated from operations, industrial processes, sanitation facilities are monitored, tracked, and disposed in accordance with the norms prescribed by the appropriate authorities or bodies.

vi) Biodiversity

Suppliers must minimize or eliminate adverse impacts to biodiversity around their operations. Suppliers are advised to undertake preservation and restoration of

biodiversity, forests, and natural habitats. Moreover, Suppliers shall commit and take measures against deforestation.

8. Management systems

Suppliers are required to set up a management system and maintain business continuity, meet the standards set forth and improve their operations and practices continually. The Management System shall be designed to monitor and ensure:

- i) Conformance with the Supplier Code of Conduct
- ii) Compliance with applicable laws and regulations
- iii) Identification, monitoring, and mitigation of risks related to the Supplier Code of Conduct

9. Training and awareness programs

HMEL will conduct regular trainings among their suppliers to share best practices being followed by industry leaders and giving an opportunity to suppliers to showcase their practices. All suppliers will be expected to participate in these training.

10. Reporting concerns

HMEL's endeavor is to foster an environment of open and honest communication. The Supplier shall be assured that an effective grievance 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.

All reports are treated in a confidential manner and in the highest ethical regard. You may choose to remain anonymous while reporting.

In case of any potential violation or related queries please contact:

Email ID: wb@hmel.in

Web Portal: <https://www.hmel.in/>

In case any violation of this Code is identified, the Supplier, at HMEL's discretion, would be given time to remediate the problem, with assistance from HMEL wherever possible. If the problem is not effectively addressed and within a clear timeframe which is acceptable to HMEL then HMEL reserves the right to terminate its business relationship with the violating Supplier.

11. Suppliers' commitment

HMEL expects its Suppliers to adhere to all applicable laws and regulations and comply with this Code in letter and spirit. By accepting this Code of Conduct, it is implied that the suppliers will ensure compliance of this Code with their Suppliers.

The Supplier shall maintain adequate documentation to demonstrate compliance with the principles of this Code and allow access to HMEL to check compliance upon request with reasonable notice.



Prabhakararao Kakumani
Head – Contract & Procurement



Prabh Das
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September 30, 2023

