

SUPPLIER CODE OF CONDUCT

Effective Date July 01, 2023 (No. of Revisions - 01)

Last Revised Date: March 02, 2021

JSW endeavors to conduct its business on the principles of ethics and transparency, social responsibility, and environmental sustainability. In this endeavor, JSW aspires to integrate the best practices into all aspects of its business.

Suppliers are an essential part of our business value chain and contribute substantially to JSW's growth. JSW wishes to collaborate with its suppliers to nurture long-term strategic partnerships in ensuring business sustainability. In this endeavor, it is a pre-requisite for JSW and its suppliers to conduct business in a legal and ethical manner, and in compliance with all applicable laws and regulations.

In this context, this Supplier Code of Conduct ("Code") has been developed based on the global standards and best practices being followed across industries. This Code shall be complied by all the suppliers in letter and spirit to ensure mutual growth and development. Suppliers shall read, understand, and affirm compliance to this Code.

JSW reserves the right to modify and amend this Code, following any changes in the standards referred to, or the prevailing regulations, or in accordance to the policies of JSW. The "last modified" date of this Code shall be captured at the beginning of the Code and shall serve and be deemed as adequate notice of any modifications or amendments made to this Code. No other notification in this regard shall be necessary.

This Code takes cognizance of the themes of human rights, labour, environment, and anti-corruption, as described in the United Nations Global Compact (UNGC). Further information on these principles can be accessed from the website of UNGC: <https://www.unglobalcompact.org/>. Principles and norms described under the theme of 'labour' are based on the standards specified by International Labour Organization (ILO) from time-to-time.

This Code shall be read along with any other code, policy or guidelines that JSW may have in place for the Suppliers. The most stringent of the stipulations shall apply on a combined reading of all such codes, policies or guidelines. The compliance requirements under this Code may vary depending on the jurisdictions where the Suppliers operate or carry on their business, the Suppliers thus undertakes to abide by all such regional variations and requirements under the applicable laws, and JSW takes no such responsibility to ensure compliance on behalf of the Supplier or notify the Supplier of such requirements under the applicable laws.

DEFINITIONS

- **Business associates of Suppliers:** Business associates of Suppliers shall include contractors, sub-contractors, employees agents and other entities directly providing goods and services to the Suppliers
- **Code:** Code refers to this Suppliers Code of Conduct, i.e., the current document unless specified otherwise
- **JSW:** The term JSW shall inter alia include all JSW Group Companies including but not limited to JSW Steel Ltd., JSW Energy Ltd., JSW Infrastructure Ltd., JSW Cement Ltd., JSW Paints Pvt. Ltd. and includes a holding company, and / or any of its existing or future affiliates, subsidiaries, associates, sister concerns, joint venture company and a subsidiary of a holding company
- **Suppliers:** Suppliers include all suppliers, vendors, contractors, sub-contractors, business partners, consultants, and any other entity entrusted with providing or which has provided goods and services to JSW

SCOPE OF APPLICATION

This Code shall be applicable to all ‘Suppliers’ of JSW. Furthermore, JSW shall determine applicability of this Code to the business associates of the Suppliers at a time and in a manner deemed appropriate. Such determination by JSW relating to the applicability of this Code shall be binding on the Suppliers and its business associates, who shall then be required to abide by the stipulations made in this Code.

COMPLIANCE AND BEYOND

This Code provides the most essential principles and norms required for adherence with global standards and best industry practices. The Suppliers strive to exceed these principles and norms through their exemplary actions. It is desirable that our Suppliers engage with their own Suppliers and other business associates to ensure adherence to the principles mentioned in this Code.

MANAGEMENT MONITORING AND EVALUATION

Suppliers shall develop internal standards and information management systems for operationalizing compliance with this Code and monitoring progress. Such standards and systems shall be updated from time to time to make it consistent with global standards and prevailing regulations. It is desirable that Suppliers communicate such standards to their stakeholders at the earliest. Suppliers shall produce the requisite documents, reports, or any other information required to verify compliance with this Code, whenever asked for by JSW or by any other entity engaged by JSW for this purpose. Any failure to provide such documents, reports, or any other information within such timeline as communicated shall be deemed to be a non-compliance and shall render the Suppliers, its stakeholders and business associates liable for breach of this Code.

KEY PRINCIPLES OF CODE OF CONDUCT

I. Compliance Management

1. **Statutory Compliance:** Suppliers shall comply with all applicable statutory laws, rules, and regulations including applicable export law and regulations including US Export control regulations. Suppliers shall maintain records of all licenses, permits, approvals, necessary for conduct of its business, and furnish copies of same whenever requested. Suppliers are advised to develop internal systems to track change in the regulations and respond to the same.
2. **Statutory notices:** Suppliers shall inform JSW of any notices, penalties or other sanctions issued or imposed for violation of existing laws and regulations.
3. **Tax evasion:** JSW shall not tolerate unlawful tax evasion or the facilitation of unlawful tax evasion. The Suppliers must not directly or indirectly engage in, or facilitate the engagement by others in, the deliberate and fraudulent diversion of funds from a tax authority. The Suppliers shall ensure the same of their agents, subcontractors, intermediaries and workers by adopting, maintaining and implementing reasonable processes that prevent such conduct.
4. **Quality Assurance:** The Suppliers shall comply with the quality assurance plan of JSW and shall ensure that the quality of supplies and services provided to JSW are of a good quality as per industry standards. The Suppliers shall take prior consent of JSW before procuring supplies that are to be provided to JSW, unless instructed otherwise in writing. In cases where an approved list of vendors, make or sub- Suppliers is provided by JSW, the Suppliers shall endeavor to adhere to such list with a view to maintain the quality and the specifications with respect to the products and services. Any deviation from such quality assurance plan or list provided shall be communicate to JSW at the earliest instance and the decision of JSW in this regard shall be final and binding.

5. **End user information, Sanctions and Dealings with Embargoed Entities:** The Suppliers acknowledges that all business and other dealings, direct and indirect with embargoed entities are expressly prohibited. The Suppliers is responsible for screening all client / end user with which the Suppliers plans to do business or other dealings against the lists of embargoed / restricted entities maintained by the U.S., E.U. and U.N. and any other applicable jurisdictions.

II. Environment

1. **Environment Protection:** Suppliers shall ensure compliance with existing legislations and regulations regarding the protection of the environment and promotion of good environmental practices. Suppliers should adopt the precautionary approach principle on environmental hazards. It is advised that Suppliers should develop and adopt comprehensive environmental protection policy to shoulder greater environmental responsibility and promote the diffusion of environmentally-conscious culture within their organizations and their value chains. It is desirable that Suppliers plan to adopt life cycle-based approach and associated practices.
2. **Management of Hazardous Materials:** Suppliers shall ensure that chemicals and other materials posing hazards to human health and environment are identified and managed responsibly through their safe handling, movement, storage, recycling, reuse, or/and disposal.
3. **Waste and Effluent Management:** Suppliers shall ensure that the wastewater and solid waste generated from operations, industrial processes, and sanitation facilities are monitored, controlled, treated, and disposed of responsibly in accordance with the norms prescribed by the appropriate authorities or bodies.
4. **Energy Use:** Suppliers shall monitor and track energy usage and take necessary steps to improve energy efficiency. It is advised that appropriate steps be taken to diversify their energy-mix by adoption of renewable energy sources to minimize reliance on fossil fuels.
5. **Water Use:** Suppliers shall only extract water from the legally authorized sources. It is advised that Suppliers adopt and promote recycling and reuse of water and improve water efficiency. It is desirable that water conservation interventions such as rainwater harvesting be adopted wherever feasible.
6. **Resource Efficiency:** Suppliers shall ensure and promote resource efficiency i.e. designing products and processes in a way that allows more efficient usage of raw materials and water.
7. **Responsible Production and Consumption:** Suppliers are advised to take proactive steps to promote responsible production and consumption. Phasing out of harmful materials and use of raw materials less harmful to environment shall be promoted wherever possible. It is desirable that Suppliers promote recycling and reuse of materials and products.
8. **Air Emissions:** Suppliers shall ensure consistent monitoring and tracking of Greenhouse Gases (GHGs) and other air emissions such as volatile organic compounds (VOCs), aerosols, corrosives, particulate matters, ozone depleting substances, and combustion by-products generated from their operations. Suppliers shall responsibly comply with the emission regulations and norms specified by the appropriate regulatory authorities. It is advised that Suppliers develop and adopt interventions to reduce harmful air emissions.
9. **Ecosystem:** Suppliers shall take necessary steps to minimize their impacts on ecosystem and thereby contribute towards preservation and restoration of

biodiversity. It is desirable that Suppliers adopt measures to avoid deforestation and contribute to the protection and restoration of forests and natural habitats.

III. Human Rights

1. **Protection of Human Rights:** Suppliers shall support and respect the protection of internationally recognized human rights. Suppliers are advised to adopt/endorse Universal Declaration of Human Rights (UDHR).
2. **Promotion of Humane Treatment:** Suppliers shall ensure dignified and respectful treatment of all within the workplace. Suppliers are advised to develop and adopt systems and processes to prohibit the use of threats of violence, verbal or psychological harassment or abuse, physical abuse, and/or sexual exploitation and abuse by any of their employees, contractors, parent company, and/or other business associates.
3. **Indigenous Culture:** Suppliers shall ensure that their operations are conducted in a manner that indigenous people, minorities (cultural, linguistic and religious), and local communities are not adversely affected. Suppliers shall take proactive steps to preserve local culture and community.
4. **Local Communities:** Suppliers shall take necessary steps to minimize or eliminate adverse impacts of its operations on the local communities. Suppliers shall undertake broad-based stakeholder consultations and ensure local community participations for identifying their needs and understanding their grievances. Suppliers shall commit themselves for socio-economic upliftment of the local communities.

IV. Labour

1. **Freedom of Association and Collective Bargaining:** Suppliers shall recognize and respect employee rights to associate freely and to collective bargaining. Proactive steps shall be taken to promote fair working conditions as guided by the international conventions as applicable.
2. **Freedom of Speech and Expression:** Suppliers shall ensure an enabling environment in which all employees enjoy the fundamental right to freedom of speech and expression subject to the limitations of public order and morality.
3. **Forced and Compulsory Labour:** All forms of forced and compulsory labour shall be strictly prohibited. Suppliers shall ensure that their workforce is free from victims of human trafficking. Suppliers are advised to develop and adopt systems and practices to identify and take prompt corrective actions in any such instances.
4. **Child Labour:** Suppliers shall prohibit employment of:
 - a. Children below 14 years of age or a higher age in case it is determined as the minimum age of employment or that of compulsory schooling by prevailing national regulations
 - b. Adolescents under the age of 18 for hazardous and/or dangerous nature of work

Suppliers are advised to establish systems and processes to reliably verify identity and age of their employees through verification of nationally accepted documents/reports.

5. **Discrimination:** Suppliers shall eliminate all forms of discrimination at workplace on the grounds of race, colour, age, gender, sexual orientation, religion, ethnicity, political opinion, nationality, social origin, disability, family status, or any such

grounds as may be recognized under the applicable national laws as discriminatory. Suppliers are advised to take proactive steps to ensure equality of treatment in respect of employment and opportunity including but not limited to recruitment, promotion, training, remuneration and benefits.

6. **Wages, Working Hours and Other Conditions of Work:** Suppliers shall ensure adherence to the prevailing regulations concerning working hours, overtime allowances, leaves and other entitlements of their employees. Suppliers shall ensure that their employees are paid directly in legal tender at the regular intervals (not exceeding one calendar month). Such payments shall be fair and in compliance with the minimum wages determined by the prevailing regulations. It shall be ensured that no unauthorized deductions are effected into the wages paid. Any deduction to this regard shall be informed, in prior, to the workers in writing. The wages, hours of work and other conditions of work provided by Suppliers should be consistent with the best conditions prevailing locally. Suppliers are advised to maintain a well-managed, documented record of wages paid to its employees and retain it for a reasonable period.
7. **Occupational Health and Safety and Industrial Hygiene:** Suppliers shall take reasonable steps to ensure that:
 - a. Buildings and other infrastructure are built in accordance with the prevailing norms and are free from hazards to human health;
 - b. Their manufacturing sites have appropriate preparedness and emergency response protocol to mitigate internal and external disasters including but not limited to natural calamities, industrial accidents, fire hazards, etc.;
 - c. The workplaces, machinery, equipment, and processes under their control are safe and without risk to human health;
 - d. All chemical, physical, and biological substances and agents are managed appropriately and responsibly in accordance with the prevailing regulations so as to reduce or/and eliminate risks and hazards to human health, community, and environment;
 - e. Adequate protective gears are provided to their employees or any other person exposed to hazards arising out of operations, conducted by the Suppliers, posing risks to the health;
 - f. Monitoring and reporting of occupational injuries and any other reportable incidences are done appropriately and effectively. In case of such incidences, Suppliers shall take prompt and necessary corrective actions to eliminate such risks and shall report such actions if asked by JSW or any such relevant authority.
8. **Protection of Vulnerable Groups:** Suppliers shall take necessary steps to protect the interests of vulnerable people such as children, older people, persons with disabilities, migrant workers and any such people who are affected by or have the potential to affect the operations of Suppliers or/and JSW.

V. Business Ethics

1. **Prohibition of Corrupt Practices:** Suppliers shall ensure adherence to the highest standards of moral and ethical conduct, prevailing regulations, and generally accepted good business practices. Suppliers shall take proactive steps to eliminate all forms of corrupt practices such as bribery, fraud, cheating, or any other practice considered illegitimate. Suppliers are advised to make anti-corruption an integral part of employee learning and development system. The Suppliers and the associates

of Suppliers shall not indulge in any corrupt practices defined under laws of International trade government authority / organization including Indian Prevention of Corruption Act, 1998, Prevention of Money Laundering Act 2002 (PMLA), US Foreign Corrupt Practices Act, The UK Bribery Act, 2010. The Suppliers and the Business associates of Suppliers shall not directly or indirectly use the consideration paid by JSW to facilitate money laundering or terrorism funding.

2. **Conflict of Interest:** Suppliers must promptly communicate to JSW any instances that may have the potential for a conflict of interest. Suppliers shall disclose if any of JSW's personnel, officials, staff, or professionals under any contract with JSW may have an interest of any kind in the Supplier's business. Suppliers are advised to conduct due diligence for any possibility of conflict of interest.
3. **Gifts and Hospitality:** Suppliers shall not offer any kind of gifts, free goods, services, or any other hospitality to any of our personnel, officials, staff, or professionals under any contract with JSW. Suppliers must disclose promptly any such requests made by any of JSW's personnel, officials, staff, or professionals under any contract with JSW.
4. **Post-employment Restrictions:** Suppliers shall not offer any kind of direct or indirect employment to any of JSW's personnel, officials, staff, or professionals under any contract with JSW who are actively engaged in procurement process with them for a period of one year following separation from JSW.
5. **Business Conduct:** Suppliers shall ensure timely provision of the goods and services of good quality at a competitive price. JSW shall ensure that Suppliers have requisite authorizations to access or use JSW's assets, properties, information, and intellectual rights for official purpose only, as per the terms of the contract entered into. Suppliers shall ensure that JSW's resources are not misused or abused beyond the terms of the contract.
6. **Information Security:** JSW's trade secrets and intellectual properties shall be protected by our Suppliers to avoid any harm to our competitive advantage. Suppliers shall comply with all privacy and information security laws and regulations as applicable. Suppliers are advised to adopt reliable and robust information security system to avoid any inadvertent loss of information or data, and to protect themselves and JSW against any malicious attempts to breach data security. The Suppliers and the Business associates of Suppliers shall ensure that it has adequate systems in place to protect and safeguard any personal or sensitive personal information that it will be dealing with and shall at all times be compliant with the data protection regulations applicable to it in the relevant jurisdictions where it operates or conducts its business.
7. **Ethical Competition:** Suppliers shall comply with all anti-trust and competition laws as applicable and shall not indulge in any anti-competitive practices whether by itself or in combination with other entities. Suppliers are advised to participate actively in relevant forums to collaborate and cooperate for fair competition.
8. **Responsiveness:** Suppliers shall disclose any violations of prevailing regulations and laws observed or reported to relevant stakeholders and take prompt corrective actions. It is advised that Suppliers plan for non-financial disclosures in accordance with the globally accepted standards, if not being done already.

ENFORCEMENT

The Suppliers shall endeavor to procure such licenses, certifications and approvals from such regulatory authorities, recognized global/industrial organizations etc., to exhibit its compliance with this Code, global standards and best industry practices.

To ensure compliance with this Code, JSW may, at its discretion carry out self-assessment surveys, audits and/or inspections and/or delegate an entity to perform these tasks on its behalf; during such assessments various internal standards, systems and processes, practices, and relevant reports shall be examined and verified. In instances of non-adherence to the provisions of this Code, JSW shall take necessary corrective actions at its own sole discretion that may include, but not be limited to, capacity building of the Suppliers to take remedial measures, allowing a time as deemed fit by JSW to take remedial actions, or termination of business relations with the concerned Suppliers. In case of remedial measures being taken by the Suppliers, it is advised that the Suppliers should adopt relevant frameworks, e.g. Plan-Do-Check-Act (PDCA), for continually improving their operations and tracking the progress.

The Suppliers by signing/accepting the term this document, declares that it complies with all the stipulations made herein and that it shall conduct its business in strict compliance with this Code, applicable laws, global standards and best industry practices. The Suppliers shall be solely responsible for any non-compliance, and JSW shall to such extent have a right to be indemnified by the Suppliers, Business Associates of the Suppliers or any other stakeholder to whom such Code applies. Nothing contained in this Code shall be in prejudice to any other right or remedy.

DECLARATION

It is hereby affirmed that this Supplier Code of Code has been read and understood, and that it is agreed upon to comply unconditionally with the provisions of this Code stated hereinabove.