



SUPPLIER CODE OF CONDUCT

NRB Bearings Limited, its subsidiaries and affiliates are collectively referred to as “NRB” hereinafter throughout. NRB’s Supplier Code of Conduct sets forth minimum workplace standards, ESG sustainability approach and business practices that are expected of any supplier/ contractor doing business with NRB, consistent with our company’s values. We ensure to procure input materials from marginalized and vulnerable group. These requirements are applicable to all suppliers/ contractors providing products, services, manpower herein after referred to as “Supplier”.

NRB shall post their “Supplier code of conduct” on their website as well as provide its updated requirements to the Supplier, from time to time for review and compliance by the Supplier. The Supplier shall periodically visit the website and review the requirements and comply with the same at all times.

1. Compliance with Laws:

Supplier shall operate in full compliance with all the applicable laws, rules of their respective countries and NRB’s location. Additionally, the Suppliers will ensure that products, services and shipments for NRB adhere to all applicable international trade compliance laws, rules and regulation including but not limited to:

- a) Fire No Objection Certificate, Factory license, Consent to operate, other valid licenses.
- b) All applicable requirements of the Factories Act, locally applicable rules should be complied.

The Supplier shall maintain all records of such compliance and provide the same to NRB upon request.

2. Labor and Human Rights:

NRB is committed to upholding and protecting ethical labour practices and human rights. Our suppliers should ensure to have their own policy that addresses all labour and human rights issues and the existence of a grievance mechanism to address any related concerns.

Suppliers should proactively ensure that their employees are afforded an employment environment that is free from physical, psychological, sexual and verbal harassment, or other abusive conduct.

- a) Child labor- Suppliers shall employ workers who meet the applicable minimum legal age requirement. Age proof of any such person employed shall be produced, if demanded by NRB personnel. Suppliers shall also comply with all other applicable child labor laws according to local regulations.
- b) Forced labor – Supplier will not use forced, bonded, indentured or involuntary prison labor, and will not engage in slavery or trafficking of any person. Examples of forced labor include but are not limited to physically restricting a person’s freedom to leave

the workplace, taking custody of identification records (such as passports, government issued identification, work permits, academic records etc.) or creating other conditions that would compel a person to perform work against his or her will. Specifically, suppliers will be prohibited from the following in all contracts:

- Destroying, concealing, or confiscating identity or immigration documents;
- Using misleading or fraudulent tactics in recruiting;
- Failing to interview and protect employees suspected of being trafficking victims
- Collecting excessive fees from workers. Supplier shall disclose all fees charged to workers.

We expect our suppliers to adhere to laws and regulations prohibiting human trafficking, to comply with all applicable local laws in the country or countries in which they operate, to refrain from violating the rights of others, and to proactively address any adverse human rights impacts that result from their operations.

- c) Working Hours - Supplier will comply with all applicable laws and regulations on working hours, overtime and maximum hours. Supplier will also give one full day off per seven day period. Suppliers shall limit overtime to a level that ensures humane and productive working conditions.
- d) Wages and Benefits – Supplier will comply with all applicable local and national wages, labor welfare legislations and other relevant and welfare laws. Workers shall be paid at least the minimum legal wage or a wage that meets local industry standards. Any deduction in wages shall be informed, in prior, to the workers in writing. Suppliers are advised to maintain a documented record of wages
- e) Abuse of Labor - Suppliers shall uphold the human rights of workers and treat them with dignity and respect, in compliance with the rules and regulations framed by International organizations like ILO. Supplier will not engage in or permit corporal punishment, threats of violence, sexual harassment/abuse or other forms of harassment whether based on gender, race, color, religion, ethnicity, age, sexual orientation, national origin, disability, or any other legally protected characteristic.
- f) Discrimination - Suppliers shall employ workers on the basis of their ability to do the job and not on the basis of their personal characteristics or beliefs (including race, color, gender, nationality, religion, age, national origin , disability, maternity, marital status, medical conditions or any other protected class).
- g) Freedom of Association - Supplier shall respect the employees / workers right to join or not join any lawful organization, including trade unions and work councils, and shall comply with all applicable local and national laws pertaining to freedom of association and collective bargaining.

h) Laws & regulations – Supplier will comply with all applicable laws, rules, regulations and requirements in the manufacture and distribution of our products and supplies and in providing services to the company.

