



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 1 of 7

CEV Engineering Private Limited (hereafter referred as “CEV”) believes that good market leaders are characterized by competence and integrity. In following this, CEV as an organization, creates value by fulfilling its commitment to the supplier, customers, employees and the society and acts with sound and effective corporate values.

Suppliers are an essential part of our business value chain and contribute substantially to CEVs growth. CEV 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 CEV and its suppliers to conduct business in a legal and ethical manner, and in compliance with all applicable laws and regulations.

CEV’s Supplier Code of Conduct takes cognizance of the themes of compliance management, human rights, labor, environment, and business ethics, 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 ‘labor’ are based on the standards specified by International Labor Organization (ILO) from time-to-time.

DEFINITIONS

- **Code:** Code refers to this Suppliers Code of Conduct, i.e., the current document unless specified otherwise.
- **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 CEV.
- **Business associates of Suppliers:** Business associates of Suppliers shall include contractors, sub-contractors and other entities directly providing goods and services to the Suppliers.

SCOPE OF APPLICATION

This Code shall be applicable to all Suppliers of CEV. Furthermore, CEV shall determine applicability of this Code to the business associates of the Suppliers at a time and in a manner deemed appropriate.

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.



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 2 of 7

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 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. Tax evasion:** CEV 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.
- 3. Quality Assurance:** The Suppliers shall comply with the quality assurance plan of CEV and shall ensure that the quality of supplies and services provided to CEV are of a good quality as per industry standards. The Suppliers shall take prior consent of CEV before procuring supplies that are to be provided to CEV, unless instructed otherwise in writing. In cases where an approved list of vendors, make or sub- Suppliers, 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 CEV at the earliest instance and the decision of CEV in this regard shall be final and binding.
- 4. 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
- 5. Intellectual Property:** The Supplier shall take appropriate steps to safeguard and not infringe any CEV confidential and proprietary information/intellectual property/ technology which come to its knowledge during the course of its business relationship/ dealings with CEV. In case of sub-contracting, sharing of confidential information should be made with the consent of CEV.



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 3 of 7

II. Environment

We expect that the supplier has a procurement policy in place which adheres to principles of sustainability and further ensure that their own suppliers also follow principles of sustainability.

- 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/Chemical 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. Sustainable Resource Management:** 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.
- 7. Air Quality:** 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.



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 4 of 7

III. 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. **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.

3. **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.

4. **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.
5. **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. Suppliers are advised to maintain a well-managed, documented record of wages paid to its employees and retain it for a reasonable period.
6. **Occupational Health and Safety:** Suppliers shall take reasonable steps to ensure that:
 - a. Workers have the right to refuse and report unsafe or unhealthy working conditions regardless of role, title or responsibility.
 - b. Workers are trained on the appropriate occupational health and safety policies and procedures, including emergency evacuation procedures, prior to employment and then on a regular basis in the primary language(s) of its workers.



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 5 of 7

- c. Workers are provided appropriate protective equipment and instructed on appropriate use.
- d. Potable drinking water is provided to all workers as well as adequate and clean sanitation facilities for male and female workers. Unreasonable limitations to workers' access to toilets, rest or lactation breaks are prohibited.
- e. If applicable, dormitories are clean, well maintained, provide reasonable entry and exit privileges for workers and in compliance with safety regulations.

IV. 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. **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.

V. Business Ethics

1. **Prohibition of Corruption, Extortion & Bribes:** 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.
2. **Conflict of Interest:** Suppliers must promptly communicate to CEV any instances that may have the potential for a conflict of interest. Suppliers shall disclose if any of CEV's personnel, officials, staff, or professionals under any contract with CEV 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 CEV. Suppliers must disclose promptly any such requests made by any of CEV's personnel, officials, staff, or professionals under any contract with CEV.
4. **Business Conduct:** Suppliers shall ensure timely provision of the goods and services of good quality at a competitive price. CEV shall ensure that Suppliers have requisite authorizations to access or use CEV's assets, properties, information, and intellectual rights for official purpose only, as per the terms



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 6 of 7

of the contract entered into. Suppliers shall ensure that CEV's resources are not misused or abused beyond the terms of the contract.

- 5. Fair Competition & Anti-Trust:** 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.
- 6. Reporting against retaliation & Grievance Mechanism:** The Supplier shall ensure that an effective grievance procedure has been established to ensure that any worker/ employee, acting individually or with other workers, can submit a grievance without suffering any prejudice or retaliation of any kind. Suppliers shall also forthwith report any unethical activity or discrimination if practiced by any CEV's employee/other Suppliers as per CEV's whistle-blower policy.

MANAGEMENT MONITORING AND EVALUATION

Suppliers shall develop internal standards and 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 CEV or by any other entity engaged by CEV 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.

Young Jin Kim
Managing Director

Effective Date: 02.01.2024



SUPPLIER CODE OF CONDUCT

REF : CEV/Policy/SCoC

ISSUE : A/02.01.2024

REV: 01/02.01.2024

Page 7 of 7

DECLARATION

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 CEV 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.

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.

Supplier Name :

Address :

Supplier's Representative :

Signature :

(with company seal)

Date :