



**TATA** ADVANCED SYSTEMS

# **SUPPLIER CODE OF CONDUCT**



### **Introduction**

As outlined by the [Tata Code of Conduct](#), Tata Advanced Systems Limited (hereby referred as “TASL”) and its JVs are committed to conducting their business in an ethical, legal, and socially responsible manner. TASL and its JVs consider its suppliers to be an integral part of their business and believes that a reliable and sustainable supply chain is critical for a responsible and efficient organisation. The Supplier Code of Conduct (hereby referred as “Code”) outlines TASL and its JVs’ expectations for supplier conduct in relation to ethics, labour and human rights, health and safety, environmental protection, and management practices.

### **Applicability**

The Supplier Code of Conduct is applicable to any individual, business, company, corporation, architect, contractor, person, consultant, service provider or any other entity and their employees, agents and other representatives that provides, sells or seeks to sell any kind of goods or services to TASL and its JVs. This Code also applies to any sub-contractor(s) to the Supplier, providing goods or services to the Supplier. The Supplier is fully responsible for ensuring compliance by any such sub-contractor(s) as if it were the supplier itself.

### **Overview**

TASL and its JVs’ suppliers should strive to achieve the highest standards of ethics, business conduct, working conditions and environmental management. The supplier principles are further elucidated under various clauses. The Supplier Code of Conduct also covers avenues for reporting concerns in event of a breach of the Code and accountability provisions.

Suppliers shall read, understand, and affirm compliance with this Code. TASL, its subsidiaries and its JVs expressly retain the right to unilaterally modify or amend this Code, at its sole discretion, with or without prior notice to Suppliers.

As such, TASL and its JVs’ suppliers must comply with the following clauses:

#### **CLAUSE I : NATIONAL INTEREST**

- The TATA Group is committed to benefit the economic development of the countries in which it operates.
- Supplier shall operate in a manner which is contributing to the interests of the communities, in which it operates. Supplier shall conform to all applicable trade procedures, including licensing, documentation and other necessary formalities.

#### **CLAUSE II: FINANCIAL REPORTING AND RECORDS**

- Documentation and record keeping are important to ensure accountability and transparency for service improvement. Supplier shall have processes for creation of documents and records to ensure regulatory compliance and conformity to this Code, with appropriate confidentiality measures to protect privacy.
- Supplier shall obtain, maintain, and keep current a valid business license and tax requirement as required under applicable laws and regulations.
- Any misinformation of the financial records by the Supplier which would have an adverse impact on TASL and its JVs would be regarded as a violation of this Code apart from inviting appropriate civil or criminal action under the relevant laws.

**CLAUSE III: ETHICS**

- Suppliers must be committed to highest standards of ethical conduct in dealing with the company employees, its sub-suppliers and workers and honour its commitments. Suppliers must ensure business integrity, honesty and professionalism while conducting business with TASL and its JVs.
- Suppliers affirm that there shall be no unfair trade practices in their dealings nor shall any information designated as confidential information be shared with any third parties.
- Supplier shall not offer nor accept bribes or obtain undue advantage by means of corruption, extortion or embezzlement.

**CLAUSE IV: LABOUR AND HUMAN RIGHTS**

- Suppliers must uphold the human rights of workers and treat them with dignity and respect.
- The Supplier shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.
- Suppliers shall commit to congenial working environment for all its employees or sub-suppliers free from any threat, undue influence, coercion or harassment. Supplier shall adhere to all applicable labour regulations at all times including working hours, wages, benefits, leave and overtime. All work must be voluntary, and workers shall be free to leave work or terminate their employment with reasonable notice.
- Suppliers shall mandatorily not employ children for employment or work. The minimum age for employment or work shall be 18 years of age.
- The Supplier is expected to recognize the principle of freedom of association and the right to collective bargaining.

**CLAUSE V: HEALTH, SAFETY AND ENVIRONMENT**

- Supplier agrees that sound health, safety and environment management practices are essential to maintain high standard and to promote economic and environmental sustainability of the business.
- Suppliers shall endeavour to eliminate physical hazards wherever possible. If a hazard cannot be eliminated or a safer substitute cannot be found, the next best approach is to use engineering controls to keep the hazard from reaching the worker. Where appropriate engineering controls are not possible, Suppliers shall establish appropriate administrative controls such as safe work procedures, warning alarms and training as necessary.
- In order to foster a safe work environment, Supplier shall provide workers with appropriate workplace health and safety information and training and in all cases shall provide workers with appropriate personal protective equipment.
- Suppliers shall commit to reducing the environmental impact of their designs, manufacturing processes and waste emissions.
- Supplier shall adhere to all pollution laws applicable in their country and with appropriate protection standards. Supplier shall prevent the wasteful use of natural resources and be committed to improving the environment, particularly with regard to the emission of greenhouse gases, and shall endeavour to offset the effect of climate change in all spheres of its activities.
- Supplier shall adhere to all restrictions and abide by regulations in respect of any waste generated, monitor, control discharge of effluents so as to protect the environment and the community and prevent pollution by recycling & reuse of materials.



**CLAUSE VI: QUALITY OF PRODUCTS AND SERVICES**

- The Supplier shall be committed to supply goods and services of world class quality standards, backed by after-sales & support services consistent with requirements of TASL and its JVs.
- The quality standards of the goods and services provided by the Supplier shall meet applicable national and international standards. Supplier products shall display adequate caution, health and safety information on its packaging and service Suppliers shall display adequate health and safety warnings for their services.

**CLAUSE VII: SUPPLIER AND SUB-SUPPLIERS**

- Suppliers shall ensure that the approved sub-suppliers/third-party agencies providing workers are compliant with the provisions of the Code and all applicable laws governing the protection of the workers of the sending and receiving countries will be strictly adhered to.
- Suppliers shall ensure that contracts for both direct and contract workers clearly convey the conditions of employment in a language understood by the worker.
- Supplier and sub-supplier employees shall be courteous and professional in their approach and demeanour with TASL and its JV's employees. Supplier shall ensure that its employees have clean records and there are no pending charges against them.

**CLAUSE VIII: DISCLOSURE AND PROTECTION OF INFORMATION**

- Suppliers must accurately record and disclose information regarding their business activities, structure, financial situation and performance in accordance with applicable laws and regulations and prevailing industry practices.
- Supplier shall respect all intellectual property and information of TASL and its JVs, and protect the same as its own. The transfer of technology and know-how must be done in a manner that protects intellectual property rights.

**CLAUSE IX: CONFLICT OF INTEREST**

- The Supplier shall always act in the interest of the Company to ensure that any business or personal association which he / she may have does not involve a conflict of interest with the operations of the Company.
- The Supplier shall not enter into a financial or any other relationship with TASL and its JVs' employee that creates any actual or potential conflict of interest for TASL and its JVs. All such conflicts must be disclosed and not entered without proper authorization /sanction from the head of the respective plant and the chief financial controller/officer.

**CLAUSE X: MANAGEMENT COMMITMENT**

- Suppliers must establish or adopt a management system designed to ensure compliance with this Code and applicable laws and regulations, identify and mitigate related operational risks, and facilitate continuous improvement.
- The management commitment should contain the following elements:
  1. **Company Statement:** A corporate social and environmental responsibility statement affirming the Supplier's commitment to compliance and continual improvement has to be posted in the respective local language at all of the Supplier's worksites.



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2. **Written Code of Performance Objectives with Implementation Plans and Measures:** There must be a written code of conduct pertaining to performance standards, performance objectives, targets and implementation plans, including a periodic assessment of the Supplier's performance against those objectives.
3. **Audits and Assessments:** Suppliers agree that they and their sub-contractors/sub-suppliers shall comply with this Code and with applicable laws and regulations. Supplier shall have a process for timely correction of any deficiencies identified by an internal or external audit, assessment, inspection, investigation or review.

### **CLAUSE XI: PREVENTION OF SEXUAL HARASSMENT**

- Suppliers shall not threaten workers and subject them to harsh or inhumane treatment including sexual harassment, sexual abuse, mental coercion and physical coercion.
- There shall be a committee formulated to look into any such complaints of sexual harassment.

### **CLAUSE XII: GIFTS AND DONATIONS**

- The Supplier shall neither receive nor offer or make, directly or indirectly, any illegal payments, remunerations, gifts, donations or comparable benefits that are intended or perceived, to obtain uncompetitive favours for the conduct of its business with TASL and its JVs. However, promotional gifts e.g. items such as stationery, diaries, mugs, calendars, mouse mats or pens that bear the supplier name / logo, and that have no significant commercial value, may be given / accepted with full disclosure.

### **CLAUSE XIII: THIRD PARTY REPRESENTATION**

- Suppliers shall not be authorized to represent TASL and its JVs or to use the TATA/TASL brand/logo to further its interests without the written permission of TASL and its JVs.
- Suppliers/ sub-suppliers, and their employees who are authorized to represent TASL and its JVs shall abide by the TATA Code of Conduct in their interaction with any third parties, and on behalf of TASL and its JVs, and shall sign a non-disclosure agreement to support confidentiality of information and adhere to terms thereof.

### **CLAUSE XIV: MISUSE OF COMPANY ASSETS**

- The assets of TASL and its JVs shall not be misused by the Supplier. They shall be utilized judiciously for the purpose of conducting the business for which they are duly authorized.

### **Event of Violation**

The Supplier is expected to have an adequate processes in place to monitor Supplier's compliance with the clauses outlined in this Code. TASL and its JVs may visit Supplier facilities with or without notice, to assess compliance with this Code.

If the Supplier does not comply with this Code, TASL and its JVs require that the Supplier implement a corrective action plan to cure the non-compliance within a specified time period. The time period so specified must be furnished in writing by the supplier. If the Supplier fails to meet the corrective action plan commitment, TASL and its JVs may terminate the business relationship, including suspending placement of future orders.

### **Whistle-blower Protection and Anonymous Complaints**

The Supplier commits to raise an alarm in good faith by communicating information that may evidence an ongoing unethical or improper activity or any condition that may pre-empt an occurrence of unethical or improper activities, without any threat to its association with the Company. Such communication shall be sent in the manner prescribed in a separate Whistle-blower Policy, formulated for whistle-blowers. The Company assures that whistle-blowers are protected from retribution, whether within or outside the organization.

### **Supplier Code of Conduct Compliance Commitment**

The Supplier confirms receipt of TASL and its JVs' Supplier Code of Conduct and assures commitment to comply with it in letter and in spirit. Supplier confirms that TASL and its JVs has the right, upon reasonable notice to verify compliance of the requirements under this Code.

TASL and its JVs encourages its Suppliers to implement their own binding Code of Conduct and agree that they will be responsible for controlling their own supply chain. The Supplier agrees to encourage any of its sub-supplier or provider of goods and services to comply with its obligations under this Supplier Code of Conduct and also understands that non-compliance with any terms of the Code will be deemed a breach and could lead to legal ramifications entitling TASL and its JVs to take actions against the Supplier including termination of association.