
Supplier Code of Conduct

**Paradeep Phosphates Limited
(PPL)**



At PPL, our core values steer our actions and choices each day, guiding us to act with integrity and do what is right in all situations.

By engaging with “Suppliers / Vendors/Third parties/ Partners or Value Chain Partners” who conduct their business with deep commitment to undertaking environmentally responsible and ethically upright practices in their business operations and align with our values, we aim to establish & facilitate responsible business practices and promote the highest ethical standards.

We at PPL, believe in maintaining and strengthening the trust of our customers and stakeholders and, ultimately, ensuring achieving Company’s Mission: To be the one-stop solution for the farm economy.



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Purpose

PPL and its subsidiaries (hereafter also referred “We” and “Company”) are committed to undertaking environmentally responsible and ethically upright practices in its operations. Our Supplier Code of Conduct (the ‘Code’), as may be amended from time to time, outlines PPL’s expectations from its suppliers and all third parties/partners who work with us, for us, or on our behalf. In addition to the basic requirements to comply with the laws and act with integrity, these expectations are part of our fundamental commitment to work only with those who embrace highest ethical standards consistent with ours.

We expect our suppliers/ partners to cooperate with us and support us in building a sustainable value chain. We actively monitor our relationships to maintain high ethical standards and address any concerns or changes. We require all our suppliers to conduct their business responsibly, comply with relevant laws, rules, and regulations, and apply these standards, or equivalent business standards, in their supply chain (value chain). If these standards diverge from local laws, we expect suppliers will adhere to local laws while upholding the principles outlined in the Code.

Objective and Scope

Our primary aim is to foster a more inclusive and respectful environment, prioritising our suppliers and their employees' well-being and dignity.

- **Promote ethical conduct** – Conduct business ethically with integrity and ensure our suppliers do the same.
- **Human Rights and Labour Practices**- Uphold internationally recognised human and employment rights of workers and treat them with dignity and respect.
- **Health and Safety** – Maintain a safe work environment and sound health of employees.
- **Environment**- Operate in an environmentally responsible and sustainable manner to minimise impact on the environment.
- **Community Engagement and Development** - Engage with the local community to understand their needs/concerns and incorporate feedback into business operations.
- **Management Systems and Reporting** - Maintain business continuity and facilitate continuous improvement and compliance with these expectations.
- **Continuous Improvement**: Encourage ongoing assessment and improvement of efforts, adapting strategies as needed to achieve the company’s objectives.
- **Legal Compliance**: Comply with all relevant laws and regulations of the land.

This Code applies to all the suppliers, contractors, subcontractors, contract manufacturers, and joint venture partners (hereinafter referred to as "Suppliers" or “Partners”) who provide goods or services to the Company & its subsidiaries or Promoters and share any business relationship .

Core Principles

This Code sets forth the requirements we ask our Suppliers to respect and adhere to when conducting business with PPL and our subsidiary companies. It embodies our commitment to internationally recognised standards, including the Core Conventions of the International Labour Organization, United Nations' Universal Declaration of Human Rights as well as



prevalent industry standards, and all other relevant and applicable statutory requirements concerning environmental protection, minimum wages, child labour, anti-bribery, anti-corruption, anti-trust laws, health, safety, and sustainability. These requirements have been divided into five core principles: human rights, labour rights, health and safety, environment, business ethics, and community development.

1. Human and Labour rights

We expect our Partners & their Sub-Contractors/Sub-Suppliers/Sub-Vendors to uphold internationally recognised human and employment rights of workers and treat them with dignity and respect.

Partners shall treat their employees with dignity and respect. They shall conduct their business activities in a manner that respects human rights as set out in the United Nations Universal Declaration of Human Rights and the core conventions of the International Labour Organization (ILO), including ensuring:

Prohibition of Child Labour

Suppliers shall not employ, engage, or otherwise use/deploy/employ any form of child labour. We expect our suppliers to not to indulge in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, the ILO Minimum Age Convention, and the Prohibition and Immediate Elimination of the Worst Forms of Child Labor Convention.



Workers employed/deployed must be at least the minimum age defined by the local law, which is at least 15 (or 14 in particular developing countries, as described in ILO Convention No. 138). If local law sets a higher age for work, the higher age applies. Additionally, suppliers shall create a non-discriminatory and protective workplace for young workers below the age of 18 and above the legal age for employment and ensure that they do not carry out hazardous work or work overtime or night shifts beyond what is permitted statutorily.

Prohibition of forced, compulsory labour and/or human trafficking

Suppliers should never engage in, support, or condone slavery or human trafficking. Use only voluntary workers, employing only those who freely choose to work with you and are free to leave or end their employment at any time.



Place no unreasonable restrictions on a worker's freedom of movement, and do not confiscate or request the workers to surrender any government-issued identification, passports or work permits as a condition of employment unless required as per applicable laws.

A person is considered to be in slavery if he or she is:

- Forced to work, through mental or physical threats;
- Owned or controlled by an 'employer', usually through mental or physical abuse or the threat of abuse;
- De-humanised and treated as a commodity or bought and sold as 'property'; and/or
- Physically constrained or restricted from free movement against their will or with the



constrainer's knowledge and intent to enslave or traffic.

Wages, Benefits, and Working Hours

Suppliers shall pay workers compensation based on applicable wage laws, complying with all aspects of such laws.

- Pay at least legal/legitimate minimum wage, overtime hours, and supply mandated benefits.
- Transparent monitoring system for recording overtime hours.
- Make sure working hours and overtime hours comply with all applicable laws.
- Communicate with employees in a timely manner the basis of their compensation, as well as whether overtime is required and, if so, the wages to be paid for it.

Non-Discrimination at Workplace

- Maintain a workplace culture of inclusion, diversity, and equal opportunity that is free of any form of discrimination, and make sure you do not tolerate or condone discrimination based on legally defined protected characteristics & employment conditions.
- Ensure that the workplace is free from harassment and discrimination and that there is no distinction, exclusion, or preference based on race, colour, age, gender, sexual orientation, ethnicity, disability, religion, political affiliation, union membership, maternity or marital status
- Decisions about recruitment, reward, development, and promotion must be made solely based on a person's ability, experience, behavior, work performance, and/or demonstrated potential in relation to the job.



Freedom of Association and Collective Bargaining

- Work to resolve workplace and compensation issues through open communication and direct employee engagement.
- Respect workers' rights, as defined in applicable laws, to associate freely, join or not join labour unions, seek representation, and join workers' councils.
- Create and maintain a culture where workers are encouraged to communicate openly with management about working conditions without threat of retaliation, intimidation, or harassment or retrenchment.

2. Health and Safety

We are committed to maintaining a safe work environment, sound health of employees, and protecting the planet. We expect same level of commitment from our Partners too.

We expect suppliers to comply with all applicable health, safety, and environmental laws, rules and regulations and create a workplace that encourages the highest health and safety standards. All suppliers shall educate and train the employees and other relevant stakeholders regarding Health and Safety Standards. It is expected that suppliers will have a monitoring



mechanism to oversee compliance.

Worker Protection

- Protect people from unhealthy exposure to physical, psychological, and chemical hazards, and have adequate process safety controls to prevent and manage releases of chemicals.
- Make information available about risks associated with safety, health, and the environment, including chemicals and other potentially hazardous materials, and use the information to train and protect people and manage risks.
- Comply with international and local regulations covering hazardous materials' manufacture, import, storage, usage, and transport, including documentation, registration, and notification requirements. Our Safety, Health, and Environment (SHE) Standard is available on our website and should be read as part of the Code.
- Provide adequate medical health check-up facilities at the workplace and could also provide insurance coverage for all employees.



Process Safety

- Suppliers should have safety programs and management systems in place to manage and maintain their all operations/production processes in accordance with the applicable safety & environmental standards. To improve their process safety management systems, they could align themselves to leading industry standards such as ISO 14001, ISO 45000, etc. The suppliers should ensure procedures exist to effectively prevent or respond to the catastrophic release of chemical or biological agents.
- Appropriately communicate, disclose, and manage hazards inherent in processes and products to protect affected or potentially affected people. Likewise, significant incidents shall be analysed and communicated in a timely manner. For hazardous installations and processes, the supplier shall regularly conduct specific risk assessments and implement measures that prevent incidents such as toxic gases/chemical releases, fires, or explosions.

Product Safety

Suppliers must comply with product safety regulations, label products properly, and communicate product-handling requirements. They shall provide all concerned parties with the applicable documentation containing all necessary safety-relevant information, for all hazardous substances in case of a legitimate need. The documentation includes product information, safety data sheets, notification or registration confirmations, uses, MSDS and exposure scenarios. Suppliers proactively and transparently share information about their products' health, safety, and environmental aspects with all concerned parties.

Emergency Preparedness and Response

- Ensure to have identified and assessed the emergency situations that could arise in the workplace and any company-provided living quarters.
- Minimise the impact of such situations by putting emergency plans and response procedures and resources in place.
- Make safety information on identified workplace risks available to employees, contractors and all contractor employees. They shall be correspondingly and



- continuously trained to ensure they are adequately protected at all times.
- Ensure to have established an Occupational Health Centre to take care of medical emergencies.

3. Business Ethics

We expect Partners to conduct business ethically and with integrity and ensure your suppliers do the same.

As a Corporate, integrity is an invaluable part of our success. We expect our Suppliers to partner with us with highest level of integrity and in an ethical manner. Suppliers are expected to meet all applicable laws and regulations and shall not tolerate, permit, or engage in bribery, corruption, or unethical practices.



Anti- Bribery and Corruption

Suppliers shall not pay or accept bribes, facilitation payments, kickbacks, and/or any other illegal inducements to anyone, including private individuals, organisations, or government officials, to gain any improper advantage concerning the performance of its obligation towards PPL under any contract or otherwise. If we find any activity of Partners that are not in line with our Code, we reserve the right to take necessary action, which may lead to stringent actions as available legally/statutorily including stopping all business dealings with such partners and also cancellation of the existing contracts if any.

- Ensure to have systems, procedures, and other appropriate controls in place to prevent bribery and corruption. Corruption means abusing entrusted power for private gain. Bribery is a form of corruption involving exchanging money or something else of value to induce or reward unethical, illegal behavior, or a breach of trust, as elaborately prescribed under relevant laws.
- Never engage in or tolerate bribery or any other form of corruption. We will support all refusals to engage in bribery or corruption, even if it means losing business.
- Never give, offer, promise, receive, ask for, or agree to accept a bribe; never authorise someone else to do so on your behalf.

Fair Trade

Suppliers shall compete fairly and follow applicable anti-trust and competition laws.

- Conduct business consistent with fair and vigorous competition and in compliance with all applicable anti-trust laws.
- Engage only in fair business practices, including accurate and truthful advertising.
- Comply with applicable trade regulations, including but not limited to licensing requirements, boycotts, embargoes, and other trade restrictions imposed by recognised authorities.
- Engage in discussion with your competitors only when you have a legitimate business reason and only in a way that will not restrict competition (for example, limit discussion to public or nonproprietary information).



Conflict of Interest

Suppliers must ensure that if an employee of the supplier or their family member has a relationship with a PPL employee who can make decisions that will affect the supplier's business, then the supplier must disclose these relationships to the Purchase department before entering negotiations. Avoid and manage conflicts of interest and notify all affected parties if an actual or potential conflict of interest arises.

4. Environment

We expect Partners to operate in an environmentally responsible and sustainable manner to minimise environmental impact .



We are dedicated to minimising the adverse environmental impact of our business operations and expect the suppliers to do the same. We expect Suppliers to adhere to our standards on environmental protection and work towards the following objectives while transparently reporting on efforts undertaken:

Environmental Authorisations and Reporting

- Suppliers shall comply with or exceed applicable environmental regulations, including obtaining all required environmental permits and licenses, information registrations, and following operational and reporting requirements.
- We seek to understand the environmental impact of products and services and provide data as requested to allow us to report on our environmental footprint.

Emissions and Energy Management

- Suppliers shall understand and work to minimise greenhouse gas emissions from their operations and its value chain.
- Maximise the use of energy from renewable sources and consider committing to reduce greenhouse gas emissions from its operations.

Waste Management

We are committed to managing waste to reduce environmental impact and ensure public health and we expect the suppliers to do the same to completely align with PPL's Vision.

- Work in a way that, as far as practical, avoids the use of hazardous materials, minimises generation of waste through elimination, reuse, and/or recycling; and avoids emissions of greenhouse gasses from refrigeration systems (for example, HFCs) and production processes (for example, solvents).
- Control or treat discharge to water and land to minimise or eliminate the risk of adverse effects on people or the environment.
- Make certain to have systems in place to ensure the safe handling, movement, storage, disposal, recycling, reuse, or management of waste, air emissions, and wastewater discharges.
- Eliminate the use of non-critical single-use plastic in operations. Avoid buying single-use plastic products such as straws, stirrers, cutlery, plates, and water bottles.



Resource Use

- Focus on optimising resource usage and consider making technological improvements/ modifications and implementing practices such as rainwater harvesting, reuse of water, etc., to leave a better environmental footprint.
- Take steps to conserve water, energy, and other natural resources, continuously improving efficiency and reducing resource consumption.
- Protect biodiversity and preserve flora and fauna

Management Systems

We expect Partners to maintain business continuity and facilitate continuous improvement and compliance with these expectations.

Our suppliers shall establish and maintain appropriate management systems related to the fundamentals covered in the Code of Conduct and that they will actively review, monitor, and modify their management processes and business operations to ensure alignment with the principles herein outlined.

Commitment and Accountability

Suppliers shall allocate appropriate and adequate resources and identify senior personnel accountable for meeting the expectations stated in the Code.

Statutory Requirements

Partners will adhere to all statutory obligations, including refraining from financial fraud, fulfilling tax payments, ensuring timely filing of income tax returns, undergoing regular internal, external, and statutory audits, complying with FEMA regulations, adhering to the Prevention of Money Laundering Act, and all other relevant regulations.

Risk Identification, Mitigation and Management

- Suppliers should have adequate control mechanisms and processes to identify and manage risks in all areas addressed in this Code.
- They should have periodic internal/external assessments to measure risk controls and identify any actions needed to deliver continuous improvement.

Documentation

Suppliers shall allocate appropriate resources and maintain adequate documentation to demonstrate conformance with Code's principles and compliance with all laws, regulations, and standards. Suppliers shall endeavour bringing out their annual financial results on Triple Bottom Line concept basis.



Communication, Training, and Competency

Suppliers shall have adequate internal/external periodic training programs that provide appropriate knowledge, skills, and abilities to their employees, workers, contractors, etc., to understand the requirements of this Code and the applicable laws and regulations.

Materiality Assessment

Our materiality assessment guides our sustainability strategy by identifying the issues that matter most to PPL and to our stakeholders and shows where we can have the most positive impact. We expect suppliers to demonstrate a focus on sustainability issues aligned with our ambition/vision.

Implementation

This Code is issued by the Value Chain team that is responsible for overseeing and providing strategic direction to the commitments covered. We shall consider the requirements' scope and applicability with the business's nature and the associated risks when evaluating any supplier's compliance with this Code.

Monitoring and Compliance

As part of the implementation of PPL Supplier Code of Conduct, these principles will be included in all new or renewed commercial agreements between suppliers/partners and PPL and its affiliates. Suppliers must comply with this Code as a pre-condition of doing business with PPL by signing the supplier commitment (attached/appended). We have established a supplier assessment system for onboarding a new supplier wherein suppliers are required to undergo a screening process that includes various ESG criteria such as EHS compliance, safe work practices, etc.

When PPL becomes aware of any actions or conditions of partners that are not in compliance with the PPL Supplier Code of Conduct principles, such actions and conditions shall be reviewed and appropriate measures/actions shall be implemented. Suppliers are also expected to strive for continual improvement by driving various initiatives including effective management systems, a risk assessment process and training programs in accordance with these principles.



Reporting Concerns

Encourage everyone in the workplace (including your third parties) to report any concerns, illegal activities, or lapses in meeting the expectations. Ensure workplace culture encourages open communication without threat or fear of retaliation, intimidation, or harassment. Promptly escalate any issues or concerns to your business contact at PPL or via one of the following channels:



Your voice matters!!



cs.ppl@adventz.com



CorpAffairsBBSR@adventz.com

Our 24/7 independent third-party service routes inquiries and concerns to the Compliance and Ethics Office. This service also allows one to be anonymous to the extent law permits.

**For and On Behalf of Paradeep Phosphates Ltd
Compliance and Ethics Office**

This version is approved by the Head of Procurement, PPL.



Supplier Code of Conduct Compliance Commitment

We hereby confirm that we have gone through the PPL Supplier Code of Conduct and commit to comply with it in letter and in true spirit. We are also aware that these clauses/provisions form an integrated part of the Supplier agreements that are/would be signed with PPL or subsidiaries.

We understand that PPL reserves the right, upon reasonable notice, to check compliance with the Supplier Code of Conduct compliance.

We understand that PPL encourages its Partners to implement their own binding Code of Conduct and agree that we as well as our sub-contractors/sub-vendors will be responsible for complying with obligations under this Code. Failure to adhere to this Code would attract disciplinary consequences from Company by way of stringent actions as available legally/statutorily including stopping all business dealings with such Partners and also cancellation of the existing contracts if any at that time.

Supplier Name -

Authorised Signature -

Place -

Date -