3. Health & Safety: Supplier shall recognize that a safe and healthy work environment enhances the quality of products and services, consistency of production and worker retention & morale. The supplier will comply all applicable local and national health and safety requirements to ensure zero tolerance policy. In case of any violation, disciplinary action is necessary. Supplier will ensure that following requirements are met:

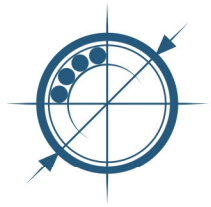
a) Occupational Safety - Workers exposed to potential safety hazards will be controlled through safe work environment and minimize physical and chemical hazards through proper design, engineering and administrative controls, preventative maintenance and safe work procedures as well as ongoing safety training.

b) Emergency Preparedness – Supplier will design and have Emergency Preparedness Plan and response procedures including emergency reporting, employee notification and evacuation procedure, workers training and mock drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans. All required actions should be taken by the supplier at their end to eliminate or reduce fire and other emergency incident. This action includes installation of required fire extinguishers, fire hydrant system, risk assessment of plant, fire audit of plant & other regular patrolling.

c) All suppliers and their personnel visiting NRB premises should have valid work permit provided by NRB before starting of work. The Supplier and their personnel shall make themselves familiar with the guidelines mentioned in the work permit from NRB. Supplier's personnel shall keep the signed copy of work permit with himself till the time he works inside the NRB premises. Such work permit issued will be valid for one day or as permitted by respective HR/Admin/Safety department of the respective NRB location. Any violation of the safety instructions, providing wrong information in work permit will result in cancellation of PO. Once the job or work is done in required area then that area should be cleaned. Supplier personnel shall make himself familiar with the exit routes and assembly area by reviewing the indicator or escape plan displayed. On hearing of emergency siren, he shall leave the working area immediately and reach the assembly point and stand in a queue.

d) Availability of PPE - Suppliers shall provide its workers with appropriate Personal Protective Equipment (PPE) where hazards cannot be adequately controlled by other means e.g. Safety belts, Helmets, Safety shoes, safety mask etc. Supplier shall ensure their personnel wear appropriate PPE's.

e) Machine & Equipment Safeguarding - Suppliers shall provide and properly maintain physical guards, interlocks and barriers where machinery presents an injury hazard to workers. Tools and equipments used should be in good condition & working properly.



- f) Occupational Injury and Illness- Procedures and systems will be in place to prevent, manage, track and report occupational injury and illness.
- g) Industrial Hygiene – Workers exposed to chemical, biological and physical agents will be identified, evaluated and controlled.
- h) Physically Demanding Work – Workers exposed to hazards of physically demanding task, including manual material handling and heavy or repetitive lifting, prolonged standing and highly repetitive or forceful assembly tasks will be identified, evaluated and controlled.
- i) Sanitation and Food – Workers will be provided with ready access to clean toilet facilities, potable water and sanitary food preparation, storage and eating facilities.
- j) Entry to restricted area- Only Authorized/Certified person should be allowed to work in the restricted area.
- k) Inside NRB premises smoking (except in smoking zone), spitting, quarrel or spat with company employees, speaking loudly, roaming without specific reason is not allowed. Mobile phones shall be kept in silent mode. Identity card should be worn properly around the neck. Any stealing & theft will lead to legal action. Use company provided toilets for required purpose.
- l) Suppliers' are highly encouraged to obtain/ work towards obtaining internationally recognized certifications for Occupational Health & Safety Management System, such as ISO45001

4. Environment: NRB's suppliers shall comply with all applicable environmental laws and regulations. The environmental requirements for suppliers are:

- a) Environmental Permits and Reporting - Suppliers shall maintain all required statutory environmental permits and registrations for operating the manufacturing facilities and follow the operational and reporting requirements of such permits.
- b) Product Content Restrictions - Suppliers shall comply with regulated substance specifications and any applicable laws and regulations prohibiting or restricting the use or handling of specific substances. Supplier shall meet NRB Specification for Hazardous Substances in Material – NRB 045. Supplier will submit MSDS and other documents (if required) related to material (chemicals, oil, grease etc.) which they are supplying to NRB.
- c) Suppliers shall endeavor to reduce or eliminate wastewater by implementing appropriate conservation measures in their production, maintenance and facility processes.
- d) Suppliers shall manage, control, treat and/or dispose solid waste, wastewater, and/or air emissions generated from operations as required by applicable laws and regulations.

- e) Hazardous Substances: Chemicals and other material posing a hazard if released to environment shall be identified and managed to ensure their safe handling, movement, storage, recycle, reuse and disposition.
- f) Air Emission – Air generated from operations will be monitored, controlled and treated as required to discharge.
- g) Associated material coming along with Products from suppliers, like Oils/Grease/Chemicals/Polythene sheets/Straps/Clamps/Corrugated boxes/Wooden Pallets should be ecofriendly /Nonhazardous/complying to NRB045. Supplier shall have detailed written instructions for Handling, Storage, Usage and disposition/end of life treatment of these by-products & product (finished items).
- h) Supplier should send the material in neat and clean reusable packing material wherever possible.
- i) Transportation related & Inside NRB premises - Transport used for supplying the material to NRB Plants must comply to the local Authorities, Interstate authorities, PUC norms , valid driving license and Insurance as applicable. Supplier shall park their vehicles / trucks at designated locations in NRB premises. Stopper to be used while parking OR halting the vehicle. Supplier's vehicle shall not be allowed to be parked overnight without obtaining proper permission from NRB officials. Use of safety belt by the driver & accompanied person is required. Helper is required along with vehicle in case of commercial vehicles. No reversing of vehicle shall be permitted without the assistance of helper (Commercial Vehicles). Speed limit of Vehicle should not cross the mentioned limit of 20Km/Hr (Maximum limit). All the safety related equipment's like stopper, helmet, mask, fire extinguishers etc. should be present with vehicle wherever required. All headlights, indicator lights, back & front sirens, brakes and wipers of vehicles should be in working condition. Condition of rope sling, latch & helmet should be in proper condition in case of hydra & crane. Driver & helper should not be under the influence of any liquor and drug. No sleeping under / inside the vehicle. Any ammunition or weapon inside the vehicle is strictly prohibited. No music shall be played in the vehicle. No unnecessary honking of vehicle. Use of mobile phones while driving & in prohibited area is not allowed. No cooking, bathing, washing, washing of vehicle is allowed inside NRB premises. Any flammable material inside the vehicle is strictly prohibited except material as per PO, for supplying to NRB.
- j) No dumping of garbage/ waste material inside the premises i. e. bin tags, polythene, newspaper etc. The Supplier shall use the designated area dustbin for disposal of garbage & waste.
- k) Conserving resources and Waste reduction
Suppliers to follow good waste management practices -- namely reduction, reuse, recycling and recovery -- within all business operations, at each of their operating locations.

- i) Suppliers make every effort to reduce the amount of packaging and packaging materials used, including in logistics.
- ii) Suppliers continuously improve on/ find and share new methods of reduction, reuse, recycling
- iii) It is highly preferred that Suppliers' operations are certified to meet internationally recognized standards for good environmental management practices, such as ISO14001

I) Reducing Energy Usage and Greenhouse Gas Emissions

Laws and regulations regarding energy consumption and emissions vary by country and/or region. NRB and its global customers fully plan to comply with these. Therefore, NRB continually looks for opportunities to maximize energy efficiencies, reduce energy usage, incorporate renewable energy options, and limit Greenhouse Gas emissions throughout its products' or services' Life Cycles.

- i) Suppliers are to comply with the requirements of all national, regional and local laws and regulations regarding energy usage and emissions
- ii) Suppliers are to make best efforts to have full knowledge of origin of the products and services they supply to identify ways to reduce energy usage and minimize and mitigate emissions
- iii) Suppliers are to make best efforts to increase the use of renewable sources of energy; Suppliers are responsible for reuse and recycling programs to be put in place.
- iv) Suppliers are highly encouraged to obtain/ work towards obtaining internationally recognized certifications for sustainable operations, such as ISO14001

5. Business Integrity:

The highest standards of integrity shall be upheld in all business interactions. Suppliers will have a zero tolerance policy that prohibits any and all forms of bribery, corruption, extortion and embezzlement covering promises, offering and giving. Suppliers are expected to raise invoices and claims in line with agreed services and supplies along with supporting documents. Supplier will not indulge in any corrupt practices defined under laws of international trade government authority / organization including Indian Prevention of Corruption Act, 1998, Prevention of Money Laundering Act 2002 (PMLA), US Foreign Corrupt Practices Act, The UK Bribery Act, 2010, or any other applicable laws and regulations.

All business dealings shall be transparently performed and accurately reflected on supplier's business books and records.

a) Anti-Corruption:

Supplier will be complying with anti-corruption laws that prohibit bribes, kickbacks or other corrupt actions to obtain or retain business or obtain any improper advantage. Suppliers are prohibited from directly or indirectly receiving or offering any form of bribe, kickback, or other corrupt payment, to or from any person or organization, including government agencies or officials, private companies or employees of those private companies. Monitoring and enforcement procedures will be implemented by supplier to ensure conformance with anti-corruption laws.

b) Gifts and Entertainment:

NRB recognizes that it is customary for some of its suppliers, customers and other business associates to occasionally during festive seasons, give small gifts, with whom they do business. In such cases Supplier shall strictly follow NRB policy declared from time to time. In any case such gifts shall be of minimum monetary value in the form of chocolates / dry fruits / sweets.

c) Fair Business, Advertising and Competition:

Standards of fair business, advertising and competition shall be upheld. Appropriate means to safeguard customer information available shall be utilized in accordance with most stringent information protection requirements under the applicable agreement between NRB & supplier. Supplier will not engage in bidding, price fixing, price discrimination & not violate any antitrust practices.

6. Ethics:

Suppliers shall commit to the highest standards of ethical conduct when dealing with its employees, suppliers and customers in their business operations including:

a) Disclosure of Information - Suppliers shall accurately record and disclose information regarding their business activities, structure, financial situation, and performance in accordance with applicable laws and regulations as well as prevailing industry business practices. Falsification of records or misappropriations of conditions or practices in the supply chain are prohibited.

b) Intellectual Property - Suppliers shall respect intellectual property rights and safeguard customer information. Transfer of technology and know-how shall be done in a manner that protects intellectual property rights.

c) Due Diligence in Counterfeit Parts - Suppliers shall implement processes as well as procedures and exercise due diligence to detect and avoid counterfeit parts.

d) Protection of Identity – Programs that ensures that confidentiality and protection of supplier and employee whistleblowers will be maintained.

e) Business Continuity Plan - Suppliers shall implement a comprehensive business continuity plan throughout its operations and supply chain to preserve the safety of workers, protect physical property from loss and damage, safeguard intellectual property, prevent interruptions in the manufacturing process and ensure the integrity of shipments at the point of origin. This plan & procedures will help the supplier in resuming business in the event of any disaster, work stoppages. Suppliers shall have plans and procedures in place to resume business in the event of any physical disaster (flood, earthquake, wind etc) or work stoppage (Labour strike). Supplier shall resume services within committed timelines (agreed by both parties) following a disaster or work stoppage event.

f) Privacy – Supplier shall commit to protecting the reasonable privacy expectations of personal information of everyone they do business with, including suppliers, customers, consumers and employees. They are expected to comply with applicable laws & regulation, and NRB security requirements. In case of any security incidence/ breach that involve NRB or NRB’s customer data suppliers are expected to notify NRB.

g) Non Retaliation - Suppliers shall implement processes to address the confidentiality and protection of an employee who in good faith raises a concern, makes a report or assists with an investigation related to potential ethical or criminal violations.

7. Compliance Monitoring:

The supplier will permit NRB and/or any of its representative access to its facilities and all relevant records associated with the products and services provided to NRB. The supplier and NRB will establish a mutually agreeable date and time for access. However, risks to NRB’s business may require immediate access to the products, services and associated records in exceptional circumstances, and supplier will accommodate NRB’s access as required. Supplier also agrees to cooperate with NRB to investigate any allegations of wrong doing, misconduct or corruption. Suppliers will be assessed by NRB at the time of selection & periodically based on criteria such as health and safety practices and working conditions, discrimination, child labor, management system certification, licenses / permits validity, minimum wages, firefighting & first aid readiness, code of conduct.

8. Application to Sub-Contractors / Sub-Suppliers:

This code is applicable to any sub-contractor/ sub-supplier to the supplier, providing goods or services to the supplier. The Supplier Code of Conduct shall be cascaded down to all sub-tier sub-contractors/ sub-suppliers. The supplier is fully responsible for ensuring compliance by any such sub-contractor/ sub-suppliers. NRB reserves the right to audit the supplier’s sub-contractors/ sub-suppliers for compliance to NRB’s Supplier Code of Conduct and supplier will accommodate NRB’s audit as required.



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9. Event of Violation:

Supplier shall promptly report to NRB's notice of known breach of this code and implement a corrective action plan to cure the non-compliance within a specified time period. Supplier should have their own management system to ensure compliance with this code of conduct and must self monitor the compliance. Supplier shall maintain documentation to demonstrate compliance and communicate the same to the employees, subsidiaries & other tier 2 suppliers/contractors involved. If the supplier fails to meet the corrective action plan commitment, NRB may terminate the business relationship, including suspending placement of future orders and potentially terminating current production. NRB reserves the right to hold supplier responsible for reasonable costs of investigating non-compliance.

Amendment Record:

Revision No.	Revision Date	Details of Change	Approved By