

Supplier Code of Conduct Policy

A Supplier Code of Conduct Policy summarizes the expectations and requirements a company has for its suppliers regarding ethical business practices, environmental responsibility, labour standards, and overall social responsibility. Below is an outline for such a policy:

Scope:

This Supplier Code of Conduct establishes the ethical and operational standards that suppliers must follow when doing business with Hetero group. It aims to ensure responsible, sustainable, and ethical practices across our supply chain.

Compliance with Laws and Regulations:

Suppliers must comply with all applicable local, national laws, regulations, and standards. This includes, but is not limited to, labour laws, health and safety regulations, environmental laws, and anti-corruption legislation.

SA 8000 standards & Labour and Human rights:

- **Fair Treatment:** Suppliers must treat all employees with dignity and respect. Discrimination, harassment, or any form of abuse will not be tolerated.
- **Child Labour and Forced Labour:** Suppliers must not engage in or tolerate child labour, forced labour, or human trafficking in any form.
- **Freedom of Association:** Suppliers must respect the right of employees to freely associate, organize, and bargain collectively.
- **Wages and Benefits:** Suppliers must pay workers fairly, provide lawful benefits, and comply with wage and hour laws.
- **Working Hours:** Suppliers must comply with applicable laws regarding working hours and overtime compensation.
- **Discrimination:** A commitment to non-discrimination in hiring, promotion, and training. There should be no discrimination based on race, gender, religion, age, disability, or other characteristics.
- **Disciplinary Practices:** There should be no harsh or inhumane treatment in the workplace. Disciplinary practices must align with legal standards and be respectful of workers' rights.
- **Management Systems:** Suppliers must establish a management system that ensures compliance with the SA 8000 standards, with regular audits and the ability to address any non-compliance.



This Supplier Code of Conduct and the SA 8000 standards are part of our ongoing commitment to ensuring responsible and sustainable practices in our supply chain.

Health and Safety:

Suppliers must provide a safe and healthy work environment for all employees, ensuring that their practices comply with applicable health and safety laws. Suppliers are responsible for preventing work-related injuries and illnesses, and for ensuring that their workplaces are free of hazards.

Environmental Responsibility:

Sustainability: Suppliers must implement environmentally responsible practices in their operations, including reducing waste, conserving resources, and minimizing pollution.

Compliance with Environmental Laws: Suppliers must adhere to environmental laws and regulations in all regions where they operate, and take steps to prevent environmental damage.

Ethical Business Practices:

Anti-Corruption: Suppliers must not engage in or tolerate any form of bribery, corruption, or unethical conduct in their business dealings.

Fair Competition: Suppliers must compete fairly and honestly, avoiding anti-competitive practices.

Conflict of Interest: Suppliers must avoid any activities that may result in a conflict of interest, both internally and externally.

Security & Data Privacy:

Suppliers must protect the privacy and confidentiality of personal and sensitive data. They must comply with data protection laws and implement safeguards to ensure data security.

Proper protection of personal Information:

Suppliers shall have the proper organization structure, processes and procedures to ensure the protection of personal information against accidental, unauthorized or unlawful loss, destruction, alteration, disclosure, use or access.

Proper Security Measures:

Suppliers should establish and maintain robust policies and procedures that cover both technical and organizational security measures. These measures should ensure that adequate safeguards are in place to protect data and systems. Additionally, suppliers



must take reasonable actions to verify that they are in compliance with these security policies and procedures.

Compliance with Cross-Border Transfer Restrictions:

Suppliers must implement appropriate safeguards, rules, and procedures to ensure compliance with all relevant laws and regulations governing cross-border data transfers. These measures should protect data during international transmission and ensure legal compliance across jurisdictions.

Reporting Violations:

Suppliers are encouraged to report any violations of this Code or unethical behaviour. Hetero Group ensures protection for whistle blowers who report in good faith, without fear of retaliation.

Monitoring and Audits:

Hetero Group reserves the right to conduct audits or assessments to ensure compliance with this Code. Suppliers are expected to cooperate with any such assessments and provide necessary documentation as requested.

Consequences of Non-Compliance:

Suppliers who violate this Code may face corrective action, which could include termination of contracts or other legal remedies. Hetero Group is committed to working with suppliers to improve compliance, but serious violations will result in consequences.

Management Systems:

Suppliers are required to implement management systems that support continual improvement and meet the specified principles.

Commitment and accountability

Suppliers must allocate necessary resources and take responsibility for aligning their practices with the outlined standards. Regular evaluations and reporting are required to ensure transparency and compliance.

Legal and customer Requirements

Suppliers must ensure compliance with all relevant laws, regulations, standards, and customer requirements.

Risk Management

Suppliers must establish mechanisms to identify and manage risks in all areas covered by this document.

**Documentation**

Suppliers shall maintain documentation necessary to validate conformance with these expectations and compliance with applicable regulations.

Training and Competency:

Suppliers must implement a training program to ensure management and workers acquire the necessary knowledge, skills, and abilities. This program should equip them to meet the specified expectations effectively.

Continual Improvement

Suppliers must continuously improve by setting performance goals, executing plans, and addressing deficiencies found through assessments, inspections, and reviews. Corrective actions should be taken as needed to meet these objectives.

Commitment to Improvement:

Hetero Group encourages continuous improvement in all aspects of supplier operations, and will work collaboratively with suppliers to promote sustainability, ethical business practices, and responsible sourcing.

Acknowledgment and Compliance:

By doing business with Hetero Group, suppliers acknowledge that they have read, understood, and agree to comply with this Supplier Code of Conduct.

Date:

Place:

Signature of the Supplier