

---

## **Sterling E-Mobility Solutions Limited**

### **MODEL SUPPLIER CODE OF CONDUCT**

---

## INDEX

| S.No | Content                                  | Page No. |
|------|------------------------------------------|----------|
| 1    | Introduction                             | 3        |
| 2    | Objective                                | 3        |
| 3    | Scope of the Code                        | 3        |
| 4    | The Code                                 |          |
|      | A. Ethical Conduct in Business           | 3        |
|      | B. Conflict of Interest                  | 3        |
|      | C. Protecting company Assets             | 3        |
|      | D. Prohibited Sales Techniques           | 3        |
|      | E. Human Rights in the Workplace         | 4        |
|      | F. Prioritizing Worker Safety and Health | 4        |
|      | G. Business Integrity                    | 5        |
|      | H. Environment                           | 5        |
|      | I. Responsibility for Sourcing Minerals  | 5        |
| 5    | Data Privacy                             | 5        |
| 6    | Appropriate use of social media          | 6        |
| 7    | Insider Trading                          | 6        |
| 8    | Supplier Representation                  | 6        |
| 9    | Accounting, Tax and Reporting            | 6        |
| 10   | Violation Reporting Mechanisms           | 6        |
| 11   | General                                  | 6        |
| 12   | Acknowledgment by supplier               | 7        |

## **SUPPLIER CODE OF CONDUCT**

### **1. Introduction**

The suppliers of Sterling E-Mobility Solutions Limited (including any of its subsidiaries and their successors, hereinafter referred to as “SEM”/Company) play a crucial role in the overall growth & prosperity of the Company. Supplier Code of Conduct (“Code”) aims to establish fundamental sustainability standards and goals for all suppliers across key areas such as Ethics, People, Resources, Environment and Regulations etc.

### **2. Objective**

Our suppliers must adopt core values and principles, ensuring consistent adherence of their products and services to the highest standards of moral and ethical integrity. Suppliers bear complete responsibility for the quality, safety, and security of their supply chain. SEM retains the authority to assess suppliers' compliance with the Supplier Code of Conduct. If any non-compliance is discovered, SEM reserves the right to take corrective measures.

### **3. Scope of the Code**

This Code is an integral part of the agreement/purchase order/engagement between our Suppliers and SEM. This Code applies to all suppliers, contractual personnel, agencies, etc. that deliver goods and/or services to SEM, including their subsidiary or affiliate entities as well as their respective Employees, agents and authorized dealers (hereinafter referred to as “Suppliers”). The term “Employee” used throughout this Code covers everyone working for or on behalf of the suppliers, contractual personnel, agencies, etc. including but not limited to full and part-time employees, consultants, contractors, trainees, temporary workers, migrant workers, senior management and board of directors.

### **4. The Code**

#### **A. Ethical Conduct in Business**

Suppliers are expected to make responsible decisions in accordance with the applicable laws of the respective countries and the guidelines issued thereunder. It is strictly prohibited for suppliers to engage in actions that may result in the receipt of undue or inappropriate advantages. Such actions, including promising individual benefits through a supplier, are prohibited to ensure fair practices and prevent harm to the company.

#### **B. Conflict of Interest**

A conflict of interest arises when there is a competing interest (including those of their kith and kin) that might hinder our ability to make unbiased decisions and prioritize the best interest of SEM. SEM and its suppliers are required to exercise sound judgment and steer clear of circumstances that could give rise to even the perception of a conflict, which could potentially erode the trust others have in SEM.

It is mandatory for all suppliers to promptly inform SEM in writing about any potential or actual conflict of interest.

**Disclosure:** Any potential or actual conflicts of interest to be disclose immediately to the appropriate authorities in writing.

#### **C. Protecting company Assets**

The assets of SEM must not be misused and should be utilized responsibly and primarily for the authorized business operations. These assets encompass tangible resources like equipment, facilities, materials and intangible assets such as proprietary information and intellectual property. Suppliers are responsible for safeguarding, securing, and protecting SEM's assets from theft, destruction, misappropriation, and abuse.

#### **D. Prohibited Sales Techniques**

Suppliers are required to maintain open and honest communication with SEM.

The following sales techniques are strictly prohibited:

- Backdoor selling – Attempting to persuade an employee to sell a specific product or service bypassing

proper SEM channels.

- Providing Inaccurate lead time commitments – knowingly offering unachievable lead time commitments to SEM to secure business.
- Over-committing capacity – Making commitments to deliver product or service without having the capacity to fulfill those commitments.
- Request for competitor information – Soliciting information about a competitor’s product, quotation, pricing, terms, distribution or other segment of their business.
- The supplier must also refrain from offering SEM any form of improper benefit. Such benefits may comprise not only cash but also job opportunities, Favors, travel, facilitation payments, promises to pay debts, hospitality, or unlawful gifts and entertainment, for the purpose of obtaining any advantage, order, or undue advantage that may create a conflict of interest or appear as “illicit payments”.
- Offering pricing structures that are less advantageous to SEM particularly when the supplier holds the exclusive rights or is the sole source for the goods or services provided.
- Requesting SEM to evaluate a proposal beyond the designated closing date.

## **E. Human Rights in the Workplace**

### **1) Non-Discrimination**

Suppliers must refrain from any type of discrimination in their hiring and employment practices, as well as in granting access to training, based on factors such as gender, race, ethnicity, nationality, religion, disability, age, marital and family status, social identity affiliation. Suppliers must aim for a harassment-free workplace.

### **2) Wages & Benefits**

Suppliers are required to compensate workers in compliance with the relevant laws and regulations of the countries where they operate. Suppliers should ensure favorable working conditions and make efforts to offer benefits that enhance the quality of life for all employees.

Suppliers must adhere to applicable labor laws on working and resting hours, leaves, deductions, overtime, etc. Suppliers must consistently pay their workers in alignment with applicable laws, providing clear information about employment terms and benefits.

Suppliers will ensure insurance coverage for all their respective employees. (in compliance with local laws and practices)

### **3) Humane treatment**

Suppliers should prioritize humane treatment of employees by respecting employee privacy and avoiding assigning unnecessary overtime tasks, providing advance notice and obtaining voluntary consent when collecting personal information, prohibiting workplace harassment.

### **4) Child Labor**

SEM is committed to a zero-tolerance policy towards child labor. The Supplier must not engage any child labor and comply with applicable laws in this regard.

### **5) Forced Labor**

Suppliers should strictly adhere to labor laws in the countries where they operate, explicitly prohibiting any form of forced or mandatory labor. Supplier shall not engage in any forms of slavery or forced labor, including but not limited to forced, bonded or compulsory labor and human trafficking. This also includes withholding wages, abusive working conditions, or any other kind of exploitation or abuse as per applicable laws.

## **F. Prioritizing Worker Safety and Health**

### **1) Safety & well-being**

Suppliers should regularly conduct assessments to identify potential risk factors that employees may be exposed to. The assessment results should be utilized to improve machinery, equipment, and tools in accordance with the findings. Suppliers should provide employees with information about accident risks and relevant factors based on risk assessments. This information should be clearly communicated and displayed in accessible areas for employees to access and understand.

Suppliers should avoid assigning pregnant women, young, elderly, or physically vulnerable workers to high-risk positions. They should strive to improve the working environment to support diverse social groups, including individuals with disabilities and immigrants, fostering a safe and inclusive workplace for all.

### **2) Health Management**

Suppliers are encouraged to provide employees with well-maintained resting areas, toilet facilities, and eating facilities. Suppliers should adhere to the health laws of the countries where they operate by conducting regular medical examinations for employees.

### **3) Substances of Concern**

The Suppliers shall identify and disclose potentially harmful substances and critical materials in products delivered to SEM and shall actively work to eliminate or phase out such substances upon request. Suppliers must comply with applicable environmental laws and submit valid reports when asked by SEM. Suppliers to ensure that minerals in their products do not support human rights abuse.

## **G. Business Integrity**

Suppliers must maintain high integrity, transparent business conduct, and report conflicts of interest or government officials' financial interests in their supply chain. Suppliers directly or indirectly must abstain from bribery, corruption, etc., and comply with applicable laws in this regard. Suppliers must adhere to fair trade, competition, and anti-trust laws, prohibiting anti-competitive discussions or agreements.

Additionally, the Supplier must comply with applicable export control and sanctions laws and regulations including but not limited to India, Japan, the United States of America, the European Union, and the United Nations Security Council Sanction List.

## **H. Environment**

SEM expects its suppliers to deliver products or services and carry out their business operations in a manner that safeguards and preserves the environment, to the extent possible.

We prefer suppliers who:

- Embrace a proactive approach to environmental stewardship and uphold accountable business practices.
- Establish environmental goals and objectives.
- Publicly disclose environmental indicators and performance.

### **Water and Energy Management**

Suppliers must monitor, track, and document water consumption, identifying controllable aspects to minimize usage, with a focus on responsible water use and processing. Treatment of wastewater is to be done as per applicable laws. Suppliers must monitor and reduce energy consumption, prioritizing renewable sources and excluding fossil fuels like coal, natural gas, or oil.

## **I. Responsibility for Sourcing Minerals**

The Suppliers shall adopt a policy and exercise due diligence on the source and chain of custody of Conflict Minerals, including but not limited to, cobalt, tantalum, tin, tungsten, and gold in the products they manufacture. This is to reasonably assure that these materials are sourced in a manner consistent with the Government's guidelines for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas or an equivalent and recognized due diligence framework.

## **5. Data Privacy**

Suppliers are obligated to comply with the applicable Data Privacy law and regulations and laws when conducting business with our organization. When sharing or processing Personal Information, the utmost care must be taken to ensure confidentiality and integrity. It is the responsibility of Suppliers to ensure adherence to relevant Data Protection regulations and, when required, acquire explicit consent for any activities involving Data Processing. Permission is not granted for the unauthorized access, disclosure, or use of Personal Information. It is anticipated that the Suppliers shall enforce stringent security protocols to safeguard the privacy and integrity of the information that they process on our behalf. Non-compliance with Data Privacy provisions may result in contractual consequences, including termination of the business relationship.

## **6. Appropriate use of social media**

- a) When using personal accounts, employees should avoid implying that they are speaking on behalf of the company unless authorized in writing.
- b) Respect copyright laws and give proper credit to the original sources of content. Do not share copyrighted material without permission.
- c) Do not post personal information about others without their consent. This includes photos, contact details, and any other personal data.
- d) Ensure that your social media activities comply with all relevant laws and regulations, including those related to advertising, data protection, and intellectual property.
- e) The company reserves the right to monitor social media activity to ensure compliance with this policy. This includes both company and personal accounts when used for work-related purposes.
- f) Violations of this policy may result in disciplinary action, up to and including termination of contract. Examples of violations include sharing confidential information, posting offensive content, and engaging in illegal activities.

## **7. Insider Trading**

The supplier should be aware that SEM is a material subsidiary of a listed entity, and the provisions of the Prevention of Insider Trading regulations apply to SEM as well. The Suppliers and their employees must not use any material or unpublished price sensitive information obtained during their business relationship with SEM as the basis for trading or for enabling others to trade in the stock or securities of SEM. The Suppliers and their employees must ensure, at all times, to maintain confidentiality of unpublished price sensitive information relating to SEM in their possession.

## **8. Supplier Representation**

Supplier is not authorized to represent SEM or to use any intellectual property owned by or licensed to SEM without express written consent of SEM.

## **9. Accounting, Tax and Reporting**

Suppliers must ensure utmost transparency and accuracy in accounting and financial records including taxation records, following high standards and complying with applicable laws.

## **10. Violation Reporting Mechanisms**

The Supplier is required to promptly inform SEM's management through email at [info@sterlingemobility.com](mailto:info@sterlingemobility.com) about any identified or suspected misconduct in their interactions with SEM or any identified or suspected misconduct involving SEM employees. SEM will examine any reported instances of non-compliance and review the findings with the supplier. Any reported violations will be handled confidentially and without any form of retaliation within the timeframe.

## **11. General**

### **a) Updates to the Code of Conduct**

SEM may periodically revise this Code. SEM recommends the suppliers to check SEM's website (<https://sterlingemobility.com>) regularly to stay informed about the updates.

**b) Disclosure of the Code**

The Code will be uploaded on the company's intranet.

**c) Effective Date 1<sup>st</sup> Nov. 2024**

\*\*\*\*\*



STERLING  
E-MOBILITY

## STERLING E-MOBILITY SOLUTIONS LIMITED

CIN-U31909DL2020PLC360123

REGD OFFICE: DJ-1210, DLF Tower B, Jasola District Centre, New Delhi-110025

PHONE NO.: 91-129-2270621-25 FAX NO.: 91-129-2277359 Email: csec@stfasteners.com

---

### ACKNOWLEDGMENT BY SUPPLIER

We/I hereby confirm that we/I have received the Model Supplier Code of Conduct of Sterling E-Mobility Solutions Limited and acknowledge that this Code forms an integrated part of the agreement signed with the Company. We/I confirm to comply with it in letter and in spirit.

We/I understand that the Company reserves the right, upon reasonable notice, to check compliance with the requirements of the Code of Conduct.

We/I agree that we/I will be responsible for complying with the obligations under this Code and failure to adherence to this Code would entitle the Company to terminate the business relationship it us/me.

Supplier's Name:

Authorized Signatory:  
(with company seal)

Place:

Date: