



Supplier Code of Conduct

Introduction

At DSIL, we recognize our responsibility to ensure that our products are sourced and manufactured in a manner that upholds the highest ethical standards. This Supplier Code of Conduct serves as a guide for our sellers, service providers hereby collectively called as “Suppliers”, outlining our expectations and requirements regarding labor practices, environmental sustainability, transparency, and compliance with legal and regulatory standards. By adhering to this Code, we aim to foster a supply chain that prioritizes the well-being of workers, minimizes environmental impact, and promotes responsible business practices.

Objective

DSIL aligns with its Supplier Code of Conduct, which is designed to promote ethical and responsible sourcing practices across the industry. These standards cover various aspects of supply chain management, including labor rights, workplace safety, environmental sustainability, and transparency. By adhering to DSIL's Supply Chain Standards, Suppliers can demonstrate their commitment to upholding ethical business practices and contributing to a sustainable supply chain.

Applicability

All Suppliers engaged in the production of goods and services for DSIL are required to comply with this Code. The code is also applicable for the extended supply chain partners of DSIL. This includes manufacturers, distributors, and other entities involved in the supply chain process. Compliance with this Code is essential to maintaining a partnership with DSIL and ensuring the integrity of our products and brand.

Expectations from Suppliers

At DSIL, Sustainability is firmly anchored in its values and conduct. The sustainable generation of added value is based on unity between economic, ecological, and social responsibility – both concerning products, its production and the associated processes, and services across its value chain. DSIL therefore understands sustainable action as a cross-sectional issue that can be viewed holistically.

DSIL expects its Suppliers and business partners to especially observe the following basic principles of Corporate Responsibility:

Environmental Stewardship:

1. **Compliance with Laws and Regulations:** Suppliers must comply with all applicable environmental laws, regulations, and standards in the jurisdictions where they operate. This includes obtaining necessary permits and licenses for their operations.
2. **Resource Efficiency:** Suppliers are encouraged to minimize resource consumption, including energy, water, and raw materials, by adopting efficient processes and technologies.
3. **Waste Management:** Suppliers should manage waste responsibly, including reducing, recycling, and disposing of waste in an environmentally sound manner. Hazardous waste must be handled and disposed of according to relevant regulations.
4. **Pollution Prevention:** Suppliers must take measures to prevent pollution, including air emissions, water pollution, and soil contamination, by implementing pollution prevention practices and technologies.
5. **Sustainable Sourcing:** Suppliers should prioritize the sourcing of materials and products that are environmentally sustainable, such as those certified by recognized standards or sourced from renewable resources.

Social Responsibility:

1. **Labor Rights:** Suppliers must respect the rights of workers as defined by international labor standards, including but not limited to freedom of association, nondiscrimination, and fair wages. Forced labor, child labor, and any form of exploitation are strictly prohibited.
2. **Health and Safety:** Suppliers must provide a safe and healthy working environment for their employees, including adequate safety equipment, training, and protocols to prevent accidents and occupational hazards.
3. **Diversity and Inclusion:** Suppliers should promote diversity and inclusion in their workforce, embracing people of all backgrounds, genders, races, and cultures, and providing equal opportunities for advancement and development.

4. **Human Rights:** Suppliers must respect and uphold human rights, avoiding complicity in human rights abuses and addressing any allegations of human rights violations promptly and transparently.
5. **Community Engagement:** Suppliers are encouraged to engage with local communities in a positive and meaningful way, supporting community development initiatives and respecting the rights and interests of local stakeholders.

Governance and Ethics:

1. **Integrity and Transparency:** Suppliers must conduct their business with integrity and transparency, accurately representing their products, services, and financial information, and avoiding bribery, corruption, or other unethical practices.
2. **Data Protection and Privacy:**
 - a. Suppliers must protect the privacy and confidentiality of personal and sensitive information, including customer data, by applicable data protection laws and regulations.
 - b. DSIL expects its Suppliers to protect information against misuse, loss, destruction, and manipulation.
 - c. DSIL expects its Suppliers to protect and respect personal rights and ensure adherence to the applicable regulations and laws, particularly in the handling of personal data using suitable measures.
 - d. Data that are processed in IT systems must be protected in the best way possible and at least sufficiently to meet legal requirements.
 - e. DSIL Suppliers should observe all laws in force to protect the personal data of employees, customers, Suppliers, and other concerned parties.
 - f. DSIL Suppliers must respect DSIL's tangible and intangible assets and not use them for unfair or non-business purposes.
 - g. Suppliers must ensure that their employees as well as any third parties they commission in the business relationship (such as subcontractors or representatives) neither damage nor misuse DSIL assets, i.e., use these assets contrary to DSIL's interests.
 - h. DSIL Suppliers must respect the know-how, patents, trade, and business secrets of DSIL and third parties and do not pass such information on to third parties without the express prior written consent of DSIL or in a way that is otherwise inadmissible.
3. **Anti-corruption:** Suppliers must adhere to anti-corruption laws and regulations and refrain from offering, soliciting, or accepting bribes, kickbacks, or other improper advantages in any form.

4. **Conflict of Interest:** Suppliers should avoid conflicts of interest and disclose any potential conflicts promptly to DSIL, ensuring that business decisions are made objectively and in the best interests of all stakeholders.
5. **Compliance and Reporting:** Suppliers are required to comply with this Supplier Code of Conduct and any additional requirements specified by DSIL, as well as to report any violations or concerns regarding compliance to DSIL's designated contact.

Supplier Diversity

DSIL is committed to promoting supplier diversity and seeks to engage with Suppliers from diverse backgrounds and communities. We believe that a diverse supplier base enriches our supply chain, fosters innovation, and creates economic opportunities for underrepresented groups. Suppliers are encouraged to actively promote diversity and inclusion within their own organizations and supply chains.

Audit Requirements and Legal / Regulatory Expectations

Audit Requirements

To verify compliance with this Supplier Code of Conduct and relevant legal and regulatory requirements, Suppliers will be subject to regular audits conducted by DSIL or authorized third-party auditors. These audits may encompass various aspects of Supplier operations, including labor practices, workplace safety, environmental compliance, and supply chain traceability.

Accepted Audits

Suppliers may undergo audits from different sources, including:

- **Industry Association Audits:** Audits conducted by industry-specific associations or organizations that have established standards for ethical sourcing and supply chain management.
- **DSIL Managed Audits:** Audits conducted directly by DSIL or its designated representatives to assess Supplier compliance with this Code of Conduct and other relevant standards.

Prevention

Suppliers must take proactive measures to prevent safety hazards in their facilities, including regular inspections, maintenance, and training programs for employees. By identifying and addressing potential risks early on, Suppliers can mitigate the likelihood of accidents or injuries in the workplace.

Policies and Internal Controls

Suppliers must establish and enforce robust policies and internal controls to ensure compliance with this Code of Conduct and other relevant standards. These policies and controls should be documented, communicated to employees, and regularly reviewed to ensure effectiveness.

Policies and Controls Examples:

Examples of policies and internal controls that Suppliers may implement include:

1. **Anti-corruption Policies:** Prohibiting bribery, kickbacks, and other forms of corruption in business dealings.
2. **Labor standards Policies:** Ensuring compliance with local labor laws, including minimum wage requirements, working hours, and employee rights.
3. **Environmental Policies:** Establishing procedures for waste management, pollution prevention, and sustainable resource usage.

Supplier Relationships

DSIL values collaborative and transparent relationships with its Suppliers based on mutual respect and trust. We believe in fostering long-term partnerships that are built on shared values, open communication, and a commitment to continuous improvement.

Transparency

Transparency is essential to building trust and accountability in the supply chain. Suppliers are expected to provide transparent and accurate information regarding their operations, including labor practices, environmental impact, and supply chain traceability. This includes disclosing relevant information to DSIL and other stakeholders upon request and actively participating in transparency initiatives aimed at improving supply chain visibility.

Obligations of Suppliers

Suppliers shall ensure that the Code is communicated to their employees, subsidiaries, business partners, and subcontractors involved in providing services to DSIL in the language known to them and that they abide by the same.

Grievance Mechanism and Violation of Code of Conduct

Remediation

In the event of non-compliance with this Code of Conduct or audit findings, Suppliers must promptly implement remediation measures to address deficiencies and prevent recurrence. Remediation efforts should be undertaken in collaboration with DSIL and may involve corrective action plans, training programs, or other initiatives to improve compliance.

Grievance Mechanisms

Suppliers must establish effective grievance mechanisms to address concerns raised by workers, communities, or other stakeholders. These mechanisms should provide accessible channels for reporting grievances, ensure confidentiality and protection against retaliation, and facilitate prompt resolution of issues by applicable laws and regulations.

Corrective Action Plans

Corrective action plans should be developed and implemented to address identified non-compliance issues effectively. These plans should outline specific actions, responsibilities, timelines, and performance metrics to track progress towards remediation goals. DSIL may provide support and guidance to Suppliers in developing and executing corrective action plans as needed.

Termination

DSIL reserves the right to terminate its relationship with a Supplier if there is repeated or severe non-compliance with this Code of Conduct, legal or regulatory requirements, or audit findings. Termination decisions will be made on a case-by-case basis and may be subject to review by DSILs' supply chain management team.

Reporting

Suppliers agree to promptly report any violations of the Code to DSIL. Unless prohibited by law or regulation, DSIL expects Suppliers to raise concerns related to the Code by making a protected and confidential disclosure through the reporting channels mentioned in DSIL's Whistle Blower Policy <<https://www.dwarikesh.com/wp-content/uploads/2023/03/Whistle-Blower-Policy.pdf>>

Supplier Declaration

I/We hereby confirm that I/ We have read and understood the DSIL Supplier Code of Conduct and undertake to comply with same. Upon the occurrence of an actual or suspected breach, we shall promptly notify DSIL to take all remedial actions as reasonably suggested.

Name of the Supplier:

Name of Authorized Signatory:

Designation:

Place/ Date:

Signature/stamp:

Adherence to this Supplier Code of Conduct is essential for maintaining a mutually beneficial and sustainable relationship between DSIL and its Suppliers. Thank you for your commitment to responsible business practices.

Issuing Authority: Approved in Board meeting held on 30th April 2024
