Supplier Code of Conduct

ABSTRACT

WLL's Supplier Code of Conduct has been developed to create a shared purpose and collaborate with suppliers to embed sustainability across our value chain.

Supplier Code of Conduct

Welspun Living Limited (WLL), is dedicated to providing a fair, humane and healthy environment to the persons who are directly or indirectly involved in the manufacturing of our products. In addition, we expect a similar principled conduct from our business partners in the value chain. Our goal is to embed sustainability across the value chain.

Scope and Application

WLL's Supplier Code of Conduct is applicable to all our suppliers, along with contractors, sub-contractors (through the relevant contractors), logistics partners, service providers, business partners, or any other entity entrusted that provides goods and services to us, across geographies.

This Code of Conduct is aligned with the regulatory requirements, principles of United Nations Global Compact (UNGC), United Nations Guiding Principles on Human Rights and the relevant International Labour Organization (ILO) conventions.

Environment

Environment Management and Compliance: We expect our suppliers to comply with existing environmental laws and have all necessary licenses, permits and other required approvals for continuing its operations.

We also expect all suppliers to have an environment management system in place through which they promote greater environmental responsibility, use of environmental friendly technologies and to set environment related goal and measure progress.

Energy Conservation: We expect our suppliers to monitor their energy use and take necessary steps to improve energy efficiency.

Water management: We expect our suppliers to develop water management strategies to track water consumption and wastewater disposal.

Waste Management: Our suppliers embrace the principles of circular economy by reducing, reusing, recycling, and recovering waste materials generated in operations.

Air Emissions: We expect our suppliers to monitor, regulate and treat air emissions of volatile organic compounds, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations.

Responsible Sourcing: We expect our suppliers to integrate sustainability into their supply chain through sustainable procurement practices, use of sustainable raw materials and continuous engagement.

Hazardous Substances: We require our suppliers to handle, store, and dispose of chemicals and hazardous materials in an environmentally responsible manner and train workers on these procedures.

Biodiversity: Suppliers shall avoid deforestation in their operations. They shall focus on biodiversity conservation in and around the project sites with emphasis on places of concern and protected areas, where applicable.

Climate Change: Our suppliers are expected to acknowledge climate change as a matter of global concern and undertake result-oriented climate actions including risk assessment and mitigation, GHG reduction and climate adaptation.

Social

Freedom of Association and Collective Bargaining: We expect our suppliers to respect their workers' rights to form and join any association and bargain collectively. They shall be free to join an organisation of their choice and that their doing so will not result in any negative consequences or penalty. The company shall not in any way interfere with the establishment, its functioning, or administration of such organizations.

Prohibition of Forced or Compulsory Labour: We expect our suppliers to refrain from using or supporting forced, bonded, indentured labour or involuntary prison labour. Suppliers In addition, should not keep original identification papers/documents and demand employees to pay deposits when they start working. No part of any employee's salary, benefits, property or documents shall be withheld by the supplier or any entity supplying labour to them. Furthermore, the employees must have the right to leave the workplace after usual workday is over, as well as have the option to leave their job.

Prohibition of Child Labour: Suppliers must not, under any circumstances, use child labour as defined by national and local laws and / or ILO Convention, whichever is more stringent. Additionally, child labour remediation procedure be developed that provides adequate financial and/or other support to enable children to attend and remain in school until they are no longer minors, in case any child is found to be working in the company's supply chain.

Non-Discrimination: We expect our suppliers to strictly adhere to all applicable laws and regulations and prohibit workplace discrimination based on religion, age, nationality, colour, gender, sexual orientation, ethnicity, physical ability, health condition, marital or maternity status, political opinion, creed etc. Vendors must not indulge in forceful medical testing or examination which are not associated with work related risks.

Health and Safety: We expect our suppliers to ensure that all employees have a safe and healthy workplace that is in compliance with all applicable laws, regulations and industry standards. The suppliers should maintain documentation and records on the health and safety aspects with defined KPIs and ensure that necessary precautions are taken to prevent potential accidents and health injuries by limiting the cause of dangers in the workplace and providing appropriate safety equipment.

Working Hours, Wages and Leave Benefits: We expect our suppliers to comply with all applicable laws and regulations on working hours, weekly rest day and public holidays. The normal work week, not including overtime, shall be defined by law but shall not exceed 48 hours. Personnel shall be provided with at least one day off following every six consecutive days of working. In addition, we expect our suppliers to comply with all applicable laws and regulations concerning wages and benefits. Wages and benefits paid for a standard working week shall meet at least legal or industry minimum standards and always be sufficient to meet basic needs of workers and their families. Deductions from wages as a disciplinary measure shall not be permitted unless authorized by applicable law.

Fair Treatment: We expect our Suppliers to treat all its employees with dignity and respect. The company does not engage in or tolerate the use of corporal punishment, mental or physical coercion, harassment, or verbal abuse of personnel. In addition, no harsh or inhumane treatment is allowed.

Safe Workplace: We expect our suppliers to provide:

- A work environment that is compliant with all applicable safety laws and standards such as electrical and fire safety laws.
- Clean drinking water and proper sanitation facilities.

Community Engagement: We encourage our suppliers to actively engage with local communities and contribute towards the enhancement of the quality of life and making them self-reliant.

Product Stewardship: We encourage our suppliers to take necessary precautions to avoid ingredients, designs, faults that may have an adverse effect or harm human life or health during product manufacturing, use, or disposal.

Governance

Stakeholder Engagement: We expect our suppliers to practice transparent and effective communication with their stakeholders on a periodic basis.

Regulatory Compliance: We expect our suppliers to follow the applicable laws of the land in which it operates. Suppliers shall identify the risks connected with their operations including but not limited to environmental, health and safety, labour practises and ethics. Furthermore, suppliers are expected to put in place adequate procedures and controls to manage such risks.

Transparency and anti-corruption: We expect our suppliers to comply with all the relevant anti-bribery and anti-corruption laws including but not limited to the Indian Prevention of Corruption Act, 1988 (POCA), the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act (UKBA), and other applicable laws governing corruption and bribery, whether public, commercial or both. The suppliers for obtaining contract/favourable treatment shall ensure adherence to the following:

- Supplier and or its employees shall not directly or indirectly offer or give any bribe, kickbacks or any other improper payments in order to obtain or retain a business.
- Supplier shall not offer any cash, gift, meals, entertainment, or other hospitality for the purpose of obtaining any improper benefit or advantage.
- Supplier shall not take any advantage (social/ political connections) to obtain favourable treatment from WLL.
- Suppliers shall not take any advantage (social/ political connections) to obtain favourable treatment from Welspun Living Ltd. Any dealings or transactions with Welspun Living Ltd shall be solely based on the merit, honesty and integrity.
- Suppliers must take aggressive actions to remove all forms of corruption, including bribery, fraud, maintaining falsified documents, cheating, and any other illicit behaviour.

Conflict of Interest: We expect our suppliers to disclose any actual or potential conflicts of interest arising from personal or professional ties with anybody, including but not limited to WLL's suppliers, business associates, rivals, or employees before entering into any contractual or other relationship with such persons. Suppliers should not indulge in any business, monetary or any other transaction either directly with WLL employee or relatives that creates any conflict of interest for WLL. Suppliers should report forthwith to WLL of any situation where an employee of WLL may have an interest, either directly or indirectly, in the Supplier's business or economic ties with the Supplier.

Data Privacy and Information Security: We expect our suppliers to protect and appropriately use the personal data of their workers and other stakeholders, in line with existing laws and regulations. Furthermore, our suppliers must implement systems to secure information related to WLL against unauthorised access, use, or disclosure.

Grievance Mechanism: We expect our suppliers to enable their employees' voice their concerns freely through robust grievance redressal mechanisms. Employee hotlines and open-door policies shall be encouraged.

Accountability

We expect our suppliers to have a governance framework with designated personnel / team to oversee and ensure adherence of the WLL's Code of Conduct and ESG initiatives at the suppliers' end.

Implementation of the Code of Conduct

This Code of Conduct is effective from (03.02.2022). Suppliers have to conduct regular/periodic internal assessments to assure their compliance with the aforesaid Code of Conduct. WLL or any third party appointed by WLL reserves the right to conduct announced or unannounced inspections of suppliers and their facilities to verify compliance with the said Code of Conduct.

By accepting any purchase order or entering into a contract with Welspun Living Limited, the supplier thereby acknowledges and certifies its compliance with the above-mentioned principles under this Code.

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If you come across any unethical conduct:

Whistleblower Reporting Channels

Following channels are available for making Protected Disclosures:

Third party Ethics Helpline (For India) : **1800-102-6969**

Write an email or send by post to the Head - Ethics of your Organisation.
whistleblower_wll@welspun.com

Through Company website
(www.welspun.integritymatters.in)

Mail to the Chairman of the Audit Committee

Compliance declaration by the Supplier/Business Partner

I/We, the undersigned hereby confirm:

That we have received and taken due note of WLL's Supplier Code of Conduct and therefore, we commit ourselves to fully comply with its principles and requirements.

That we agree that WLL or a third party appointed by WLL may carry out periodic, announced or unannounced inspection/audit at our facilities to verify our compliance with the aforesaid Code of conduct.

That we effectively communicate the contents of this Code of conduct to our employees, agents, sub-contractors and suppliers and ensure all measures required are implemented accordingly.

That the compliance with WLL's Supplier Code of Conduct is a material obligation and any non-compliance of it shall constitute a material breach of the contract, agreement, purchase order (as may be applicable).

Name (Authorized Signatory): ……

Position / Designation: ……

Supplier / Company Name: ……..

Address: ……

……..……

Date: ……..… Seal: ……..…….…

Note: The Compliance Declaration must be signed by a duly authorized representative of the company and returned to the assigned WLL contact within 15 working days of receipt.