

VENDOR CODE OF CONDUCT OF BHARAT FRITZ WERNER LIMITED

as adopted on November 01, 2023

1. OBJECTIVE OF THE CODE

- 1.1. This vendor code of conduct (“**Code**”) of Bharat Fritz Werner Limited (“**Company**”) is to provide an overview of the general policies and standards of the Company to all the vendors, agents, service providers, and consultants of the Company (“**Vendor**”).
- 1.2. This Code is designed to provide the Vendor with knowledge of the Company’s policies, to ensure equitable and consistent application of them, and to encourage the Vendor to comply with general principles of equality, sustainability and ethical business practices apart from statutory and regulatory requirements.
- 1.3. This Code shall be binding on the Vendor. The Vendor undertakes to comply with this Code (including any and applicable laws), at all times, in letter and in spirit. The Vendor hereby also undertakes to promptly inform the Company in case of any actual or potential breach of this Code or any provision hereof and take such measures as may be necessary to prevent or rectify such breach.

2. REVIEW OF THE CODE

This Code will be reviewed by the management of the Company (including any committees thereof or persons authorised by the management for such purpose) from time to time. The changes to the Code, if any, will be communicated to the Vendor and shall apply to the Vendor from the date of such communication.

3. ETHICAL BUSINESS PRACTICES

The Vendor shall ensure that the highest standards of integrity and ethical business practices are followed. The Vendor shall:

- 3.1. ensure compliance with all laws of India as well as laws pertaining to the jurisdiction of the Vendor (including but not limited to those pertaining to sanctions, export controls, data protection, anti-corruption, and anti-bribery);
- 3.2. ensure compliance with all international laws and regulations (including but not limited to those pertaining to sanctions, export controls, data protection, anti-corruption, and anti-bribery);
- 3.3. ensure procurement and maintenance/renewals of all necessary licenses, registrations, permits and approvals;
- 3.4. conduct business activities in a manner that does not tarnish the Company’s name;
- 3.5. source products in a responsible and legal manner;
- 3.6. ensure proper maintenance of books and records including practicing fair accounting methods (in compliance with applicable accounting standards and laws) and ensuring diligent payment of taxes;

- 3.7. ensure compliance with applicable competition laws and avoid any act that may constitute unfair competition;
- 3.8. avoid undertaking or abstaining from undertaking any act or deed, the commission or omission of which may cause damage to the reputation of the Company;
- 3.9. protect and safeguard all assets (tangible and intangible), confidential information and intellectual property of the Company;
- 3.10. ensure that use of any assets (tangible and intangible), information technology, and intellectual property of the Company is strictly in accordance with the terms and conditions imposed by/ or any agreement with/ or work order issued by the Company and solely for the purpose of fulfilling its obligations towards the Company and prevent any misuse thereof;
- 3.11. promptly report any loss of, or destruction or damage to, any property, asset (tangible and intangible), technology, and intellectual property of the Company; and
- 3.12. obtain the consent of the Company before representing it or providing any information / products on behalf of it.

4. ANTI-BRIBERY AND ANTI-CORRUPTION

The Company does not tolerate with bribery or corruption in any form. The Vendor shall:

- 4.1. not do any such acts that may constitute bribery or corruption under the laws applicable to the Vendor and the Company;
- 4.2. ensure it has policies and practices in place to prevent any acts of bribery or corruption; and
- 4.3. communicate to the Company immediately if it has knowingly / unknowingly engaged in any act that might constitute bribery or corruption.

5. GIFTS AND HOSPITALITY

- 5.1. Neither the Vendor nor any of its affiliates shall provide, solicit, or accept any gift, hospitality, or entertainment from/ to employees and/or officers of the Company. The relationship of the Vendor with the Company shall always be on an arm's length.
- 5.2. Under no circumstance shall the Vendor or its affiliates offer to or accept from any government officials, representatives, political parties or politicians, candidates, any gifts, hospitality and entertainment.
- 5.3. Any hospitality extended by the Vendor (directly or indirectly) should be in compliance with all applicable laws.

6. CONFLICT OF INTEREST

- 6.1. The Vendor must declare any actual or potential conflict of interest with any employees or officers of the Company.

- 6.2. The Vendor shall not participate in any activity if a conflict of interest, either real, apparent or potential, may be involved. A conflict of interest, actual or potential, may arise directly or indirectly, *inter alia*, where:
- 6.2.1. an employee or officer of the Company engages in a business, relationship, or activity with the Vendor independently;
 - 6.2.2. an employee or officer is in a position to derive an improper benefit, personally or to any of his / her family members, or relatives, by making or influencing decisions relating to any transaction with the Vendor; or
 - 6.2.3. an independent judgement of the Company's best interest cannot be exercised by an employee or officer in relation to the Vendor.
- 6.3. In case of a conflict of interest, the same must be reported forthwith by the Vendor to the Company in the format prescribed in Schedule 1. This will also be sent by an email to cs@bfw.co.in. The Vendor also undertakes to furnish any and all additional information as may be sought by the Company from time to time in this regard.
- 6.4. Notwithstanding anything to the contrary contained herein, any engagement of a conflicted Vendor shall only be with the prior written approval of the senior management of the Company and such engagement shall be on an arm's length basis.

7. FACILITATION PAYMENTS

The Company strictly prohibits facilitating payments. In such circumstances, the Vendor should: (a) insist on official receipts for any payments made to government officials; and (b) report instances of demands to its designated point of contact in the Company and to appropriate authorities, if need be.

8. THIRD PARTY DUE DILIGENCE

- 8.1. In case the Vendor deals with third parties (including sub-contractors) on behalf of the Company, it must ensure that:
- 8.1.1. prior to entering into a commercial transaction, all due diligence enquiries are completed and found to be clear in all respects; and
 - 8.1.2. prior to awarding work to a sub-contractor or other vendor on behalf of the Company, diligence is conducted on such sub-contractor/vendor and all necessary approvals are obtained for engaging such persons.
- 8.2. The Vendor shall engage any third party only if there is a legitimate need and with the prior written approval of the Company.

9. EQUALITY

The Vendor shall ensure that the highest standards of human and labour rights are maintained in its organisation. The Vendor shall:

- 9.1. ensure provision of safe, healthy and fair working conditions;

- 9.2. ensure all employees, workers and personnel are of employable legal age and not tolerate any form of child labour;
- 9.3. ensure that all personnel are treated with respect and not tolerate any form of abuse including sexual, physical, verbal and mental abuse;
- 9.4. ensure protection of all human and labour rights of employees and personnel engaged by the Vendor;
- 9.5. ensure that all payments, wages, and other benefits to the employees and other personnel of the Vendor are in compliance with applicable local, national and international laws;
- 9.6. ensure that all applicable rules and regulations in respect of working hours and leave are complied with;
- 9.7. ensure protection of the rights of workers to freedom of association and collective bargaining;
- 9.8. ensure protection of employees and other personnel against any form of discrimination (including based on race, caste, religious beliefs, language, ethnicity, gender, sexual orientation, and marital status) and refrain from any activity which would result in such discrimination; and
- 9.9. ensure that it does not knowingly / unknowingly encourage or do any act that would constitute slavery or human trafficking.

10. ECONOMIC CRIMES

- 10.1. The Vendor shall, at all times, ensure compliance with all applicable laws pertaining to anti-money laundering and other economic offences. The Vendor should also undertake such measures as may be necessary to put in place a system for detecting transactions, payments and dealings in violation of, or which may result in violation of, such laws and promptly report such transactions, and/ or payments and/ or dealings through suitable channels so as to ensure compliance with the law.
- 10.2. The Vendor shall ensure that all transactions and dealings are fairly and accurately recorded in its books of accounts.

11. SUSTAINABILITY

The Vendor shall ensure that all actions are done in an environmentally conscious and sustainable manner. The Vendor shall:

- 11.1. ensure judicious use of natural resources in order to protect the environment;
- 11.2. ensure that all necessary environment licenses are obtained from the relevant authorities; and
- 11.3. ensure that suitable systems are in place to promptly identify any actual/ potential breach of applicable environmental laws and undertake suitable prevention/ rectification measures to ensure compliance with such laws; and

11.4. ensure proper disposal of waste and non-contamination of the environment.

12. MAINTENANCE OF RECORDS

12.1. The Vendor shall maintain records of all work orders/agreements executed with/ issued by the Company.

12.2. All expense claims shall be supported with bills/ receipts evidencing the payment made and shall be approved in accordance with the work orders or agreements executed with the Vendor.

12.3. No payments shall be allowed in absence of supporting documents. Similarly, the Company shall not permit falsification or artificial entries.

12.4. The Company has the right to inspect the records maintained by the Vendor, to detect any inconsistencies or deviations, from time to time.

13. CONFIDENTIALITY AND DATA PROTECTION

13.1. Any information shared with the Vendor in the course of its dealings with the Company shall only be used in such manner as may be required for the fulfillment of the Vendor's obligations towards the Company and as may be permitted by the Company and at all times in accordance with applicable laws.

13.2. The Vendor shall be responsible for maintaining the confidentiality of the confidential information of Company. The Vendor shall not disclose such information to any third party without the prior written consent of the Company unless otherwise required by applicable law.

14. SANCTIONS

14.1. The Vendor shall not engage in any transactions, or otherwise deal with, any entity or person in violation of any law pertaining to sanctions or otherwise affected by any sanctions.

14.2. The Vendor shall not undertake any actions which shall result in the Company being in violation of any laws related to sanctions or sanctions otherwise imposed/ enforced by any governmental or other agency or otherwise affected by any sanctions.

15. QUALITY

The Vendor shall ensure that the quality of products and/ or services provided to the Company pursuant any agreement/ work order shall be compliant with such criteria and meet such standards and specifications as may be laid down by the Company under the relevant contract/ purchase order and as required under applicable law.

16. INVESTIGATIONS

16.1. The senior management of the Company, at its sole discretion, may call for investigation of certain matters which are being handled by the Vendor.

- 16.2. The investigation shall be conducted by an expert appointed by the Managing Director of the Company. All matters will be dealt with in confidence.
- 16.3. The Vendor undertakes to comply with all reasonable requests of the Company in case of any information and/ or documents sought by the Company for the purposes of conducting any due diligence, audit or inspection of the Vendor, including for determining any breach/ potential breach of this Code.

17. DISCIPLINARY ACTION

Any violation of this Code (whether direct or indirect) will be viewed very seriously, and may result in any or all of the following actions depending on the severity of the violation: (a) issuance of cautionary/ warning letters; (b) monetary fines; and (c) termination of services in accordance with the applicable agreement/ work order/ purchase order.

This Code shall form an integral part of all agreements including the terms and conditions, master service agreements, work orders, statement of works, and purchase orders executed by and between the Company and the Vendor.

Agreed and signed on behalf of

[•]

By:

Title:

Date:

Place:

SCHEDULE 1 | FORMAT OF DISCLOSURE OF CONFLICT OF INTEREST

To
Company Secretary
Bharat Fritz Werner Limited

Subject: Disclosure of conflict of interest

Dear Sirs

This is to inform you that there is a conflict of interest with your employee/officer, details of which have been set out below.

Name of Vendor	
Engagement	
Name of employee/officer	
Details of conflict	

This disclosure of conflict of interest is made pursuant to the Vendor Code of Conduct provided by you.

[I/we] request you to provide [me/us] with your written approval, to provide services under the [●] agreement dated [●] to Bharat Fritz Werner Limited and we shall provide all such services only on an arm's length basis.

Thank you.

Regards

[●]