



CHOKSI HERAEUS PRIVATE LIMITED

“CHPL BUSINESS CONDUCT GUIDELINES”

Schedule-I CODE OF CONDUCT
Schedule -II SUPPLIER CODE OF CONDUCT

the “CODE”

Version:- 1.1 / 02-08-2021

This CHPL Business Conduct Guidelines (the ‘Code’) is a reference document outlining the standard Code Of Conduct for its directors, officers, employees, & Supplier Code of Conduct for any Supplier, agents, affiliates and third parties etc. for doing business with Choksi Heraeus Private Limited (the ‘Company’) and its group company, if any (together called ‘Choksi ’ or the ‘Group’) The Code is for compliance and does not create, nor shall it be construed to create, directly or implicitly, any rights, duties or obligations of Choksi to any person, body or legal entity. The English version of this policy is the original.

CODE OF CONDUCT

01. Preamble: Purpose and Scope.

The Choksi Heraeus Private Limited (“Choksi” or “CHPL”) associated & having a Joint Venture with the Heraeus Group (“Heraeus”) Germany, is a highly-respected, family owned company that enjoys an excellent reputation throughout the country & world. Its operations are governed by this Code of Conduct (“Code”), which is an integral part of our responsibility- conscious management structure. This Code applies throughout the world to all employees, officers, directors and organizations (“Employees”). By complying with the procedures described in this Code, we contribute to the security of our long-term business success.

The foundation of all transactions at CHPL is compliance with all binding statutory requirements at the national and international level, as well as compliance with voluntarily accepted obligations. It is the Employees’ responsibility to know and understand the laws applicable to their job responsibilities and to comply with both the letter and the spirit of these laws. Failure to comply with this Code will not be tolerated and may result in appropriate disciplinary action by the employer.

CHPL employees uphold the highest standards of ethical behaviour and integrity. Ethical and economic values are interdependent and business community must always strive to operate within the accepted norms established by various authorities. The Code guides our behaviour and promotes:

- Honest and ethical conduct;
- ethical handling of conflicts of interest between personal and professional relationships;
- full, fair, accurate, timely and understandable disclosure in reports and documents
- compliance with applicable laws, rules and regulations in the jurisdictions in which the company operates;
- prompt internal reporting of all and accountability for adherence to this Code.

02. Ensuring Fair Competition

CHPL expects its Employees to comply with the applicable laws for the protection of fair and open competition. The applicable statutory provisions generally prohibit price or term agreements with competitors, agreements with competitors for the purpose of market or customer allocation, concerted actions with competitors with respect to prices, terms, market or customers, as well as unfair practices.

03. The Fight against Corruption

CHPL is convinced of the quality of its products and the capabilities of its Employees. The company absolutely prohibits direct or indirect bribery of business partners, public officers included. The Guideline for the Prevention of Bribery in Commercial Transactions and the Guideline for the Conclusion of Consultancy Agreements contain

principles for the granting of business courtesies and the conclusion of consultancy and agency agreements which all Employees must observe. Employees of CHPL are prohibited from demanding or receiving business courtesies or accepting a promise of such business courtesies as consideration for the purchase of products or other services. The Guideline for the Procurement of Products and Services contains rules of conduct for the acceptance of business courtesies from business partners.

The Company prohibits all its employees and associates to use their employment / position with it to solicit, demand, accept, obtain or be promised advantages either to the employees or any of their family members or offer or provide any undue monetary or other benefit/s or advantage to any person or persons, including public officials, customers or employees, associated persons, in violation of laws in order to obtain or retain business.

04. Avoidance of Conflicts of Interest

All Employees have an obligation to act in the best interests of CHPL. Employees should avoid any activity, interest, or association outside of company that could impair their ability to perform work objectively and effectively or that could give the appearance of interfering with their responsibilities on behalf of CHPL or its clients. Secondary employment at a company of a competitor, a customer or a supplier, as well as financial investments in such companies, which exceed a limit of one percent (1 %), are allowed only after explicit approval in writing by the board of management. Notice of financial investments (greater than 1 %) by close family members is to be provided to the management of CHPL. Favouritism for specific business partners due to private interests, in particular favouritism for family members is prohibited. Even the appearance of favouritism due to private interests is to be avoided.

Every employee is advised to update the HR Department the interest, if any, he/ she may have in activities which may be clashing with the interests of the Company.

05. Compliance with the Basic Principles of National and International Trade

CHPL adheres to all national, multinational and supranational foreign trade regulations. All Employees are obligated to adhere in particular to the applicable export and import prohibitions, official authorization provisions as well as the applicable duty and tax requirements. Compliance with the national and international provisions for the prevention of money laundering and the responsible handling of precious metals are of particular importance to CHPL. The company actively participates in the development of industry specific basic policies for the prevention of money laundering and for the responsible handling of precious metals.

06. Sources of Supply

CHPL wishes to ensure that no precious metals from questionable sources are offered to CHPL. Therefore, CHPL take appropriate measures for the monitoring of the supply chain and to act in compliance with the applicable legal provisions. CHPL ensure:

- not purchase any precious metals that were mined using child or forced labor, or precious metals that were mined in violation of the environmental law regulations applicable in the country where the mining takes place;
- apply appropriate methods and procedures for the monitoring of suppliers to ensure that the precious metals offered to CHPL do not stem from countries of conflict and that the precious metals were not mined using child or forced labor or in violation of environmental law regulations;
- in cases of doubt, not purchase any precious metals from questionable sources or offer such precious metals to CHPL for resale;
- make available to CHPL, upon request, the relevant certificates of origin;
- inform CHPL without request if precious metals from questionable sources were offered.

07. Creating and Maintaining Safe and Fair Working Conditions.

CHPL is committed to protecting its Employees and creating and maintaining a safe and attractive work environment for its Employees. It also seeks to provide fair wages and reasonable hours of work to its Employees and rejects the below forms of employees/labour:

- Forced Labour:** CHPL does not allow any form of forced or bonded labour in any of its establishments. The Company does not retain employees' identity documents or certificates at any stage to hamper their movements. Right of its employees to leave their employer after reasonable notice as per the terms of the employee agreed, is fully respected and acknowledged. Every employee shall work on a voluntary basis and is not subject to any exploitation, force or bond, unless explicitly defined and required in the letter of appointment considering the nature of responsibility handled by the employee.
- Child Labour:** CHPL does not employ any individual who is below the age of eighteen (18) years as permanent labour. Child labour, whether directly or indirectly, stands completely prohibited at the Company. Each employment is given after verification of all documents in context to the date of birth of the applicant.
- Freedom to Join Association:** CHPL recognizes & upholds as far as legally possible, the rights of employees to form associations & join any formal or

informal groups of their choice without interference or discrimination. This approach helps in building, strengthening & sustaining harmonious employee relations across the organisation.

d. Foreign or Migrant Employees: Foreign or migrant Employees are taken on the Company's employment only after all compliances are made in relation to expatriates as per prevailing laws of India.

CHPL seeks to preserve and promote the health of its employees. As one of its top priorities, the Company at all times encourages that all the Company's production locations meet the highest level of occupational safety. At CHPL, health and safety of each employee and every associate is of paramount importance. The Company is committed to using international standards on health and safety and to ensuring a 'zero harm' environment for its employees, associates and public at large.

Protecting the health and safety of employees in the workplace is high priority for CHPL. It is the responsibility of everyone to foster company's efforts to conduct its operations in a safe manner.

The responsibility vis-à-vis employee requires the best possible accident prevention measures, and applies to:

- The technical planning of workplaces, equipment and processes,
- Safety management, and
- Personal behaviour in the everyday workplace.

The work environment must conform to the requirements of health-oriented design. All employees must constantly be attentive to work safely.

08. Protection of Company Assets

The commercial success of CHPL is based on the innovative ability of its Employees and the knowledge acquired over many decades. Proprietary and confidential information generated and gathered in our business is a valuable asset.

All Employees are required to ensure that business or trade secrets of CHPL, as well as those of its business partners, do not become known outside of the company. It is not permissible to disclose business or trade secrets without permission, or to use them for one's own purposes without permission.

CHPL expects its Employees to treat the assets responsibly, and to make business decisions on the basis of commercially comprehensible risk-benefit analyses. CHPL places great value on the integrity of its Employees. Depending on the type of business and the location of the staff member's employment, it may be necessary to review the financial status and personal integrity of the Employees. All documents of CHPL, including in particular financial reports, research

reports (external use) and accounting documents and invoices (internal use), must reflect the relevant facts correctly and transparently.

Employees are not permitted to use business resources for personal purposes, unless the use of business resources for personal purposes is expressly granted to the Employees through their employment agreement or their superior allowssuch use.

Under no conditions may the Employees use CHPL IT systems to view, store, or send unlawful, offensive or other inappropriate pages or messages.

09. Environmental Safety and Product Safety

CHPL considers itself obligated to deal respectfully with the resources of nature. Compliance with applicable statutory provisions for the protection of the environment is therefore self-evident. With its innovative products for environmental protection, CHPL makes an important contribution to the Long-term protection of the foundation of human life. CHPL places the highest requirements on the quality and safety of its products over the entire product life cycle.

10. Prevention of Discrimination

CHPL expects its Employees to respect different life outlooks and cultural or country-specific characteristics when dealing with other Employees, including former employees of the company, with applicants and with business partners. CHPL strives to provide a workplace and a working environment in which discrimination and sexual harassment are not tolerated, and where everyone has an equal opportunity to work, advance, and contribute to our success. CHPL selects, develops, & promotes, including former Employees, applicants and business partners based on objective and comprehensible criteria, without distinction or discrimination because of age, colour, national origin, race, religion, gender, physical or mental disability, or any other legally protected personal characteristic.

11. Data Protection

CHPL respects the personal rights of its Employees and business partners. CHPL collects processes and uses personal data of its Employees and business partners only in accordance with the applicable provisions of the law on data protection and only to the extent to which it is necessary for the execution of operational procedures. The personal data are kept safe and appropriately protected against unauthorized access.

CHPL expects its Employees to observe the applicable rules on data protection.

12. Dealings with Media

Transparent, dialog-oriented and consistent information for the public – including the media – strengthens the worldwide image of CHPL. Official statements, in particular with respect to the media, may be made for CHPL only by the members of the Board of

Directors or by any such person who may be authorized by the Board to do so.

13. Handling and Disposal of Hazardous Waste & Recycling

All chemicals and hazardous materials, including waste water and solid waste generated from operations, shall be handled and disposed of using environmental friendly practices, and in lines and manner as may be directed by the Government from time to time. Further, in CHPL Recycling is strongly encouraged.

14. Political Contributions.

As a business entity, CHPL does not take part in party political activities nor does it make corporate donations parties or candidates. Political contributions / donations by the company concerning elections of any kind, whether monetary or in kind (such as allowing an employee to work on a campaign while on Company time) if required essentially, must be planned, budgeted, legally reviewed and approved in advance by the management.

15. Complaints & Comments

All employees may lodge complaint with their supervisor, their compliance officer, personnel manager or some other person/unit designated for this purpose or with an existing internal works council. Circumstances which points to a violation of the Business Conduct Guidelines are to be reported to the management directly. There is a special process for handling complaints related to accounting practices.

All complaints can be submitted both confidentially and anonymously, and all complaints will be investigated. Corrective measures will be implemented if necessary. All documentation will be kept confidential to the extent permitted by law. No reprisal of any kind against complainants will be tolerated.

SUPPLIER CODE OF CONDUCT

This supplier Code is applicable to all 'Suppliers' ('Suppliers' herein refers to suppliers / Service Providers /Vendors/agents/consultants/contractors/joint venture partners / Third Parties) who have business relationship with 'CHPL' ('CHPL' herein refers to the Company and its Associates). The Supplier Code of Conduct sets forth minimum workplace standards and business practices that are expected of any Supplier doing business with CHPL, consistent with our company's values & its Code of Conduct provided in the schedule-I.

A. The Suppliers:

1. Shall comply with applicable laws for the protection of fair & open competition & shall ensure Compliance to all government norms (local and international) on Statutory Compliances such as Environment Protection, Minimum Wages, Child Labour, Forced Labour, Freedom to Join Association Bribery, Anti-Bribery, Anti Money Laundering/ CFT, Corruption, Health & Safety, Responsible Sourcing of Precious Metals/Supply chains etc.
2. Suppliers shall ensure a safe work environment and minimize physical and chemical hazards through proper design, engineering and administrative controls, preventative maintenance and safe work procedures as well as on-going safety training & shall follow all Environments, Health and Safety and other operational policies of the Company while executing the work under this agreement/ contract.
3. Shall not take any recourse to any unethical behaviour (implicit or explicit) with any employee of CHPL for the purpose of obtaining an order or any information that may result in a favourable financial impact. More specifically:
 - Shall not offer or accept bribe or use other means of obtaining undue or improper advantage. No supplier, or its representatives or employees, shall offer to any employee of CHPL a kickback, favour, gratuity, or anything of value to obtain favourable treatment or for the advancement of business.
 - Shall not offer any gift or entertainment for the purpose of obtaining an order or undue favour.
 - Shall not take any advantage of any family/ social/ political connections in obtaining favour with regard to any order. Merit shall be the sole attribute of association with CHPL.
4. Shall treat employees with dignity and respect and will not engage in or permit corporal punishment, threats of violence, or other forms of harassment whether based on gender, race, colour, religion, ethnicity, age, sexual orientation, national origin, disability, or any other legally protected characteristic or no any unethical activity or discrimination shall be reported by any CHPL employee/ other suppliers.
5. Must obtain the appropriate Registration & Licenses from relevant regulatory bodies in order to have authentic business transactions in India as well as abroad.
6. Shall prohibit any and all forms of corruption, extortion, and embezzlement by its employees, officers, directors or agents & shall adhere to standards of fair business, advertising, and competition.
7. Comply & apply all the provisions of the code to all sub-contractor(s) to the supplier, providing goods or services to the supplier. The Supplier Code of Conduct shall be cascaded down to all sub-tier subcontractors. The supplier is fully

responsible for ensuring compliance by any such sub-contractor(s) as if it were the supplier itself. CHPL reserves the right to audit the supplier's sub-contractors for compliance to CHPL's Supplier Code of Conduct and supplier will accommodate CHPL's audit as required.

8. Shall desist from unfair trade practices with your competitors who are also associated with CHPL.
9. Shall protect/ not infringe with any CHPL intellectual property/ information/ technology which comes to your knowledge during the course of your business relationship/ dealings with CHPL. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.
10. Supplier or service provider agrees to indemnify and hold CHPL harmless from and against any and all harm, injury, and severe loss, disability to the seller / Service provider or its personnel working at the office and factory premises during the working hours and affected will be compensated by the seller/service provider without affecting the company any way.
11. Supplier or service provider shall at all times indemnify & keep indemnified the CHPL, its officers, employees & representative from all or any claims, losses, demands, damages etc., which the CHPL, its officers, employees & representatives may or likely to suffer by reason of acts, defaults, deeds, things/ products, omission & commission committed by the seller or service provider while performing the conditions of the purchase order/work order, as the case may be.

B) Event of Violation:

CHPL expects its suppliers to comply with the conditions of the Supplier Code in letter and spirit. It is the Suppliers responsibility to read and understand the contents of CHPL's Supplier Code and agree to uphold its values during your business association with CHPL.

However, in the event of violation, Supplier shall promptly report to CHPL notice of known breach of this Code and implement a corrective action plan to cure the non-compliance within a specified time period (furnished to CHPL in writing). If the supplier fails to meet the corrective action plan commitment, CHPL may terminate the business relationship, including suspending placement of future orders and potentially terminating current production. CHPL reserves the right to hold supplier responsible for reasonable costs of investigating non-compliance.

Please contact the concerned Head commercial/ Managing Director/Director if you have any questions about the Supplier code.

To be signed by Supplier:

Name: _____

Function: _____

Date: _____

Signature: _____ Company Seal: