

# **Supplier Code of Conduct**

## **Material Department**

**Haldia Petrochemicals Limited**

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## **Introduction**

At Haldia Petrochemicals Limited (“HPL” or “we” or “our”), our suppliers are valued partners who play an essential role in our operations, and we are committed to fostering strong, mutually beneficial relationships with them. This supplier code of conduct (“our code” or “the code” or “this code”) applies to all our local, regional and global suppliers, including any suppliers, service providers, traders, agents, consultants, contractors, joint venture partners, and other third parties, as well as their employees, agents, and representatives who conduct business with HPL.

The purpose of this code is to outline the foundational expectations HPL holds for suppliers in their business dealings with us. These principles reflect HPL’s dedication to internationally recognized standards, prevailing industry standards and all relevant statutory requirements.

## **Key focus areas**

Our supplier code of conduct outlines the standards and values that guide our partnerships. The key focus areas of our code are based on HPL's values, ESG pillars, the requirements of various ESG indices and reporting frameworks, and the United Nations Sustainable Development Goals (UNSDGs).

### **Focus area I: Data privacy**

Data privacy within this code emphasizes the importance of protecting sensitive information, ensuring compliance with relevant data protection laws, and maintaining the confidentiality and integrity of data throughout its operation and value chain.

- Suppliers are required to comply with the relevant privacy and data protection laws and regulations in their respective countries of operation. This includes a strict prohibition on the sharing of HPL's data in all countries, regardless of the local laws governing data protection. Even if the supplier’s country of operation does not prohibit data leakage, either partially or fully, the protection of HPL’s data must still be maintained in accordance with the applicable laws and the terms stipulated in the Supply Agreement.
- Suppliers must safeguard HPL's confidential information and personal data, ensuring that unauthorized access or use is strictly prohibited and data is restricted and only used for performing the agreed upon purposes.
- Supplier representatives with access must comply with [HPL’s Data Privacy Policy](#).
- Suppliers must inform HPL of any instance of data breach within 24 hours upon discovery of the same to [prabir.das@hpl.co.in](mailto:prabir.das@hpl.co.in) . Suppliers are expected to fully cooperate with HPL and

provide them with reasonable access to data processing facility, for conducting investigations into the reported data breach incident.

### **Focus area II: Ethical standards**

In order to maintain high standards of ethical practices, all suppliers are expected to conduct their business in a fair manner and act with integrity. In order to maintain the same:

- Suppliers must comply with all applicable laws and regulations. Additionally, suppliers must adhere to the provisions of law as specified in the Supplier Agreement, which may not necessarily be the law of the supplier's country of operation, but the applicable law as stipulated in the supply agreement.
- Suppliers must treat everyone fairly, with dignity and respect.
- Suppliers must conduct business honestly and fairly with clients, customers, suppliers, and financial partners.
- Suppliers must not offer, give, or receive gifts, hospitality, or any other form of inducement that could influence or be perceived to influence business decisions.
- Suppliers must protect HPL's assets, including physical property, intellectual property, and financial resources, preventing theft, loss, or unauthorized access.
- Suppliers must uphold HPL's reputation by demonstrating integrity, adhering to high ethical standards, and ensuring their actions reflect positively on the company. They should communicate transparently, promptly address any concerns, and avoid actions that could harm HPL's public image or stakeholder trust, thereby reinforcing a strong brand identity rooted in accountability, quality, and respect for all stakeholders.
- Suppliers must keep personal political activities separate from HPL's business affairs.
- Suppliers must report any observed violations of legal and ethical standards.

### **Focus area III: Business integrity**

In order to maintain high standards of ethical practices, all suppliers are expected to uphold integrity, avoid bribery and corruption, and maintain transparency to ensure trust and compliance with applicable laws and regulations.

