



Toyo Engineering India Private Limited

Code of Conduct for Supplier

1. Introduction

Toyo Engineering India Private Limited (Toyo-I) is a professionally managed corporate entity undertaking EPC, PMC, and EPCM project assignments in diverse sectors such as Oil & Gas Refineries, Petrochemicals, Fertilizers, Cryogenics, Infrastructure, and Industrial solutions.

In addition to our expertise in Project Management, Engineering, and Construction, our procurement network demonstrates our superior supply chain management and our ability to source almost anything from anywhere in the world. Toyo-I ensures that our procurement processes excel in quality and value for money. Our effective risk minimization methods in procurement ensure that projects are not delayed and sustainable.

2. Purpose

Supplier Code of Conduct ("Code") has been developed based on the global standards and best practices being followed across industries. The purpose of this Code is to outline the standards and expectations for all suppliers engaged with Toyo-I in relation to ethics, sustainability, labour and human rights, health and safety, environmental protection, and management practices.

3. Scope

This Code applies within Toyo-I and to all Toyo-I Suppliers (i.e., Suppliers, Sellers, Dealers, Contractors, Vendors, Traders, Agents, Consultants, Joint venture partners, Third parties, Service Providers parties including their employees, agents, and other representatives) across all projects and sectors the company operates in.

4. Principles of Code of Conduct

- a) **Accountability and Transparency:** Suppliers must maintain accurate and complete records of all transactions and interactions related to their business with Toyo-I. This includes financial records, contracts, and communications. Transparency in dealings is crucial, and suppliers should be open and honest in all their interactions with Toyo-I. This helps build trust and ensures that all parties are aware of and can verify the details of their business relationships.
- b) **Human Rights:** Suppliers must respect and uphold the human rights of their employees and others affected by their operations. This includes ensuring that no forced labour, child labour, or any form of exploitation is used. Suppliers should provide fair wages, reasonable working hours, and safe working conditions. They should also respect the rights of workers.
- c) **Business Integrity and Ethics:** Suppliers must conduct their business with integrity and adhere to the highest ethical standards. This means avoiding any form of corruption, bribery, or fraudulent activities. Suppliers should implement policies and procedures to prevent unethical behaviour and ensure that all employees understand and comply with these standards.
- d) **Legal and Regulatory Compliance:** Suppliers must comply with all applicable laws and regulations in the countries where they operate. This includes maintaining up-to-date records of all necessary licenses, permits, and approvals required for their business operations. Suppliers should develop internal systems to track changes in regulations and ensure timely compliance. They must be prepared to furnish copies of these documents whenever requested by Toyo-I.
- e) **Employee Health and Safety:** Suppliers must provide a safe and healthy working environment for their employees. This includes implementing safety protocols, providing necessary training, and ensuring that all equipment and facilities meet safety standards. Suppliers should also have procedures in place to minimize the hazards and to handle emergencies and report accidents or unsafe conditions promptly.
- f) **Quality:** Suppliers must ensure that all products and services meet the required quality standards and specifications set by Toyo-I. This includes adhering to industry standards and best practices in manufacturing, quality control, and delivery. Suppliers should continuously monitor and improve their processes to maintain high-quality outputs.
- g) **Local Community Development:** Suppliers are encouraged to contribute positively to the communities in which they operate. Activities may include community welfare and well-being, vocational training, education, skill development, literacy, and employment.



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h) Environment: Suppliers should strive to provide products and services that are environmentally friendly and sustainable. This includes using eco-friendly materials, reducing emissions, and minimizing the environmental impact of their operations. Suppliers should also promote sustainable practices throughout their supply chain. They should implement practices that minimize waste and promote the efficient use of resources, including reducing the use of raw materials, reusing materials where possible, and recycling waste products. Suppliers should aim to create a circular economy where resources are used efficiently and waste is minimized.

5. Implementation Strategies

Suppliers are expected to integrate these principles into their business operations and supply chain management practices. Toyo-I will provide guidance and support to suppliers to help them meet these standards. **This code will also be included in Work Orders, Purchase Orders, or Contracts with suppliers.**

Suppliers must promptly communicate to Toyo-I any instances that may have the potential for a conflict of interest. Suppliers shall disclose if any of Toyo-I's personnel, officials, staff, or professionals under any contract with Toyo-I may have an interest of any kind in the supplier's business. Suppliers are advised to conduct due diligence for any possibility of conflict of interest.

6. Monitoring

Toyo-I will regularly monitor supplier compliance with this Code through audits, assessments or feedback mechanisms.

7. Non-compliance

If Toyo-I observes non-compliance with this Code, we request the supplier to propose a corrective action program and carry it out within the specified schedule. If the supplier cannot implement the required improvements, we may terminate our cooperation. Suppliers are encouraged to address any issues promptly and transparently.

8. Continuous Improvement

Any feedback and failure to comply with this Code should be immediately reported to the Toyo-I Division Head - Procurement. Toyo-I is committed to continuous improvement and expects its suppliers to strive for the same. Suppliers should seek opportunities to enhance their practices and align with the evolving standards of Toyo-I. Toyo-I reviews this Code at least every three years or whenever there is a change in Toyo-I's sustainable procurement policy, principles, and processes.

9. Conclusion

This Code is a critical component of Toyo-I's commitment to ethical, sustainable, and responsible business practices. By adhering to these principles, suppliers contribute to the success and integrity of Toyo-I's operations.

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		Prepared by	Reviewed by	Approved by
Date	Rev.	Purchase Dept. Engineer	Dept. Head-Purchase	Div. Head-Procurement



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(To be printed on Supplier's letterhead)

Declaration of Compliance to Toyo-I Sustainable Procurement Policy and Code of Conduct for Supplier

To,
Dept. Head- Purchase
Toyo Engineering India Pvt. Ltd.
Mumbai

Sub: Declaration of Compliance to Toyo-I Sustainable Procurement Policy and Code of Conduct for Supplier

1. **Understanding and Compliance:** I/We confirm that I/We have read and understood the Toyo-I Sustainable Procurement Policy and Code of Conduct for Suppliers and undertake to comply with the same and all applicable laws, statutes, directives, or regulations.
2. **Commitment:** I/We undertake to comply with the Toyo-I Sustainable Procurement Policy and Code of Conduct in both letter and spirit.
3. **Integration:** I/We agree that these clauses/provisions or any amendments form an integrated part of any or all Toyo-I purchase orders, work orders, agreements, or contracts.
4. **Values Alignment:** I/We confirm and uphold similar values as cherished in Toyo-I Sustainable Procurement Policy and Code of Conduct and accordingly conduct my/our business operations.
5. **Breach Notification:** I/We shall promptly notify any actual or potential breach and provide all relevant information as per the provisions of the Toyo-I Sustainable Procurement Policy and Code of Conduct.
6. **Remedial Actions:** I/We shall promptly take all remedial actions required to comply with the Toyo-I Sustainable Procurement Policy and Code of Conduct. In the event of any failure to notify such breaches or take remedial measures, Toyo-I will be entitled to take appropriate action, including termination of existing contractual relationships, agreements, purchase orders, work orders, or any other business transactions without any liability or obligation for costs, expenses, or damages of any kind. Toyo-I, at its sole discretion, may remove or suspend me/us as a supplier.
7. **Authorization for Due Diligence:** We also authorize Toyo-I to conduct due diligence, audits, assessments, and inspections, and assure cooperation in the process.

Name of Company/ Entity:

Name of Authorised Signatory

Designation of Authorised Signatory:

Place:

Date:

Signature & Stamp: