

COSMO FIRST LIMITED

Supplier Code of Conduct

Cosmo First Limited ('The Company') endeavours to conduct its business on the principles of ethics and transparency, social responsibility, and environmental sustainability. In this endeavour, it aspires to integrate the best practices into all aspects of its business.

Suppliers are an essential part of our business value chain and contribute substantially to an entities' growth. Cosmo First Limited wishes to collaborate with its suppliers to nurture long-term strategic partnerships in ensuring business sustainability. In this endeavour, it is a prerequisite for Cosmo First Limited and its suppliers to conduct business in a legal and ethical manner, and in compliance with all applicable laws and regulations.

In this context, this Supplier Code of Conduct has been developed based on the national standards, global standards and best practices being followed across industries. This Code shall be complied with by all the suppliers in letter and spirit to ensure mutual growth and development. Suppliers shall read, understand, and affirm compliance with this Code.

DEFINITIONS

- **Business associates of Suppliers:** Business associates of Suppliers shall include contractors, subcontractors, employees, agents, and other entities directly providing goods and services to the Suppliers.
- **Code:** Code refers to this Suppliers Code of Conduct, i.e., the current document unless specified otherwise.
- **Suppliers:** Suppliers include all suppliers, vendors, contractors, subcontractors, business partners, consultants, and any other entity entrusted with providing or which has provided goods and services to the Company.

SCOPE OF APPLICATION

This Code shall be applicable to all 'Suppliers' of Cosmo First Limited. Furthermore, the Company shall determine applicability of this Code to the business associates of the Suppliers at a time and in a manner deemed appropriate. Such determination by Cosmo First Limited relating to the applicability of this Code shall be binding on the Suppliers and its business associates, who shall then be required to abide by the stipulations made in this Code.

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.

MANAGEMENT MONITORING AND EVALUATION

Suppliers shall develop internal standards and information 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 the Company or by any other entity engaged by the Company for this purpose. Any failure to provide such documents, reports, or any other information within such a 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.

KEY PRINCIPLES OF CODE OF CONDUCT

I. Compliance Management

- **Statutory Compliance:** Suppliers shall comply with all applicable statutory laws, rules, and regulations including applicable export law and regulations. Suppliers shall maintain records of all licenses, permits, approvals, necessary for the conduct of its business, and furnish copies of the same whenever requested. Suppliers are advised to develop internal systems to track change in the regulations and respond to the same.
- **Statutory notices:** Suppliers shall inform Cosmo First Limited of any notices, penalties or other sanctions issued or imposed for violation of existing laws and regulations.
- **Tax evasion:** Cosmo First Limited 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.
- **Quality Assurance:** The Suppliers shall comply with the quality assurance plan of the Company and shall ensure that the supplies and services provided to the Company are of good quality as per industry standards. The Suppliers shall take prior consent before procuring supplies that are to be provided to the Company, unless instructed otherwise in writing. Any deviation from such quality assurance plan or list provided shall be communicated to the Company at the earliest instance and the decision of the Company in this regard shall be final and binding.
- **End user information, Sanctions and Dealings with Embargoed Entities:** The Suppliers acknowledge that all business and other dealings, direct and indirect with embargoed entities are expressly prohibited. The Suppliers are responsible for screening all client/end-user with which the Suppliers plan 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.

II. Environment

- **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 a 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 a life cycle-based approach and associated practices.
- **Management of Hazardous 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.

- **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.
- **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.
- **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.
- **Resource Efficiency:** Suppliers shall ensure and promote resource efficiency i.e. designing products and processes in a way that allows more efficient usage of raw materials and water.
- **Responsible Production and Consumption:** 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 the environment shall be promoted wherever possible. It is desirable that Suppliers promote recycling and reuse of materials and products.
- **Air Emissions:** 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.
- **Ecosystem:** Suppliers shall take necessary steps to minimize their impacts on the ecosystem and thereby contribute towards the preservation and restoration of biodiversity. It is desirable that Suppliers adopt measures to avoid deforestation and contribute to the protection and restoration of forests and natural habitats.

III. Human Rights

- **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).
- **Promotion of Humane Treatment:** Suppliers shall ensure dignified and respectful treatment of all within the workplace. Suppliers are advised to develop and adopt systems and processes to prohibit the use of threats of violence, verbal or psychological harassment or abuse, physical abuse, and/or sexual exploitation and abuse by any of their employees, contractors, parent company, and/or other business associates.
- **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.
- **Local Communities:** Suppliers shall take necessary steps to minimize or eliminate adverse impacts of its operations on the local communities. Suppliers shall undertake broad-based stakeholder

consultations and ensure local community participations for identifying their needs and understanding their grievances. Suppliers shall commit themselves to the socio-economic upliftment of the local communities.

IV. Labour

- **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.
- **Freedom of Speech and Expression:** Suppliers shall ensure an enabling environment in which all employees enjoy the fundamental right to freedom of speech and expression subject to the limitations of public order and morality.
- **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.
- **Child Labour:** Suppliers shall prohibit the 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 the identity and age of their employees through verification of nationally accepted documents/reports.
- **Discrimination:** Suppliers shall eliminate all forms of discrimination at the 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.
- **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 regular intervals (not exceeding one calendar month). Such payments shall be fair and in compliance with the minimum wages determined by the prevailing regulations. It shall be ensured that no unauthorized deductions are effected into the wages paid.

V. Business Ethics

- **Prohibition of Corrupt Practices:** Suppliers must adhere to the highest standards of moral and ethical conduct, in line with prevailing regulations and accepted business practices. Proactive measures should be taken to eliminate corrupt practices such as bribery, fraud, cheating, or any illegitimate activity. Anti-corruption should be integrated into the employee learning and development system. Suppliers and their associates must not use funds of the Company to facilitate money laundering or terrorism funding, directly or indirectly.
- **Conflict of Interest:** Suppliers must promptly communicate any potential conflicts of interest to the Company. Full disclosure is required if any personnel, officials, staff, or professionals under

contract with the Company have an interest in the Supplier's business. Due diligence should be conducted to identify and address any possible conflicts of interest.

- **Gifts and Hospitality:** Suppliers are prohibited from offering gifts, free goods, services, or any hospitality to the Company's personnel, officials, staff, or professionals under contract. Prompt disclosure is mandatory if any such requests are made by the Company's personnel.
- **Post-employment Restrictions:** Suppliers shall not offer direct or indirect employment to the Company's personnel involved in the procurement process for one year following separation from the Company.
- **Business Conduct:** Timely provision of quality goods and services at competitive prices is essential. Suppliers must have the necessary authorizations to access or use the Company's assets, properties, information, and intellectual rights strictly for official purposes. The Company's resources must not be misused or abused beyond the terms of the contract.
- **Information Security:** Suppliers must protect the Company's trade secrets and intellectual properties. Compliance with privacy and information security laws and regulations is mandatory. Robust information security systems are advised to prevent data loss or breaches. Suppliers must ensure the protection and compliance of personal or sensitive personal information in accordance with relevant data protection regulations.
- **Ethical Competition:** Suppliers must comply with anti-trust and competition laws and avoid any anti-competitive practices. Active participation in relevant forums for fair competition is encouraged.
- **Responsiveness:** Suppliers shall promptly disclose and address any violations of prevailing regulations and laws. Planning for non-financial disclosures in accordance with globally accepted standards is advised.

ENFORCEMENT

The Suppliers shall endeavour to procure such licenses, certifications and approvals from such regulatory authorities, recognized global/industrial organizations etc., to exhibit its compliance with this Code, global standards and best industry practices. To ensure compliance with this Code, the Company may, at its discretion carry out self-assessment surveys, audits and/or inspections and/or delegate an entity to perform these tasks on its behalf; during such assessments various internal standards, systems and processes, practices, and relevant reports shall be examined and verified. In instances of non-adherence to the provisions of this Code, the Company shall take necessary corrective actions at its own sole discretion that may include, but not be limited to, capacity building of the Suppliers to take remedial measures, allowing a time as deemed fit by the Company to take remedial actions, or termination of business relations with the concerned Suppliers. 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 the Company 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.

This Policy shall be communicated to all suppliers, employees including contract workmen.

General

- **Review**

This policy will be reviewed and amended as and when required by the ESG Committee. This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authority. The Committee may modify, add, delete, or amend any of the provisions of this Policy.

- **Disclosure of the policy**

The policy will be uploaded on company's intranet.

- **Effective Date**

This policy was approved by the ESG Committee and is effective from January 01, 2024.
