

## **BAJAJ ELECTRICALS LIMITED**

### **Business Partners Code of Conduct**

#### **I. Purpose**

At Bajaj Electricals, we recognize the importance of our Business Partners and strive to maintain strong relationships with them. Our competitive edge is achieved through our commitment to reliability, quality, and efficient execution. Consistent with this commitment, BEL Group (which includes Bajaj Electricals Limited (“**BEL**”), its subsidiaries, its affiliates, and joint ventures) wants to engage in business with those who share the same values and culture of fair and ethical conduct, and adhere to ethical, compliant, and safe business practices.

BEL’s Business Partner Code of Conduct (“**BPCOC**”) outlines our expectations for our Business Partners and guides their behaviour during our business relationship. We highly value Business Partners who align with our goals and principles outlined in the BPCOC.

#### **II. Scope**

BPCOC applies to all current and potential Business Partners of BEL Group including, but not limited to, customers, suppliers (of services and products), contractors, sub-contractors, landlords / lessors, lessees, intermediaries, consultants, agents, agencies, brokers, representatives, dealers, and distributors.

#### **III. Products and Services**

Business Partners shall be committed:

- a. To supplying products and services of the highest quality that meet all applicable standards.
- b. To ensure that the products and services offered comply with applicable laws, including product packaging, labelling and after-sales service obligations.
- c. To market their products and services on their own merits and not make unfair or misleading statements about the products and services of BEL.

#### **IV. Integrity and compliance with laws**

##### **A. Business Integrity**

Business Partners shall be committed:

- a. To not tolerate, permit, or engage in bribery, corruption, embezzlement, extortion, kickbacks, inducements, or any other unethical practices.
- b. To not offer any money or anything of value directly and/or indirectly to the employees of BEL Group or persons representing BEL in any way.
- c. To not get involved in money laundering activities in any manner.
- d. To follow fair practices to earn our business and not to indulge in any anti-competitive or unfair/restrictive trade practices in any form.

##### **B. Conflict of Interest**

Business Partners shall be committed:

- a. To be aware of the many different ways in which conflicts of interest can occur.
- b. To avoid any situation that may involve a conflict between Business Partner’s personal interest and the interests of BEL Group.
- c. To disclose any actual or apparent conflicts of interest including but not limited to relationships or association with any existing / past employees of BEL Group or their immediate family members.

##### **C. Bribery, Corruption, and Money Laundering**

Business Partners shall be committed:

- a. To not engage in any form of bribery or corruption or money laundering.
- b. To not accept, facilitate or support bribery or corruption or money laundering.
- c. To report violation of this Policy and/or anti-corruption laws and/or instances of bribery, corruption and

money laundering to BEL, as per reporting mechanism prescribed under BEL's Anti-Bribery & Anti-Corruption Policy.

#### **D. Gifts and Donations**

Business Partners shall be committed to not (directly or indirectly) offer any gift, entertainment, trip, discount, service, or other benefit to any official of BEL which would or reasonably appear to be capable of influencing such person's decision. This includes giving or receiving anything of value, including money, gifts or unlawful incentives to improperly influence negotiations.

#### **E. Confidentiality and Protection of BEL Group's Property and Information**

Business Partners shall be committed:

- a. To use BEL Group's assets, including any equipment, materials, IT assets, for defined purposes only.
- b. To comply with obligations relating to non-infringement, restricted use, secrecy and non-disclosure of BEL Group's confidential information and intellectual property as per the applicable agreements with BEL Group entities.
- c. To promptly report any security breaches or incidents that may affect the confidentiality of any information provided by or relating to BEL Group entities.
- d. To strictly adhere to the provisions of "No disclosure agreement (NDA)" wherever applicable.

#### **F. Data Protection and Privacy**

Business Partners shall be committed:

- a. To comply with all applicable laws relating to collection, processing, and transfer of personal and personally identifiable information in the jurisdictions of their operations.
- b. To implement appropriate information security systems and processes and report any incidents of violation or disclosure of confidential or personal data.
- c. To handle and process data only for the purpose(s) mentioned in the agreement(s) with BEL Group entities.
- d. To strictly avoid usage of unapproved messaging platforms for business communication involving any commercial transactions.

#### **G. Social Media**

Business Partners shall be committed:

- a. To ensure that posts on social media (including by their employees) are legally compliant and made in a responsible manner.
- b. To not post confidential or proprietary information of BEL Group in public domain.
- c. To not post derogatory, defamatory, inflammatory, disrespectful, obscene, threatening, abusive or malicious content about BEL Group and/or its shareholders, promoters, directors, officers or employees.

#### **H. Third Party Representation**

Business Partners shall be committed to represent BEL Group (including 'Bajaj' or 'Bajaj Electricals' brand) only with duly authorized written permission from BEL. They are expected to abide by the BPCOC in their interactions with, and on behalf of BEL, including respecting the confidentiality of information shared with them.

#### **I. Ethical Sourcing of Materials**

Business Partners shall be committed:

- a. To use reasonable diligence with respect to sourcing of materials to execute BEL orders.
- b. To ensure that such sourcing neither promotes/supports counterfeiting nor benefits private or other groups that perpetrate human rights abuses and create violent conflict.
- c. To take BEL's prior consent in case any of the work of BEL needs subcontracting or out-sourcing.

#### **V. Labour Practices**

## **A. Human Rights**

Business Partners shall be committed:

- a. To support and respect the protection of internationally proclaimed human rights and make sure their organisations are not complicit in human rights abuses.
- b. To keep their workplaces free of forced labor, child labor, harassment, harsh treatment, violence, intimidation, corporal punishment, physically abusive disciplinary practices and discrimination.
- c. To respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms, which means working constructively with recognized employee representatives to promote the interests of its employees and, in locations where employees are not represented by unions, providing opportunities for employee concerns to be heard.
- d. To ensure compliance in the deeper supply chain for all Tier1 and Tier 2/3/4 for following measures including but not limited to:
  - Safety compliance.
  - Statutory compliance of all applicable laws, rules, by-laws, regulations etc.
  - Providing letter of employment.
  - Conducting Health Examination.
  - Payment for overtime inclusive of statutory dues.
  - ESIC registration.
  - Making ESIC Card available to all workers on the date of joining.

## **B. No Child or Forced Labour**

Business Partners shall be committed to not hire any person less than 18 years of age. Business Partners shall not use involuntary labour of any kind, including forced prison labour, debt bondage or forced labour. Additional standards include the following:

- a. Business Partners shall comply with all applicable child labour laws, including those related to hiring, wages, hours worked, overtime and working condition. Vocational or developmental programs for young people require an exception to the age requirements.
- b. Business Partners shall maintain official documentation that verifies a worker's date of birth, employment, and training history.

## **C. Equal Opportunity Employer**

Business Partners shall be committed:

- a. to ensure equal opportunity to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, sex, gender, age, nationality, and disability.
- b. to treat its employees with dignity and in accordance with maintaining a work environment free of harassment, whether physical, verbal, or psychological.
- c. To not resort any unethical or corrupt recruitment practices nor promote any discrimination during the recruitment process.

## **D. Prevention of Sexual Harassment**

Business Partners shall be committed:

- a. To ensure strict compliance with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH).
- b. To devise an organizational policy for the same and ensure proper redressal of complaints.

# **VI. Health, Safety and Environment**

## **A. Occupational Health and Safety**

Business Partners shall be committed:

- a. To provide a healthy and safe working environment for their employees, contractors, partners and others who may be affected by their activities.
- b. To ensure compliance with all applicable health and safety standards and obligations, including worker health and safety, sanitation, fire safety, risk protection and electrical, mechanical structural and machine safety.

- c. To ensure that all safety related preventive systems are in operational preparedness at all times through appropriate drills, audits, etc.
- d. To have well-established safety procedures, preventative maintenance, and protective equipment in compliance with the law.
- e. To have a Business Continuity Plan to minimize business impacts in the event of major disruption like flood, fire, earthquake, strikes, any riots or Pandemic etc.
- f. To have a written Emergency Response Plan to minimize harm to the employees, local community and environment and risk of business disruption to BEL in the event of a disaster.
- g. To have a policy on safety, health & environment.
- h. To provide a safe, healthy, and clean working environment for its employees. Target must be:
  - Zero Fatal Occupational Injury
  - Zero Non-Fatal Occupational Injury
- i. To maintain the record of Major/Minor Accident & First Aid Injury along with analysis and action plan every month along with monitoring mechanism for closure of all the identified actions. The accident data (Major/Minor) & actions initiated must be shared with BEL periodically or within 10 days after any major accident. Business Partners should take necessary action like accident reporting with govt officials etc with necessary action plan.

## **B. Environmental Stewardship**

Business Partners shall be committed:

- a. To uphold the core values of environmental protection and conservation and conduct business in an environmentally sensitive way and shall strive for environmental sustainability, particularly with regard to the emission of greenhouse gases, consumption of water & energy and the management of waste and hazardous materials.
- b. To endeavour to offset the effect of climate change in its activities.
- c. To operate in a manner such that any environmental impact of their designs, products, services, manufacturing processes is minimized.
- d. To adopt green energy initiatives and projects like Energy saving and use of renewable energy sources.
- e. To encourage adoption of sustainable solutions where possible and also appreciate suggesting such solutions to BEL management for its consideration.
- f. To comply with relevant environmental legislation and international conventions and standards.

## **VII. Compliance**

### **A. Communication and Awareness**

We expect our Business Partners:

- a. To clearly communicate the requirements of this BPCOC and how it translates into business practices and operations to all its employees and business partners.
- b. To internalize and institutionalize the standards of business practices and operations as set forth in this BPCOC.

### **B. Compliance with the BPCOC**

Business Partners shall strictly adhere to this BPCOC. They shall promptly inform BEL when any situation develops that causes them to operate in violation of this BPCOC. While Business Partners are expected to self-monitor and demonstrate their compliance with this BPCOC, Business Partners shall allow BEL to audit or inspect Business Partner's facilities or to carry out surveys to confirm their compliance when requested by BEL with reasonable notice. BEL reserves the right to take appropriate action including immediate removal of any Business Partner who behaves in a manner that is unlawful or inconsistent with this BPCOC.

### **C. Certification**

We expect our Business Partners to have an authorised representative to certify that he/she has read this Code and commits the Business Partner to these standards and to provide certifications from time-to-time confirming compliance with this Code.

### **D. Disclosures and Reporting Violations**

We expect our Business Partners:

- a. To promptly disclose to BEL any actual or suspected incidents of violations of this Code, whether by any of its own or BEL's employees, in good faith, and on a confidential basis, with available evidence if any, to Ethics & Compliance Task Force (ECTF) at [ECTF@bajajelectricals.com](mailto:ECTF@bajajelectricals.com).
- b. To cooperate with and provide assistance to BEL in conducting inquiries, investigations into any past or current incidents or activities that could potentially be in violation of this Code, as per the process for addressing such violations stipulated by ECTF which is briefly explained in the Whistle Blower Policy of the Company.

#### **E. Implications for Non-Compliance**

Failure to comply with the standards set forth in this BPCOC or non-implementation of any corrective measures will entitle BEL to:

- a. Notify appropriate authorities or regulators, and/or
- b. Suspend and/or terminate the agreement executed with the Business Partner with immediate effect, and/or
- c. Take suitable action including appropriate legal action at the sole discretion of BEL, and/or
- d. For smaller breaches may lead to penalty of Rs.1 lakh, or for severe breach may lead to penalty of Rs.10 lakhs and/or termination of contracts with the Business Partner.

### BEL Business Partners Code of Conduct Commitment

We hereby confirm that we have received the BEL's Business Partners Code of Conduct (BPCOC) and commit to comply fully in true spirit. We are also aware that these clauses/provisions form an integrated part of Suppliers agreement, signed with BEL.

We understand that BEL reserves the right, upon reasonable notice, to check compliance with the requirements of BPCOC.

We understand that BEL encourages its Business Partners to implement their own binding Code of Conduct and agree that we will be responsible for complying obligations under this BPCOC. Failure to adherence to this BPCOC would attract the disciplinary consequences as mentioned above.

Business Partner Code (Vendor code)	.....
Business Partner's Name	.....
Signature of Business Partner's Authorised Signatory with stamp	.....
Name & Designation of Authorized Signatory	..... ..... ..... .....
Place	.....
Date	.....

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