

FP-028-VCC

# VENDOR BUSINESS CODE OF CONDUCT

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## 1. Introduction

Cyient is a global engineering and technology solutions company. We engage with customers across their value chain helping to design, build, operate, and maintain the products and services that make them leaders and respected brands in their industries and markets. Customers draw on Cyient's expertise in engineering, manufacturing, and digital technology to deliver and support their next-generation solutions that meet the highest standards of safety, reliability, and performance. We deliver our services and solutions to a diversified base across multiple industries in North America, EMEA (Europe, Middle East & Africa) and Asia.

Cyient is built on strong values and that foundation has brought the company to where it is today. We always follow our Values **FIRST**, which is an acronym for Fairness, Integrity, Respect, Sincerity and Transparency.

**Fairness** – Means equity and solidarity where the associates and our Customers experience an unbiased environment, irrespective of their cultural backgrounds. The company believes in providing an encouraging and motivating ambience which enables associates, customers to meet their personal and organizational objectives.

**Integrity** – Cultivates the development of high professional standards and values. The company in all dimensions of work, aligns its actions with its words and delivers what it promises. The company is committed to the moral and ethical values of the organization and law of the land and expects the same honesty and integrity from its Vendors and/or Vendors.

**Respect** – The Company believes that the most productive environment is where associates are valued and treated with respect and dignity.

**Sincerity** – Is a commitment to present a work place, which establishes professionalism, dedication towards quality, cost, delivery and value systems and speaking and acting truly about the company's vision and realistic goals. The company has always demonstrated utmost reliability and accountability for all its commitments and promises and strives for the same ahead.

**Transparency** – Is an open-door policy. The company believes that a fair and open communication is the key to success. The company believes in clear billing processes and ensures availability of relevant information required for cooperation and collective decision making. Encouraging feedback from vendors, customers, associates helps build a trustworthy company.

As outlined by our Values FIRST and our Business Code of Conduct and Ethics, Cyient and its subsidiaries are committed to conduct business in an ethical, legal and socially responsible manner. Cyient provides a safe working environment for all its employees and partners.

As part of "R" Respect, Cyient firmly believes that the Vendors are an integral part of our ecosystem and Cyient is committed to create an environment where our vendors are confident that they are treated with respect and dignity.

As part of "I" Integrity and "T" Transparency, Cyient firmly believes in conducting all business transactions with integrity and transparency and ensures that it is ethical, sincere and open in all its transactions. We expect our Vendors to maintain the values of integrity and ethics in all business dealings, which are in line with the Cyient's policies and applicable laws.

## 2. Policy

Cyient is committed to conducting business in accordance with the highest ethical standards and in compliance with all applicable laws, rules and regulations. Cyient has a responsibility to ensure its supply chain operates responsibly and improves the lives of workers, their communities and the environment. We expect our Vendors / Vendors including sub-vendors and subcontractors working along with Cyient as partners, to comply with all applicable laws and regulations, as well as the principles set out in this document.

## 3. Applicability

This Code shall apply to all Vendors including sub-vendors and sub-contractors who engage in business relationship with Cyient and its subsidiaries or on behalf of Cyient.

## 4. Definition(s)

### 4.1 Vendor

Vendor shall mean an external second/third party that Cyient has entered into a business or contractual relationship with to provide business goods, services, functions or activities.

Vendor and Supplier are used interchangeably in this document.

## 5. Integrity and Compliance with Laws

Cyient enjoys a hard-won reputation for honesty, integrity and fair dealing. Without question, this reputation for integrity is an invaluable part of our success. We expect our Vendors to conduct business with utmost integrity and in an ethical manner.

Vendors are required to fully comply with all applicable laws of the land and regulations, treaties and industry standards including, but not limited to those laws that are related to Information Technology, Data Protection, Labor, Immigration, Health and Safety and the environment, local taxation and payment of taxes on income as applicable. The Vendor shall maintain all records of such compliance as mandated under the applicable laws and provide the same to Cyient upon request.

## 5.1 Uphold Business integrity and Ethics

As a global organization, Cyient is subject to all relevant anti-bribery and anti-corruption laws. The Vendor should ensure that they comply with relevant anti-bribery and corruption laws in both letter and in essence.

Cyient has a zero-tolerance policy with respect to any form of bribery and/or corruption. Bribery and corruption are against our core Values FIRST principle. Cyient does not permit such actions, nor do we allow third parties acting on our behalf, such as agents, consultants, Vendors and contractors to make any such payments/gifts/material(s).

The Supplier / Vendor shall ensure the following:

- Implement monitoring and enforcement procedures to ensure compliance with anti-bribery and anti-corruption laws
- Raise invoices and claims in-line with the agreed services and supplies, along with the supporting documents
- Perform all business dealings transparently and maintain accurate details of the same in business books and records

## 5.2 Conflict of Interest

As there might be a situation where a Cyient employee or director may have an interest/potential interest of any kind in the Vendor's business, whether through personal relationships, investments, directorships or any kind of economic ties with the Vendor, In such an event of any conflict of interest arising at the time of empanelment/registration or prior/post/during engagement, Vendors are required to promptly disclose such situations to Cyient.

## 5.3 Insider Trading

Vendors must ensure that any non-public information obtained because of a relationship with Cyient is considered to be confidential to Cyient and not used for the personal benefit of the Vendor, their employees or other persons.

## 5.4 International Trade

Vendors shall comply with all the applicable laws and regulations related to importing, exporting, re-exporting or transfer of Cyient products and services.

## 5.5 Intellectual Property

Cyient's intellectual property is among its most valuable assets and Cyient is committed to protecting it. Cyient's intellectual property includes:

Patents, copyrights, trademarks, industrial designs, trade secrets, certifications, ideas, inventions, systems and business processes;

Brands, logos, slogans, domain names, business names, and other identifying features used to identify Cyient and its products or services or solutions;

Software, scripts, interfaces, documentation, advertising and marketing materials, content (such as website content) and databases; and any confidential data and information pertaining to Cyient

Vendors shall take all steps to protect Cyient's intellectual property rights and shall not allowed to use such intellectual property owned by Cyient without prior authorization from Cyient.

## 5.6 Privacy Data Protection

Cyient along with its subsidiaries ensures that it complies with all applicable data protection laws and contractual requirements including compliance to GDPR. The General Data Protection Regulation (EU) 2016/679 (GDPR) is a regulation in EU law on data protection and privacy in the European Union (EU) and the European Economic Area (EEA). It also addresses the transfer of personal data outside the EU and EEA areas. Cyient is committed to uphold highest data protection and privacy standards with respect to all Supplier data and related Personal Information. We expect our Vendors/partners to adhere to similar levels of data protection standards and practices.

Vendors as data processors shall be required to comply with the obligations under applicable data protection laws of the land and contractual requirements.

Vendors shall ensure adequate measures are implemented to address technical and organizational security needs, data access rights, transfer of data, retention and erasure of data, while processing any personal data that Cyient is 'defining the purpose and means' as a controller for such data.

In the event that Vendor shall have access to the Personal Data which includes but not limited to information of Cyient's employees' or guests': (a) first and last name; (b) home or other physical address; (c) telephone number; (d) email address or online identifier associated with an individual; (e) social security, taxation file number or similar identifier; (f) employment, financial or health information; or (g) any other information relating to an individual that is combined with any of the aforesaid mentioned, the Vendor agrees to protect and not disclose any of such information to any other third parties and also execute a Data Protection Agreement with Cyient. Vendor shall at all times abide by the terms and conditions of the Data Protection Agreement executed between Cyient and Vendor. Vendor shall indemnify, defend and hold Cyient, its officers, directors, agents and affiliates harmless against any and all claims, damages, liabilities, costs and expenses arising out of violation of Data Protection Agreement by the Vendor.

The Vendor agrees that it shall process such personal data in compliance with all the applicable privacy laws including but not limited to the Privacy Act 1988 (Cth) (Australia), Directive 95/46EC (European Union), The General Data Protection Regulation (EU) 2016/679 and any equivalent state or federal legislation in an applicable territory from where the services are being rendered pursuant to this Agreement, that are in force from time-to-time.

Vendor shall inform Cyient of any instance of data breach within 12 hours of discovery. Vendor is expected to fully cooperate with Cyient and provide them with reasonable access to data processing facility, for conducting investigations into the reported data breach incident.

## 5.7 Information Security

Cyient has a holistic Supplier Information security risk assurance process which helps in identification of Information security risks through different stages of vendor relations with the end objective of safeguarding critical & sensitive information, and information systems handled by Vendor.

Cyient expects its vendors to comply with the similar levels of information security protection controls, applicable laws and regulations as applicable from time to time.

Vendor's organization is responsible for agreeing on service deliverables, ensuring compliance with contractual security requirements, extending support on annual security assessments, ensuring timely notification of information security incidents and notifying major changes/vulnerabilities to Cyient.



## 5.8 Non-Disclosure and Documentation

Vendor shall not disclose Cyient as its customer in any PR related activity or in press release. Vendor shall submit all document related to product or service delivered to Cyient within agreed timelines Fair Competition

Vendors must uphold standards of fair business. Vendors shall not engage in price fixing, price discrimination, directly or indirectly influencing the decision making process or decision makers by adopting unfair means, directly or indirectly creating hurdles for competition to submit competitive proposals, misrepresentation of facts related to its competitors or other unfair trade practices in violation of applicable anti-trust laws.

## 5.9 Honest and Accurate Transactions

Vendors must not make any false representations in connection with any Cyient transaction including, but not limited to, oral misrepresentations of fact or the promotion or utilization of false documentation such as non-genuine purchase orders, untrue or forged contracts, forged letters of destruction or any other documents, which may falsify the records.

## 5.10 Fair Competition

Vendors must uphold standards of fair business. Vendors shall not engage in price fixing, price discrimination, directly or indirectly influencing the decision making process or decision makers by adopting unfair means, directly or indirectly creating hurdles for competition to submit competitive proposals, misrepresentation of facts related to its competitors or other unfair trade practices in violation of applicable anti-trust laws.

## 5.11 Business Continuity

Vendors shall ensure that there are plans and procedures to resume business in the event of any physical disaster (e.g. Such as fire, flood, wind, earthquake, explosion, etc.) or work stoppage of any kind (e.g. Labor strike, economic/social structure breakdown, etc.). Subject to mutual agreement on business continuity plan terms by both parties, the Vendor shall resume services within committed timelines following a disaster or work stoppage event.

## 5.12 Third Party engaged by Supplier

Vendor shall consult Cyient in case of 3<sup>rd</sup> party engagement and will only engage after Cyient approval.

In the event, any Vendor engages any third party to provide services/goods to Cyient, the Vendor shall ensure that such third party adheres to Cyient's Vendor Business Code of conduct and does

not indulge in any activity that violates the terms of Cyient's Vendor Business Code of Conduct. The Vendor shall be responsible to monitor compliance by such third party and determine that they are conducting business in accordance with the applicable laws and regulations.

### 5.13 Jurisdiction

This "Vendor Business Code of Conduct" document shall be governed by and shall be construed in accordance with the laws of India, or otherwise agreed in the vendor agreement, without regard to its conflict of law's provisions. Any dispute, controversy or claim arising out of or in connection with this Vendor Business Code of Conduct document, or the breach, termination or invalidity thereof, shall be litigated in, and submitted to, the exclusive jurisdiction of the courts of Hyderabad, Telangana, India.

### 5.14 Audit compliance

Vendor should face audits for different standards as per Cyient or customer of Cyient requirements

### 5.15 Start of work and Invoicing

Vendors shall commence work to deliver services or products to Cyient only after receipt of a firm Purchase Order or Contract executed by Procurement Function of Cyient. Vendor must not deliver any products or services on basis of a verbal / email confirmation. Exception will be online orders and below threshold limit POs.

Vendors to strictly follow instructions for invoice submission as per PO

### 5.16 Gifts Guidelines and Exceptions

#### 5.16.1 Guidelines

Vendors / Vendors should not offer any gifts to Cyient's Customers or Associates, as any other individual or organization, under any circumstance.

- Vendors / Vendors shall never offer, Individual sponsorship for any activity (meal, travel etc.) for Cyient's associate and/or their family, any personal gifts received at home or while travelling on Cyient's business. Offering or receiving cash in return for bestowing business is strictly prohibited.

#### 5.16.2 Exceptions

Vendors / Vendors are:

- Exempted to offer gifts such as T-shirts, pens, trade show bags, decorative items and all other trinkets that associates obtain, as members of the public, at events such as conferences, training events, seminars and trade shows that are offered equally to all members of the public attending the event.
- Exempted to offer food, beverages and moderately priced meals that are supplied by and also attended by current clients, partners and vendors in the interest of building positive business relationship. These activities are expected to be reciprocated by Cyient.
- Exempted to offer entertainment and meal expenses if offered are to be reasonable and shall not make it a regular occurrence.
- The gifts from vendors should always be treated as given to Cyient and not to an individual associate.

**Examples of Acceptable gift:**

- Promotional gift of value less than USD 25 or equivalent (e.g. diaries, calendars, desk accessories).
- Festive gifts of value less than USD 25 or equivalent (e.g. flowers, fruits and food).
- Hotel points, Airline miles can be retained by the individual up to nominal value. Gifts on reciprocal basis (goodwill) shall not exceed USD 25 or equivalent.
- Special occasions (Ex. wedding of an associate) not to exceed USD 25 or equivalent.

**Unacceptable gift:**

- Any gift worth more than USD 25.
- Individual sponsorship for any activity (meal, travel etc.) for Cyient's associate and/or their family.
- All personal gifts received at home or while travelling on Cyient's business.
- Services by vendor's at nil or reduced cost (e.g. free transportation, free telephone etc.).
- Offering or receiving cash or any favours in kind in return for bestowing business is strictly prohibited.
- Any sponsorship or funding of unofficial expenses of the Cyient associates or their families or friends directly or indirectly through any other 3<sup>rd</sup> party.

## 6. Labor Practices and Human Rights

### 6.1 Child Labour

Vendors shall not use child labour; commitment from Vendors / Vendors is expected in implementing the applicable laws pertaining to child labour, including those relating to minimum age limits. Vendors must work towards a strict 'no child-labour' policy.

## 6.2 Freedom of Association

Cyient expects its Vendors / Vendors to respect and recognize the rights of its employees to freely associate, organize and bargain collectively.

## 6.3 Working hours

Vendor must ensure that working hours are in accordance with local regulation and industry practice and allow voluntary overtime.

## 6.4 Wage and Benefits

Vendors shall comply with all applicable wage laws and regulations including but not limited to minimum wages, duration of payment, associate benefits as applicable, equal remuneration and overtime requirements if any must be based on business requirements and should be voluntary. Deductions, if any, from wages shall be made in strict compliance with the applicable laws. Vendors shall not use deductions from wages as a disciplinary measure.

## 6.5 Forced or compulsory labour

Vendors must ensure that their employees are hired on their own free will and must prohibit forced, bonded, or any other form of compulsory labour such as slavery or trafficking, transporting, recruiting, transferring or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services in all of their operations. At the time of recruitment, a written employment agreement containing terms and conditions of employment must be provided by the Vendor to all their employees. Vendors and their agents may not confiscate any identity or immigration documents, such as government-issued identification cards, passports or work permits, unless required by law.

## 6.6 Lawful Employment

Vendors must, prior to employing any worker, validate and review all relevant documentation to ensure that such worker has the legal right to work in that jurisdiction.

## 6.7 Human Rights

Cyient expects its Vendors to support and respect the protection of internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses.

## 6.8 Non-Discrimination

Vendors shall not discriminate in hiring or employment practices based on pregnancy, childbirth or related medical conditions, race, religious creed, colour, gender, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, union membership or any other criteria protected under law. Vendor shall uphold the dignity of its employees at all times and work towards establishing and reinforcing a positive work culture.

## 6.9 Harassment

- Cyient expects its Vendors to provide a harassment-free workplace for everyone. Harassment based on any protected criteria is unlawful and the vendor shall not commit any act, which is not in compliance with applicable laws. Cyient has a zero-tolerance policy with respect to any form of harassment including sexual harassment and the vendor shall take appropriate initiative to ensure a harassment-free workplace by way of publication of policies, periodic trainings and requisite & timely support to affected parties.
- Vendor shall also organize awareness programs at regular intervals for sensitizing the employees on the law pertaining to harassment in the applicable jurisdiction. Please refer to section 11 of this document on how to report an incident or register a complaint.

## 7. Health and Safety

- Vendors must provide a safe work environment, abiding by local laws and regulations.
- Vendors must take appropriate measures to prevent workplace injuries and ill health and must provide employees with safe and healthy working environment by considering the evolving industry practices and societal standards of care. Vendors must strive to implement management systems to meet these requirements. Vendors must provide a safe and hygienic working environment for workers and provide appropriate safety equipment and training environment
- Vendors are expected to contribute to preserving nature and be responsible for conducting safe and environmentally-conscious operations. Vendors must comply with applicable environment and related laws and regulations.

## 8. Maintenance of Records

Vendors must maintain their books and records as per applicable laws and regulations. The register and records should be available for audit.

## 9. Violations of Code of Conduct

Failure to comply with this Code or any other applicable law/regulations by the Vendors will result in termination of business association/ contract with such vendors.

## 10. Procedure to Report/Register a Complaint

### 10.1 Report Operational Issues

Vendor can register a complaint, give a suggestion, or send a query on any operational/process issues related to procurement by writing to procurement team through email.

- E-mail: [Vendor.helpdesk@cyient.com](mailto:Vendor.helpdesk@cyient.com)

### 10.2 Report Ethical Issues

Use the Ethics Reporting System to register a complaint under this policy. To ensure utmost confidentiality Cyient has engaged the services of an independent organization specializing in Ethics Helpline services.

The Ethics Reporting System has the following mechanisms to record a complaint:

- Website - using the link <https://www.lighthouse-services.com/cyient>
- E-Mail: [Ombudsperson@cyient.com](mailto:Ombudsperson@cyient.com) (will be received by Ethics Helpline Team only)

*Please do not contact "Ombudsperson" on operational/process related issues.*

It is important that Vendor reports all suspected violations, including retaliation. Retaliation includes adverse actions, harassment, or discrimination on a professional front relating to your reporting of a suspected violation.

Cyient will maintain confidentiality to the extent possible and will not tolerate any retribution or retaliation taken against any individual who has, in good faith, sought out advice or reported questionable behaviour or a possible violation of the Vendor Business Code of Conduct. Cyient is committed to fairly assess all the issues raised and provide resolution.

## Appendix-1

### Dos and Don'ts

Cyient requests every Vendor to do the following;

#### **Dos:**

- a. Vendor to print Annexure-2 (Acknowledgement and Acceptance) of this Code of Conduct and sign the same by an authorized person from the Company and send back to email id
- b. Ensure that Vendors Business Code of Conduct is explained to employees of Vendor, its subsidiaries, sub-vendors and sub-contractors.
- c. Conduct business with integrity and exhibit responsible ethical behaviour in all interactions with Cyient and/or its customers.
- d. Maintain required documentation necessary to demonstrate compliance with local laws and Cyient's policies.
- e. Report any breach/violation of Cyient's Vendor Business Code of Conduct by Vendor's employees, subsidiaries, sub-vendors and / or sub-contractors within 12 hours of breach / violation.

Cyient requests every Vendor not to do the following

#### **Don'ts:**

- a. Do not indulge in any practice or means that violates the applicable laws and/or violates Cyient's Vendor Business Code of Conduct.
- b. Do not hide or delay reporting an identified breach/violation of the Vendor Business Code of Conduct to Cyient.
- c. Do not obstruct any investigation undertaken for breach/violation of the Vendor Business Code of Conduct.
- d. Do not share confidential information or data of Cyient with any third party.
- e. Do not engage in any unfair practice or exert undue influence over Cyient and / or its
- f. customers

Vendors with whom Cyient has regular and recurring dealings should have good management and governance process in place to ensure compliance with this code, Vendors must ensure that their system and procedures are sufficient to mitigate any potential negative impact on Cyient's Brands and reputation.

Cyient reserves the right to randomly review the supplier's policies, procedures or any other documents related to adherence to this Code. Cyient reserves the right to discontinue business with the Vendor, in case Vendor does not accept the code of conduct or in event of any non-compliances.

## Appendix-2

# Vendor Business Code of Conduct Acknowledgement and Acceptance

This is to confirm that \_\_\_\_\_ (Vendor Name)

Hereby received, read, understood and acknowledge requirements within "Vendor Business Code of Conduct".

We agree to adhere to these requirements and to be able to demonstrate to Cyient how these requirements are being met.

Cyient will have rights to exercise disciplinary actions against us, if we are found Violating "Vendor Business Code of Conduct"

(Cyient operates a policy of transparency with Vendors and will work collectively with Vendors to ensure adherence to the code and develop improvement program if required.)

We acknowledge we have read and understood Cyient Vendor Business Code of Conduct (FP-028-VCC) through given internet link and agree to abide by the same in all respects. We undertake that all our employees, directors and representatives conduct our business while maintaining full compliance with Cyient's Vendor Code of Business Conduct at all times while dealing with all Cyient group entities, internal and external stakeholders.

Vendor Organization Name :

Name of the authorized person :

Designation / Title of the authorized person:

Signature of the authorized person: