



Brakes India

Code of conduct for Supply chain partners

Foreword

In keeping with global best practices and regulatory requirements in India, Brakes India has drawn up a code of conduct for our stake holders and value chain partners. This code document explicitly references our values and vision, which defines our commitment towards our stakeholders' reasonable aspirations, outlines the duties and responsibilities of all the stake holders of our business ecosystem. These include our commitment to our ESG goals by adopting basic principles in the fields of human rights and working conditions, quality and environmental management, health and safety of employees and combating corruption.

We expect the same fundamental understanding from of our business partners. In this respect, these principles go beyond mere adherence to the laws and regulations. For Brakes India, compliance with the contents of these principles is an indispensable element in a successful business partnership. We expect the business partners endeavour to ensure that the sub suppliers they engage with, comply with this code of conduct, as well.

R. Madhusudhan
(Director-Corp. affairs & HR)
30th Nov 2024



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Scope of this document

This charter of codes is applicable to all value chain business partners viz., suppliers, sub-contractors, service providers and contractors of Brakes India Private Limited and its subsidiary companies.

Treatment of Employees

Our business partners shall observe fundamental labour rights based on the applicable national legislation.

Human rights

Business Partner shall implement effective grievance procedure to ensure that any employee can submit a grievance and report bribery / corruption (whistle blowing) without suffering any prejudice or retaliation of any kind.

Child Labour

Our business partners shall uphold the minimum working age of 18 years, as defined by the Indian Child Labour (Prohibition and Regulation) Act, 1986, or as stipulated in any country in which their operations are established.

Forced Labour

Our business partners shall reject all forms of forced labour and respect the principles of freely chosen employment.

Freedom of association

Business partners must respect the freedom of association and the right to form interest groups. They shall grant their employees the right to serve their interests within the framework of national laws and regulations.

Equal opportunities

Our business partners shall not tolerate any discrimination against employees on the grounds of race, religion, gender, age, social or ethnic origin, nationality, disability, sexual orientation, political or trade union engagement, belief, and ideology.



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Fair wages and working conditions

Our business partners shall pay remunerations and social benefits which are at least in accordance with the national legal stipulations, provisions, or agreements. The applicable regulations governing working time and leave are observed. They shall provide a safe and healthy work environment that meets or exceeds all applicable safety and health regulations.

Intellectual Property Rights

Our Business partners shall uphold all intellectual property rights that includes privacy principles reflecting its commitment to protect intellectual & personal data entrusted to them, whether of customers, shareholders, employees or suppliers, in accordance with applicable personal data protection legislation (international and local) and as per BIPL instructions.

Work safety and health protection

We base our health and safety requirements on national laws and ISO 45001. A safe and healthy work environment enhances productivity, employee morale, worker retention and the quality of products and services. Accordingly, we expect our business partners to provide and maintain a safe workplace and take proactive measures to prevent occupational injuries and hazards. Business Partner shall provide data relating to health and safety, training and violations, when requested.

Environmental Protection

We base our environmental requirements on national laws and ISO 14001 Environmental Management System. We expect our business partners to establish an environmental management system that effectively manages risks, conserves natural resources and protects the environment. Related efforts should support reductions in energy use, water use, waste, greenhouse gas emissions and air pollution. Business Partner shall provide data with records relating to environmental performance, training and violations, when requested. In addition, the business partner shall:

- Secure environmental permits and reporting. All required environmental permits, approvals and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.
- Employ a plan for pollution prevention and energy resource reduction. The use of resources and generation of waste of all types, including energy, are to be reduced or eliminated at the source or by practices such as modifying production,

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- maintenance and processes, materials substitution, conservation, recycling and reuse of materials.
- Preserve water resource through assessment of water stress in operations and throughout the life cycle and by considering water management and sustainable use in operational planning.
- Identify hazardous substances, chemicals and other materials posing a hazard if released to the environment and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.
- Strive to reduce emissions and solid waste. They shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous). Wastewater generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal. In addition, measures should be implemented to reduce generation of wastewater. The business partner shall conduct routine monitoring of the performance of its wastewater treatment systems, as applicable. Air emissions with volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and by-products are to be characterized, routinely monitored, controlled and treated, as applicable, prior to discharge. The business partner shall conduct routine monitoring of the performance of its air emission control systems, as applicable and shall have mitigation action to reduce the GHG emissions.

Working hours and compensation

Business partners shall comply with applicable laws, agreements and industry standards on working hours and compensation.

Responsible Chemical Management

Business partners shall adhere to all applicable laws, regulations and customer requirements regarding prohibition or restriction of specific substances in products and manufacturing, including disclosure and labelling for appropriate and safe use, proper handling, recycling and disposal.

In addition, business partners shall:

- Establish systems to collect data from raw material producers for all components, identifying all substances present in the final product.



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- Collect data regarding all process chemicals and intermediates known as toxic or potentially toxic. Measure data completeness against Bill of Materials (BOMs) and identify data shortages; assure data is traceable to raw material producers.
- Verify data is current and complete against product safety and regulatory requirements and initiate appropriate changes to achieve compliance and reduce risks.

Responsible Raw material procurement

Business partners shall support all efforts to ensure responsible procurement of resources. They shall carefully consider allocation of resources to avoid procurement and utilization of raw materials that were obtained unlawfully or by ethically objectionable or unacceptable means (example: Conflict minerals). Business partners are obliged to take measures to disclose the origin or source of their raw materials, using CMRT, IMDS, SOC, ELV and others, as requested.

Conflict of interest

Transparency in all business process is extremely important to business partners. Brakes India expects its business partners to make decisions based solely on ethical & factual considerations and avoid conflict of interest.

Fair competition

Our business partners shall behave fairly to competition and observe the applicable legal provisions that safeguard fair competition. They shall make agreements or concerted practices with other companies aimed at or resulting in the prevention, restriction or distortion of competition in accordance with the applicable antitrust regulations and do not abuse any dominant position on the market in an unlawful manner.

Corruption

Our business partners shall ensure compliance with applicable anti-corruption laws. They must ensure that their associates, subcontractors or representatives do not offer, promise or grant advantages to employees of Brakes India with the purpose of obtaining a contract or other preferential treatment during business. These principles also apply where our suppliers cooperate with other third parties in connection with the activity for Brakes India.



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Donations, Gifts and Sponsoring

Donations are solely voluntary and must be in accordance with the applicable legislation. Business partners shall sponsor individuals, groups, or organizations without any intention of gaining unfair business advantages. Business partners shall avoid offering gifts to gain business advantages.

Trade secrets

Our business partners shall ensure that confidential information from Brakes India is kept so confidential. This also applies after termination of the business relationship. Examples of confidential information include drawing, standards, pricing information, manufacturing methods, financial data and sales plans.

Money Laundering

Our business partners shall observe legal provisions to prevent money laundering. Brakes India expects its business partners to report indications of possible criminal offenses, wrongdoings and special risks that could impact Brakes India. This must be reported to the Sourcing Head of the business unit.

Ethical Recruiting

Our business partners shall employ, in its best judgment, suitable candidates for approved positions while engaging in recruitment and selection process that follow all applicable employment laws. Business partners shall provide equal employment opportunity for employees and encourage diversity.

Data protection, Data Security & Data privacy

Business partners shall ensure that each of its employees, agents or contractors understands confidential Information of Brakes India and has the right to protect its Confidential Information. They shall not copy, reproduce, or make notes of, divulge to anyone or any other entity or use any of the Confidential Information / data for other benefits or purpose. This code is applicable even after the end of business partners' contract.

Business partners shall protect the confidential and proprietary information of others, including personal information, from unauthorized access, destruction, use, modification, and disclosure, through appropriate physical and electronic security procedures. Suppliers must comply with applicable data privacy laws.



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Export Controls and Economic Sanctions

Our business partners shall ensure that their business practices are in accordance with all applicable laws, directives and regulations governing the import / export of parts, components and technical data.

Counterfeit parts in the business ethics

Suppliers shall not supply counterfeit products to our supply chain by strict avoidance, mitigation, and disposition processes. Business partners shall purchase material, measuring equipment etc from authorized manufacturers and suppliers. Business partner shall maintain traceability of purchases from business partners, retaining the original purchase orders and other receiving documentation, including manufacturers' Certificate of Conformance, for the required document retention periods.

Diversity, Equity and Inclusion

Our Business partners shall develop and promote inclusive cultures where diversity is valued, celebrated and everyone is able to contribute fully and reach their full potential. Business partners should encourage diversity at all levels in their workforce and leadership.

Land, Forest and Water Rights and Forced Eviction

Our Business partners shall commit to the avoidance of forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters.

Use of Private or Public Security Forces

Our business partners shall use private or public security forces to protect the business project, only as a last resort, that too in an appropriate manner and not violating the human rights.

Financial responsibility (Accurate records)

Our business partners shall accurately record, maintain and report business documentation including, but not limited to, financial accounts, quality reports, time records, expense reports and submit to customers or regulatory authorities, when appropriate. Books and records are expected to be maintained in accordance with applicable law and accepted accounting principles.



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Noise emissions

Business partners shall determine the release of noise into the environment from various sources that can be grouped in transportation activities, industrial activities and daily normal activities. They will establish measures to reduce noise emissions, as per applicable law.

Harassment and non-discrimination Policy

Business partners are expected to ensure that their employees are protected from physical, psychological, verbal harassment, or other abusive conduct.

Whistleblower Protection

Business partners are expected to provide their employees with avenues for raising legal or ethical issues or concerns without fear of retaliation. Business partners are also expected to take action to prevent, detect, and correct any retaliatory actions.

COMPLIANCE AND ACKNOWLEDGEMENT

Our business partners shall communicate this code of conduct internally & to their suppliers for fulfilling their contractual obligations towards Brakes India. They should apply the principles of the Code of Conduct into consideration when selecting such third parties and endeavour to ensure such third parties' compliance with this Code of Conduct.

Brake India reserves the right to verify supplier's compliance with the principles of this Code of Conduct by means of an ESG audit, with prior information.

Violation of this Code of Conduct constitutes deterioration of the business relations between Brakes India and the supplier. In this event we shall have the right to demand clarification and initiation of countermeasures by the supplier. In case the supplier fails to provide evidence within a reasonable period or in case the violation is so serious that continuation of the business relationship is unacceptable, Brakes India reserves the right to terminate the contractual relationship.



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Business Partner acknowledgment

Name		Company Seal
Address		
Signature, Name & Designation (MD, CEO / President)		