

## M&M SUPPLIER CODE OF CONDUCT

### BACKGROUND

Over the last seven decades of its existence, Mahindra & Mahindra Limited ('M&M') has earned an impeccable reputation as an industrial house of very high level of ethical practices and good governance. M&M's high standards of integrity, impartiality, equity and objectivity are the hallmark of its dealings with its Suppliers and all stakeholders.

### OBJECTIVE

M&M values its reputation for conducting business in a legally compliant and ethical manner. Consistent with this commitment, M&M wants to do business with those who share its values and culture of fair and ethical business practices. M&M has developed this Supplier Code of Conduct (hereinafter referred to as the "Code") to guide its Suppliers as to how to engage in ethical, responsible, and legal business practices in their operations around the world. This Code is applicable to all 'Suppliers' i.e. domestic and international. Suppliers here refer to suppliers, service providers, vendors, traders, agents, consultants, contractors, joint venture partners, third parties including their employees, agents and other representatives, who have a business relationship with and provide, sell, seek to sell, any kind of goods or services to M&M.

### CODE OF CONDUCT:

#### 1. ETHICAL CONDUCT

Suppliers shall conduct their business activities and deal on behalf of their company with professionalism, honesty and integrity, as well as with high moral and ethical standards. Such conduct shall be fair and transparent and perceived to be as such by third parties.



## 2. REGULATORY COMPLIANCE REQUIREMENT

Suppliers shall, while conducting their business comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which they operate.

## 3. ACCOUNTING AND REPORTING

Suppliers shall ensure that their accounting and financial records meet the highest standards of accuracy and completeness. All financial transactions shall be reported in accordance with generally accepted accounting practices, and the accounting records shall show the nature of all transactions in a correct and non-misleading manner.

## 4. BRIBERY, CORRUPTION AND MONEY LAUNDERING

Suppliers shall always follow all the applicable international and local anti-bribery and anti-corruption laws. The Supplier shall not accept, facilitate or support money laundering.

## 5. TAX LAWS COMPLIANCE

Suppliers shall comply with the tax laws and regulations of country in which it operates. Where tax laws do not give clear guidance, prudence and transparency shall be the guiding principle.

## 6. MARKETING AND SALES

Suppliers shall not make false statements or provide misleading information regarding its products or their performance, including the safety and environmental attributes of the products.

## 7. FAIR COMPETITION PRACTICES

Suppliers shall compete fairly, ethically and within the framework of all applicable competition and anti-trust laws. They shall not exchange M&M related confidential and sensitive information with competitors, peers or customers in any way that will improperly influence the market place or outcome of a bidding or negotiation process.



## 8. POLITICAL INVOLVEMENT

Suppliers shall ensure that they do not give an impression of representing or being the spokesperson of M&M while getting associated with any political party or political activities in their personal capacity.

## 9. CONFLICTS OF INTEREST

The duty of all personnel of Suppliers towards M&M demands that he or she avoids and discloses actual and potential conflicts of interest. A conflict of interest exists where the interests or benefits of one person or entity conflict or appear to conflict with the interests or benefits of M&M. Suppliers shall, as soon as they have knowledge, voluntarily disclose all situations relating to actual or potential conflict of interest, whether arising from their equity investments in any competitor of M&M or any of the supplier owners' having any immediate family members working in M&M.

## 10. PROTECTING M&M's ASSETS AND MACHINERY

Suppliers shall not misuse the assets of M&M but shall employ them only for the purpose of conducting the business for which they are duly authorized by M&M. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources as well as intangible assets such as Intellectual Property Rights, Processes, Know how & Technology, proprietary information, , etc. Suppliers are responsible for safeguarding, securing, and protecting M&M's assets and information technology from theft, destruction, misappropriation, wastage and abuse.

## 11. THIRD PARTY REPRESENTATION

Suppliers and their group companies including their third parties shall not be authorized to represent M&M or to use M&M's logos, products, processes, designs, inventions, patents, copyrights, trademarks, symbols or any other intellectual properties now or hereafter owned or controlled by M&M without the express written consent of M&M.



## 12. CONFIDENTIALITY

The Supplier shall maintain physical and electronic security for all confidential information. Supplier's employees should use extreme care in protecting confidential or proprietary information of any kind. Face to face discussions should be conducted in a secure location. If confidential information to be discussed or exchanged between M&M and the Supplier, or the Supplier and a Third Party, the parties shall first ensure that a Confidentiality or Non-Disclosure Agreement has been signed and is being complied with.

## 13. PROTECTING THE ENVIRONMENT

Suppliers shall comply with all applicable environmental/pollution control laws and regulations wherever they are based or operate.

## 14. PROVIDING SAFE AND HEALTHY ENVIRONMENT

The Supplier shall strive to provide a safe and healthy working environment and comply with all applicable laws regarding working conditions, including worker health and safety, sanitation, fire safety, risk protection and electrical, mechanical and structural safety. Suppliers should have strict procedures that prevent the use of illegal drugs or alcohol in the factory. They shall have well-established safety procedures, preventative maintenance and protective equipment in compliance with the law. Suppliers shall have a Business Continuity Plan to minimize business impacts in the event of major disruption like flood, fire, earthquake, strikes or any riots etc. They shall have a written Emergency Response Plan to minimize harm to the employees, local community and environment and risk of business disruption to M&M in the event of a disaster.

## 15. HUMAN RIGHTS, RESPECT AND DIGNITY

Suppliers shall support and respect the protection of internationally proclaimed human rights and make sure their company is not complicit in human rights abuses. Suppliers are expected to keep their workplaces free of harassment, harsh treatment, violence, intimidation, corporal punishment, mental or physical coercion, verbal abuse and discrimination.



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## 16. NO CHILD OR FORCED LABOUR

The Supplier shall not hire any person less than 18 years of age. Suppliers shall not use involuntary labour of any kind, including forced prison labour, debt bondage or forced labour. Additional standards include the following:

- a) Suppliers shall comply with all applicable child labour laws, including those related to hiring, wages, hours worked, overtime and working condition. Vocational or developmental programs for young people require an exception to the age requirements.
- b) Suppliers shall maintain official documentation that verifies a worker's date of birth, employment and training history. M&M reserves the right to review this information whenever required.

## 17. EQUAL-OPPORTUNITIES EMPLOYER

The Supplier shall provide equal opportunities to all its employees and all qualified applicants for employment, without regard to their race, caste, religion, color, ancestry, marital status, sex, age, nationality and disability. Employees of the Supplier shall be treated with dignity and in accordance with maintaining a work environment free of sexual harassment, whether physical, verbal or psychological.

## 18. WAGES AND HOURS OF WORK

Suppliers shall follow all applicable laws regarding working hours, wages and overtime pay. Workers shall be paid at least the minimum legal wage.

## 19. GIFTS AND DONATIONS

Suppliers shall not (directly or indirectly) offer any gift, entertainment, trip, discount, service or other benefit to any official of M&M which would or reasonably appear to be capable of influencing such person's decision. This includes giving or receiving anything of value, including money, gifts or unlawful incentives to improperly influence negotiations.



## 20. CORPORATE CITIZENSHIP

The Suppliers' senior management personnel shall be committed to be a good corporate citizen, not only in compliance with all relevant laws and regulations, but also by actively assisting in the improvement of the quality of life of the people in the communities in which it operates, with the objective of making them self-reliant. Such social responsibility would comprise: initiating and supporting initiatives in the field of community health and family welfare, vocational training, education and literacy, providing employment to physically challenged people and encouraging the application of modern scientific and managerial techniques and expertise.

## 21. COMPLIANCE WITH THE CODE

Suppliers are required to adhere to this Code. They shall promptly inform M&M when any situation develops that causes them to operate in violation of this Code. While Suppliers are expected to self-monitor and demonstrate their compliance with this Code, Suppliers shall allow M&M to audit or inspect Suppliers' facilities to confirm their compliance when requested by M&M with reasonable notice. M&M reserves the right to take appropriate action including immediate removal of any Supplier who behaves in a manner that is unlawful or inconsistent with this Code.

## 22. CODE ADHERENCE RESPONSIBILITY

Chief Executive Officers, Proprietors, Partners, Officers and Employees of all M&M Suppliers are responsible to ensure adherence to this Code.

## 23. REPORTING VIOLATIONS / QUESTIONABLE BEHAVIOUR

Suppliers who wish to report questionable behavior or a possible violation of this Code, may do so by making a protected and confidential disclosure through the reporting channels mentioned in M&M's Whistleblower Policy available on its website or by sending an e-mail to [whistleblower.mahindra@ethicshelpline.in](mailto:whistleblower.mahindra@ethicshelpline.in)



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- M&M reserves the right to revise the Code as and when required along with any other provisions.
- For any clarification on the Code, kindly contact the office of the Chief Purchase Officer.



Hemant Sikka

**PRESIDENT- Chief Purchase Officer**

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