

SHUBHYA INTERNATIONAL SUPPLIER CODE OF CONDUCT

Overview

Shubhya International believes that operating in a socially responsible and ethical manner and in compliance with the local laws is fundamental to our long-term success. This means, among other things, that Shubhya adopts fair employment practices, workplace, supports and fosters environmental consciousness and fully complies with applicable laws. Shubhya International and its affiliate buyers expect their interests and those of their suppliers to be fully aligned in these fundamental respects.

Shubhya International strives to operate as an integrated team with suppliers. The selection of suppliers is based not only on the quality and competitiveness of their products and services, but also on their adherence to acceptable social, ethical and environmental principles, which is a pre-requisite to becoming a supplier and developing a lasting business relationship with Shubhya and its affiliate buyers. Any violation of this Supplier Code of Conduct may jeopardize the supplier business relationship with Shubhya International, up to and including termination of that relationship.

All suppliers must comply with all applicable laws (including, without limitation, laws relating to anti-corruption and competition), as well as the principles set out in the Shubhya International Supplier Code of Conduct.

This Supplier Code of Conduct applies to all persons and entities who sell goods or services of any type to Shubhya and its affiliate buyers and summarizes the standards to be followed in their daily business activities as a supplier to Shubhya and its affiliate buyers.

All suppliers carrying on business with Shubhya International are deemed to agree and accept the contents of this Supplier Code of Conduct and such agreement and acceptance is evidenced by the supplier continuing to do business with Shubhya and its affiliate buyers.

Labour and Human Rights

Child labour

No suppliers may employ child labour. The term “child” refers to a person who is younger than 14 years old or who has not yet reached the age for completing compulsory education, whichever is greater.

Forced labour, Human Trafficking and Slavery

No suppliers may employ forced labour or engage in any form of human trafficking whether by force, fraud or coercion. All forms of involuntary servitude and slavery as well as any forced labour are strictly prohibited. Employment must be voluntarily and freely chosen. All suppliers, including recruitment agencies used by a supplier, must verify the legal employment eligibility of all persons to work and not use any form of prison, indentured, forced, involuntary, bonded or slave labour.

No suppliers will require employees to lodge deposits or identity papers, or to pay any recruitment fees.

Wages and Hours

All suppliers must ensure that all of their workers receive at least the legally mandated minimum wages and benefits. Working conditions, working time and compensation must be fair, complying with the Indian laws, standards and practices applicable.

Suppliers must maintain required official documentation that verifies an employee’s age, wages, and hours worked. Shubhya International reserves the right to review this documentation if necessary.

Health and Safety

Health and safety in the workplace is a fundamental right of employees. All suppliers must provide and maintain a safe work environment in compliance with all applicable Indian laws.

Non-discrimination

All suppliers must treat their workers in a fair and non-discriminatory manner with the guarantee of equal opportunity and the absence of any policy aimed at, or indirectly resulting in discrimination towards them on any basis whatsoever, including but not limited to race, gender, social and personal position, health condition, disability, age, religion or personal belief.

Environment

To minimize the impact of production processes and products on the environment, all suppliers should:

- Make every effort to optimise the use of resources and minimise polluting and greenhouse gas emissions.
- Design and develop products taking into account the impact they have on the environment and the potential to re-use and recycle them.
- Properly manage, in compliance with applicable Indian laws, waste treatment and disposal.
- Avoid the use of potentially dangerous substances (as defined by applicable laws).
- Apply logistics management policies that take environmental impacts into consideration. An Environmental Management System, according to International standards (i.e. ISO14001, EMAS) is strongly recommended.

Trade Restrictions/Export Controls

All suppliers responsible for export of goods sold to Shubhya's affiliate buyers must be aware of and comply with all applicable laws that govern International trade. Accordingly, suppliers are expected to, among other things, make accurate customs declarations, not mischaracterize the value or nature of goods in any way that may create liability for Shubhya's affiliate buyers and obtain (or assist in obtaining) any required licenses, approvals or other permits.

Business Ethics

Improper Payments

Any form of bribery, or improper payments (of cash or anything else of value) to government officials, Shubhya International's employees to obtain an unfair or improper advantage are strictly prohibited.

Accurate Records

All suppliers will provide accurate and complete Invoices and other transaction documentation to Shubhya's affiliate buyers and will not assist or engage in any action or inaction that could reasonably be expected to result in the Shubhya's affiliate buyers books and records not being accurate and complete in all respects. The amount and effective date of any price increases must be in accordance with the terms and limits, if any, set forth in the applicable agreement with Shubhya and its affiliate buyers.

Costs, fees and expenses chargeable to Shubhya's affiliate buyers must be clearly and accurately described and actually incurred.

Confidential Information

All suppliers must respect intellectual property rights and safeguard all Shubhya's affiliate buyers information, including, but not limited to know-how, trade secrets, financial information, new product or service development plans and other sensitive or personal information.

Conflicts of Interest

All suppliers must disclose any actual or potential conflict of interest, and discuss it with Shubhya International's management. Any activity that is approved, despite an actual or apparent conflict, must be documented.

Fair Competition

All suppliers will conduct their business in line with fair competition principles and in accordance with applicable antitrust and competition laws in India.

Anti-Money Laundering

No suppliers may engage or otherwise become involved in any activity involving, or which may give rise to the appearance of, money laundering and shall strictly comply with applicable anti-money laundering laws in India.

Supplier Relations

All suppliers are expected to assist Shubhya International in enforcing this Supplier Code of Conduct and are responsible for communicating the principles contained in this Supplier Code of Conduct to their respective employees, subsidiaries, affiliates and subcontractors.

Monitoring and Remedial Actions

Shubhya International monitors adherence of all suppliers with this Supplier Code of Conduct. Accordingly, Shubhya International reserves the right to request from suppliers applicable documentation and conduct onsite audits.

Training

Shubhya International encourages suppliers to establish training programs for their workers to enhance the level of their professional skills.