- Anti-bribery: Suppliers must not engage in any form of unethical behaviour, whether directly or indirectly, or attempt to gain any improper or personal benefit to secure or maintain business or any advantage with third parties, including HPL employees. Specifically:
  - ✓ Prohibition on bribery and kickbacks: Suppliers must not offer, accept, or provide bribes, kickbacks, or any improper incentives to gain an unfair advantage. They shall refrain from any actions that would violate relevant anti-bribery laws and regulations.
  - ✓ Avoidance of favouritism through personal connections: Suppliers are prohibited from leveraging family, social, or political ties to gain preferential treatment, secure business benefits, or receive any special favours.
- Anti-corruption: Suppliers must uphold the highest standards of integrity and transparency in all business dealings. Engaging in any form of corrupt practices to gain an unfair advantage is strictly prohibited. Specifically:
  - ✓ Prohibition of corrupt practices: Suppliers shall not engage in any form of corruption, including but not limited to extortion, fraud, embezzlement, or manipulation, in order to influence or secure business dealings.
  - ✓ Transparency and reporting: Suppliers are expected to report any instances of suspected corruption or unethical practices related to HPL or its business partners. They should maintain transparent records of transactions to support ethical conduct and prevent corrupt practices.
  - ✓ The supplier shall comply with all applicable Laws and any other laws, government rules or requirements of the European Union, Singapore, India, the United Arab Emirates, the United Kingdom, the United Nations or the United States of America applicable to either party that relate to anti-bribery, anti-corruption or anti-money laundering.
  - ✓ Neither the supplier nor their representatives shall:
    - ❖ directly or indirectly pay, offer, give or promise to pay or authorise the payment or provision of monies, commission, fees, rebates, gifts, entertainment or other things of value to:
    - ❖ a government official or an officer or employee of any government or any department, agency or instrumentality of any government;
    - ❖ an officer or employee of a public international organisation;
    - ❖ any person acting in an official capacity for or on behalf of any government or department, agency, or instrumentality of such government or of any public international organisation;

- ❖ any political party or official thereof, or any candidate for political office; or
- ❖ any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities, or engage in any other acts, in each case if this would be in violation of or inconsistent with or expose the other party to a penalty under the Applicable Laws or any anti-bribery, anti-corruption or anti-money laundering legislation, regulations or rules of the Kingdom of Saudi Arabia, the European Union, Singapore, India the United Arab Emirates, the United Kingdom, the United Nations and/or the United States of America (together, the “Anti-Bribery Laws”)
- ✓ In particular but without limitation, the supplier must warrant that they have not made any payments or given anything of value to officials, officers or employees of the government of the country in which the Product originated or any agency, department or instrumentality of such government in connection with the Product that is the subject of this code..
- ✓ No supplier or their representative shall enter into any business or financial arrangement with any representative of HPL except to the extent such Representatives are acting in their capacities as Representatives of the parties hereto.
- ✓ In the event that either the supplier or HPL has reasonable suspicion that the other party is in breach of any of sections above, that party shall be entitled immediately upon notice to suspend the parties’ performance of the Agreement and/or any Shipments (save for the obligation to pay any sums due in respect of the price of the Product, which shall continue if and to the extent that payment can be made or received without breach of the Anti-Bribery Laws), for a maximum of thirty (30) days. During that period of suspension, the party that has given notice shall be entitled to require the other party to provide further information in respect of the conduct or event that led it to suspect a breach of any of these sections.
- Unfair Trade Practices: Suppliers must refrain themselves from any unfair or anti-competitive trade practices.

#### **Focus area IV: Health and safety**

This clause requires suppliers to uphold high standards in occupational health and safety, ensuring safe working conditions and prioritization of well-being for all their employees and workers. To maintain the same:

- Suppliers must ensure a safe and healthy working environment for all employees, contractors, partners, and others who may be impacted by their operations. This includes full compliance with all applicable laws and regulations regarding workplace safety and working conditions.
- Suppliers are encouraged to track relevant safety-related metrics over time.
- Suppliers must provide job-related training to ensure employees are equipped with adequate knowledge about safety practices and procedures.

#### Focus area V: Human rights

Suppliers shall ensure compliance with all applicable local, state, and national laws regarding human rights and must adhere to relevant labour laws pertinent to their business operations. Additionally, suppliers are encouraged to align with the principles outlined in the United Nations Global Compact, the UN Universal Declaration of Human Rights, and the 1998 International Labour Organization Declaration on Fundamental Principles and Rights at Work, all in accordance with national laws and practices.

- **Discrimination & harassment:** Suppliers must refrain from any discriminatory or harassing behaviour based on race, colour, religion, national origin, citizenship, ancestry, gender, age, disability, marital status, or sexual orientation within HPL facilities or towards anyone at the workplace.
- **Sexual harassment:** Suppliers shall maintain a zero-tolerance policy for sexual harassment and ensure full compliance with the relevant laws and regulations
- **Child labour:** Suppliers shall prohibit from employing individuals below the legal age for work in any country or jurisdiction where they operate as per applicable laws of the country. If no such regulation is present, no labour below the age of eighteen (18) years shall be employed for the work.
- **Forced labour:** Suppliers must not use any form of forced, bonded, or compulsory labour, nor engage in slavery or human trafficking.
- **Compensation and working hours:** Suppliers must adhere to national laws and regulations concerning working hours, wages, overtime, and employee benefits. The supplier/contractor must pay equal wages for men and women in accordance with applicable labour laws.
- **Minimum wages and statutory obligations:** The supplier/contractor shall pay employees at least the minimum wages prescribed by the State Government, including any increases during the contractual period. Additionally, the supplier/contractor is responsible for depositing ESI and PF contributions with the relevant authorities for its employees.

- **Freedom of Association:** Suppliers shall respect the right to freedom of association of their workers and collective bargaining.

## Focus area VI: Environmental standards & sustainability

The environment standards and sustainability clause in this code reflects HPL's dedication to minimizing environmental impact and promoting sustainable practices. To maintain the same:

- Suppliers must adhere to all relevant environmental regulations in their respective countries of operation and encouraged to consistently monitor and assess their environmental performance.
- Suppliers are encouraged to practice the responsible use of natural resources, prioritize recycled materials and renewable energy, and integrate climate stewardship practices into their operations to support HPL's broader sustainability commitments.
- Suppliers are encouraged to establish performance targets and strategies to minimize negative impacts of material environmental aspects.

## Sanctions

- Notwithstanding anything to the contrary herein, nothing in the code is intended, and nothing in the code should be interpreted or construed, to induce, oblige or require either party to act or refrain from acting (or agreeing to act or refrain from acting) in any manner which is inconsistent with, penalised or prohibited under:
  - ✓ any law applicable to a party; or
  - ✓ any laws, regulations, governmental orders, directives, rules, licences or requirements of the European Union, Singapore, India, the United Kingdom, the United Nations, the United States of America, or any other country with jurisdiction over the transaction that forms the subject of the Agreement, which relate to trade controls, import controls, export controls, transfer controls, embargoes, international boycotts or sanctions of any type, (together, the "**Trade Restrictions**").
- The supplier shall at its own risk and expense:
  - ✓ comply with the Trade Restrictions;
  - ✓ use reasonable endeavours to procure that its affiliates comply with the Trade Restrictions;
  - ✓ not engage in any activity that will or can reasonably be expected to result in it, its Affiliates, or the other party becoming a Sanctioned Person, breaching any Trade

Restrictions, or becoming exposed to any Trade Restrictions or adverse action, including, without limitation:

- ❖ contributing or providing funds, goods or services, by, to, or for the benefit of a Sanctioned Person in breach of Trade Restrictions, directly or indirectly;
  - ❖ contributing or providing to the other party funds, goods or services received directly or indirectly, in whole or in part, from a Sanctioned Person in breach of Trade Restrictions; or
  - ❖ any dealings, whether direct or indirect, with a comprehensively sanctioned country, an entity or organization owned or controlled by a comprehensively sanctioned country, or an entity organized under the jurisdiction of a comprehensively sanctioned country, or a Sanctioned Person
- ✓ use reasonable endeavours to ensure that it is not, and does not become a Sanctioned Person; and
- ✓ use reasonable endeavours to ensure that none of its Affiliates are or become a Sanctioned Person.
- The supplier must ensure that, at the time of entering into the Agreement, neither it nor any of its Affiliates is a Sanctioned Person nor is in breach of any applicable Trade Restrictions (and such representations and warranties are deemed to be made by each party upon each Shipment being scheduled and again upon the commencement of loading of each Shipment).  
The supplier must notify HPL promptly upon it becoming aware that:
  - ✓ it has, or any of its affiliates have, failed to comply with any Trade Restriction;
  - ✓ it has engaged in an activity that will or would be likely to cause it or the other party to breach any of the Trade Restrictions;
  - ✓ it or any of its Affiliates is or has become a Sanctioned Person;
  - ✓ it or any of its Affiliates has engaged in an activity that can reasonably be expected to result in it or one or more of its Affiliates becoming a Sanctioned Person; and/or
  - ✓ it is unable to perform some or all of its obligations under the Agreement as to do so would result in it or the other party breaching the Trade Restrictions.
- The supplier, subject to compliance with all applicable laws, provide HPL with such information that it possesses and which is reasonably requested from time to time by HPL in order to enable it to comply with the Trade Restrictions, verify that its performance of the Agreement would be in compliance with the Trade Restrictions, or determine whether the



party providing such information is in compliance with the Trade Restrictions and/or is likely to be to be in breach of the Trade Restrictions or become a Sanctioned Person.

- Notwithstanding any other provision of the code, in the event that a supplier has breached this clause, HPL shall be entitled, without prejudice to its other rights and remedies whether under the code or otherwise:
  - ✓ immediately to terminate the Agreement; or
  - ✓ immediately to terminate or reject any or all Shipments; and/or
  - ✓ immediately to suspend performance of the Agreement, including but not limited to the loading, transportation or discharge of any or all Shipments and the performance of any payment obligations until such time as the non-defaulting party may discharge such obligations without causing either party to breach this section or until the end of the contractual time for discharge of such obligations (provided that, where the Trade Restrictions mean that a party or its intended bank is unable to make and/or receive payment without causing either party to breach this section, and the suspended obligation relates to payment for a Shipment that has already been delivered, the affected payment obligation shall remain suspended and interest shall accrue on any outstanding payment amount from the due date to the date of payment, at the rate stated in the interest provisions of the Agreement, until payment can be made or received without causing either party to breach this section, through the originally intended bank or otherwise), in each case without any liability whatsoever accruing to any party that is not in breach (including but not limited to any damages for breach of contract, penalties, costs, fees, expenses, fines, demurrage, damages for detention and/or losses. Moreover, the party in breach of this section shall, if and to the extent that such an indemnity can be granted and received without causing the non-defaulting party to breach this section, indemnify and hold the other party harmless in respect of all costs, expenses, fines, demurrage, damages for detention and/or losses incurred by the non-defaulting party and against all demands made by any third party, as a consequence of the breach of this section.

### **Third party representation**

Suppliers are not permitted to represent HPL or use its brand without obtaining prior written consent.

## **Confidentiality & insider trading**

We expect our suppliers to maintain data confidentiality. Suppliers must protect HPL's intellectual property and other confidential information and data. All information provided by HPL should only be used by the suppliers for their intended purpose, as determined and agreed upon by both HPL and the supplier. If the suppliers become aware of significant non-public information related to HPL or its operations, they are prohibited from taking any actions to benefit from that information, including sharing it with others.

## **Conflict of interest**

This code prohibits any suppliers from engaging in activities that could lead to a conflict of interest. Suppliers are required to disclose all potential conflicts of interest, including those arising inadvertently from business or personal relationships with customers, suppliers, business associates, or competitors of HPL, or with other HPL employees. Supplier employees must not act on behalf of HPL in any transactions or business relationships.

## **Grievance mechanisms**

- **Material suppliers:** Any complaints and grievances, can be reported to [prabir.das@hpl.co.in](mailto:prabir.das@hpl.co.in). Any dispute between the supplier and HPL regarding this code shall first be addressed at the management level. If unresolved within 10 working days, it will be escalated to senior management. If unresolved within 30 calendar days at the senior management level, the dispute shall be resolved through arbitration under the Arbitration and Conciliation Act 1996.

## **Enforcement**

To uphold adherence to this code, HPL may, at its discretion, conduct self-assessment surveys, audits, or inspections, or assign a third party to carry out these evaluations on its behalf. These assessments will involve a thorough review of internal standards, systems, processes, practices, and relevant reports for verification. In cases where there is non-compliance with the code, HPL reserves the right to take appropriate corrective actions. Such actions may include, but are not limited to, providing capacity-building support for suppliers to implement corrective measures, allowing a suitable timeframe for remedial actions, or terminating business relationships with the non-compliant suppliers.

## **Revision**

The code will be periodically reviewed to ensure its continued adequacy and relevance.

## **Acknowledgement**

All suppliers are required to communicate their acknowledgement and acceptance of the provisions of this code to their respective point of contact in HPL.

**Name of Supplier:** \_\_\_\_\_

**Authorized Signatory:** \_\_\_\_\_

**Date:** \_\_\_\_\_