

April 01, 2022

Dear All

We are committed to conducting business with the highest degree of ethics, integrity, and compliance with local and international laws applicable to us. The foundation of Escorts is our commitment to doing business the right way.

In line with its commitment, Escorts has formulated Supplier Code of Conduct to ensure that the Supplier(s) dealing with Escorts uphold the highest standards of ethical business conduct and provide services that comply with applicable laws and industry standards.

Our Supplier Code of Conduct reflects this commitment and will also be available on our website for your reference. This Code is applicable to all 'Supplier(s)' i.e., domestic, and international. The Code is an extension of our values and is a foundation for our long-term success.

One of our most valuable assets is our integrity. To protect this asset, every supplier must commit to adhering to the Code of Conduct in action, and in spirit. It is important that you understand and follow the Code, comply with all applicable laws, and refrain from business situations that would jeopardize the Company's integrity.

It is encouraged to report any known or suspected violation, misconduct, or irregularity. This can be done by emailing your concerns at raiseaconcern@escorts.co.in.

I seek your involvement in embracing these positive changes and in continuing to support Escorts in upholding its reputation and values. I trust that you will continue to support *Escorts* and will join me in the commitment of upholding ethics and integrity in everything that we do.

Sign: 

Bharat Madan
President Finance, Group CFO & Corporate Head

Escorts Limited

Supplier Code of Conduct

Date – 01 April, 2022

Version 1.0

Introduction

Preamble

Escorts Limited, along with its subsidiaries, affiliates and divisions (“Escorts”) are committed to uphold core values and principles for conducting business in a legally compliant and ethical manner. In line to its commitment, Escorts has formulated this Supplier Code of Conduct (hereinafter referred to as the “**Code**”) to ensure that the Supplier(s) dealing with Escorts upholds the highest standards of ethical business conduct and provide services that comply with applicable laws and industry standards.

Applicability of this Code

This Code is applicable to all ‘**Supplier(s)**’ i.e., domestic, and international. The term ‘Supplier(s)’ as referred herein includes all suppliers, service providers, traders, vendors, /consultants, agents, contractors, third parties, including their employee(s) and other representatives, who have a active business relationship with or to provide, to sell, seek to sell, any kinds of goods or services to Escorts (“Business Relationship”).

While conducting their Business Relationship with Escorts, the Supplier(s) shall adhere to the following basic requirements:

1. Legal & Regulatory Compliance

i. Anti-Corruption

- Supplier(s) shall not indulge in any practice of unethical behaviour, like offering or promising advantage (in form of money or kind) to obtain any favour / advantage / order from any person connected with Escorts.
- Supplier(s) shall not engage in any unethical practice or illegal activity (money laundering, corruption etc.).
- The Supplier(s) shall comply with the provisions of the Prevention of Corruption Act, 1988 or any other anti-bribery laws and regulations as applicable from time to time.

ii. Fair Competition

- The Supplier(s) shall indulge in fair business practices and work with highest standards of trust and integrity.
- Supplier(s) shall not indulge in any practice affecting free competition, including exchange of competitive information like prices or rates with any third entity. In addition, bid rigging is strictly prohibited.

iii. Compliance with Tax laws

- The Supplier(s) shall comply with all applicable tax laws and regulations, as applicable from time to time.

iv. Data Privacy

- The Supplier(s) shall ensure that all assets (whether tangible or intangible) of Escorts are used for legitimate and authorized business purposes only.
- Supplier(s) shall keep any confidential information in strictest confidence and not misuse it in any manner, even after cessation/termination of contract with Escorts.
- The Supplier(s) shall not sell or disclose the Personal Data related to Escorts or its customers to any third party

- The Supplier(s) shall not retain, use, disclose or otherwise process the Personal Data outside of the direct business relationship with Escorts.
- The Supplier(s) shall comply (and ensure that its contractors, agents or related third parties comply) with applicable Data Privacy Laws at all times when performing the works / services for Escorts

v. **Intellectual Property & Confidentiality**

- The Supplier(s) shall protect the intellectual property rights or proprietary material related to / supplied by Escorts and only use information which is legitimately acquired. The Supplier(s) shall not infringe any confidential, proprietary, intellectual property, technology of Escorts, which comes to its knowledge during the course of its business relationship / dealings with Escorts. In case of sub-contracting, sharing of confidential information should be made only with the prior written consent of Escorts

2. **Ethical Business Practices**

i. **Conflict of Interest**

- The Supplier(s) shall not engage in monetary or other commercial relationship with any Escorts employee(s) & their relatives that leads to conflict of interest for Escorts. The Supplier(s) shall forthwith report to Escorts, any situation, where an employee or professional under contract with Escorts may have an interest of any kind in the Supplier(s) business or any kind of economic ties with the Supplier(s). Relatives for the purpose of this code shall include the below:-
 - a. Spouse
 - b. Children including step-children
 - c. Children's spouses
 - d. Parents including step-parents
 - e. Mother-in-law and father-in-law
 - f. Sisters or brothers and their spouses
 - g. Any other relative/friend with whom an employee has a close relationship

ii. **Record Keeping**

- The Supplier(s) shall maintain up-to-date books and records including compliance with applicable regulations and accounting principles.
- The Supplier(s) shall not indulge in reporting false/incorrect information in order to mislead or misinform Escorts, in any manner whatsoever.

iii. **Gifts & Improper Payments**

- Supplier(s) shall not accept/make (*including solicitation or offer*) any gift/favour in cash or kind from/to employee(s) or agents of Escorts to secure any favours / advantage / order.

iv. **Confidential Reporting**

- The Supplier(s) shall provide for an open and confidential concern reporting mechanism allowing their employees / agents / contractors to escalate concerns within their organization, without any fear of retaliation and conduct timely investigations, wherever needed.

v. Monitoring

- Supplier(s) shall allow Escorts to audit or inspect Supplier(s) facilities to confirm their compliance with this Code when requested by Escorts with reasonable notice.
- Escorts reserves the right to take necessary action, including immediate removal/termination of any Supplier(s) who act in a manner that is unlawful or contrary with the provisions of this Code and/or which may cause harm to the goodwill, reputation or brand image of Escorts in any manner whatsoever.

3. Environmental & Social Regulations

i. Health & Safety

- Supplier(s) shall provide its employees with a safe and healthy working environment and comply with all applicable laws and regulations regarding working conditions.
- Supplier(s) shall abide with all applicable laws, rules and regulations pertaining to Environmental, Health and Safety, including any applicable operational policies of Escorts, while executing any work/services.
- Supplier(s) shall further ensure that their employee(s) are adequately trained & competent for the work that they undertake.

ii. Labour and Human Rights

- Supplier(s) shall have respect for human rights and ensure that its personnel do not suffer harassment in any form or manner whatsoever.
- Supplier(s) shall not employ a minor in any capacity and shall ensure that there is no use of forced or compulsory labour at their workplace.
- Supplier(s) must comply with applicable laws, rules and regulations governing working hours and minimum wages .

4. Responsibilities under this Code as Escorts Supplier(s)

- Supplier(s) shall notify Escorts regarding any suspected, illegal, unethical, improper behaviour relating to its dealings with Escorts, or violation of this Code by Escorts employee(s) via email on raiseaconcern@escorts.co.in
- Supplier(s) will take responsibility to require adherence to the principles of this Code from their own direct vendors / contractors and shall exercise necessary diligence in verifying that these principles are being duly adhered to in their supply chains.

5. Modifications

- Escorts reserves the sole right to amend this Code at any time without prior notice.

Escorts Supplier Code of Conduct Supplier Commitment

We acknowledge that we have read the Escorts Supplier Code of Conduct and understood our obligations, duties and responsibilities mentioned in each of the section relevant to our business relationship with the Company. We understand that violation of any provisions mentioned in the Code may result in strict disciplinary action.

Company Name

Signature

Authorised Signatory
with Company Stamp

Place:

Date: