

Tata Steel UK Limited

Supplier Code of Conduct

Tata Steel's Vision, and Values

The vision of the Tata Steel Group is to aspire to be the global steel industry benchmark for Value Creation and Corporate Citizenship.

Tata Steel UK Limited (TSUK) expects its suppliers, contractors, external consultants, third party representatives and business partners to comply with the provisions of this Supplier Code of Conduct and our Responsible Procurement Policy. We expect suppliers to have a similar policy amongst their entire supply chain. We are committed to work with our suppliers to implement the OECD Due Diligence Guidance for Responsible Business Conduct to promote supply chain transparency and establish long-term sustainable relationships. This document sets out our expectations and give guidance to our immediate suppliers and their respective entire supply chains in line with our five principles of responsible sourcing; **Health and safety, Fair business practices, Environmental protection, Human rights and Local community development.**

1. Health and safety

TSUK expects its suppliers to adopt management practices in respect of health and safety which provide a high level of safeguarding for their workers, (sub)contractors and their entire supply chains. TSUK is committed to ensuring zero harm to its employees and (sub) contractors and supply chains. This means that TSUK will not allow practices within its supply chain which it considers could result in harm to workers.

To satisfy TSUK's requirements under health and safety, TSUK requires that its suppliers adopt suitable and robust management practices for health and safety. Suppliers who have management systems accredited to ISO 45001 Occupational Health & Safety Management system or equivalent will be deemed to satisfy this requirement

Additionally, all personnel working on any TSUK site must be inducted onto that site and, in addition to complying with all applicable health and safety law, operate under the health and safety requirements of that particular site.

2. Fair business practices

The Tata Code of Conduct and TSUK's Modern Slavery Policy outlines the ethical standards and the fair business practices by which TSUK conducts business. TSUK requires its suppliers to comply with the requirements of these documents. To demonstrate compliance with this requirement, suppliers should be able to provide documentary evidence that these principles, or similar, are included in their policies and/or work practices. The full Tata Code of Conduct and TSUK Modern Slavery Policy can be found on the TSUK website.

The salient points for fair business practices are as follows:

- **Competition:** to desist from unfair trade practices against competitors.
- **Gifts & donations:** to neither receive, offer or make any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to

obtain uncompetitive favours for the conduct of business. In particular, all suppliers to TSUK must make every effort to eliminate all forms of bribery, fraud and corruption.

- **Government agencies:** no donations are to be made to government agencies, directly or through intermediates, in order to attain any favourable performance of official duties.
- **Ethical conduct:** to conduct business in a fair and transparent manner, displaying honesty, integrity and high moral and ethical standards.
- **Taxation:** contribute to the public finances of host countries by making timely payment of their tax liabilities. Comply with the tax laws and regulations in all countries in which they operate and act in accordance with both the letter and spirit of those laws and regulations.
- **Regulatory compliance:** to comply with all relevant and applicable laws and regulations.
- **Conflict of interest:** to not take advantage of any family, social or political connections to gain advantage within business dealings and to notify any potential conflicts of interest.
- **Counterfeit Parts:** Suppliers should minimize/minimise the risk of introducing counterfeit and/or diverted parts and materials into deliverable products and adhere to relevant technical regulations in the product design process.
- **Intellectual Property:** Suppliers should respect valid intellectual property rights.
- **Confidential information:** to not disclose any confidential information of TSUK.
- **Money laundering:** to desist from any form of money laundering in the supply chain.
- **Armed groups:** not tolerate any direct or indirect support to non-state armed groups through the extraction, transport, trade, handling or export of minerals. Armed groups as defined by United Nations Security Council resolutions.
- **Private security forces:** their public or private security forces will be engaged in accordance with the voluntary principles on security and human rights.
- **United Nations sanctions:** – to refrain from any action which contributes to the financing of conflict and compliance with relevant United Nations sanctions resolutions or, where applicable, domestic laws implementing such resolutions.

TSUK will conduct its business with suppliers in a fair, objective, transparent and professional manner. Supplier's employees working at our premises are being treated with the same considerations as our own staff.

3. Environmental protection

TSUK requires suppliers to maintain effective policies, processes and procedures to manage their environmental impact.

TSUK is committed to meeting the requirements of relevant legislation in the countries and regions in which it operates, to the efficient use of natural resources and energy and to continuously reduce the environmental impact of its operations and products through the adoption of sustainable practices. These commitments are an integral part of the way TSUK conducts business, and we expect our suppliers to share this commitment.

To satisfy our requirements under Environmental protection, we require that our suppliers adopt suitable and robust management practices for the protection of the environment. Suppliers who have management systems accredited to ISO14001 or equivalent will be deemed to satisfy this requirement.

TSUK expects suppliers to have effective environmental and energy management systems to ensure the environmental awareness of the workforce, encouraging every employee to act in an environmentally responsible manner.

- **Continuous improvement:** the environmental impact of processes and products will be assessed and continuous improvement objectives and targets will be established.

- **Climate change:** adoption of practices to monitor and minimise greenhouse gas emissions, as well as toxic or harmful gasses.
- **Carbon Neutrality:** Suppliers should strive to set science-based and time-bound emission reduction goals and renewable energy objectives that are aligned with the Paris Agreement, and put in place measures that drive forward the decarbonisation of the entire value chain
- **Air Quality:** Suppliers should routinely monitor and disclose, appropriately control, and to the extent possible, eliminate emissions contributing to air pollution, as required by and in accordance with applicable law. Suppliers should assess cumulative impacts of pollution sources at their facilities and mitigate their pollution levels accordingly.
- **Responsible use of resources:** – make efficient use of energy, raw materials and water.
- **Soil Quality:** Suppliers should monitor and control their impact on soil quality to prevent soil erosion, nutrient degradation, subsidence and contamination when carrying out their operations
- **Noise Emissions:** Suppliers should monitor and control the levels of industrial noise to avoid noise pollution when carrying out their operations
- **Water:** – water discharges and use should be monitored and reported. Leakages at sites should be minimalised using improvement plans.
- **Product stewardship:** consideration to be given to re-use and recycling and the environmental effects of products throughout their life-cycle.
- **Use of chemicals:** report and manage use of chemicals at mine sites.
- **Monitoring and reporting:** environmental and energy performance will be monitored and reported publicly.
- **Biodiversity:** wildlife habitats in and around suppliers' sites will be respected and, where opportunities arise to do so in a way that is conducive to business operations, they will be progressively enhanced for the benefit of nature.
- **Animal Welfare:** Suppliers should respect the five animal freedoms formalized by the World Organization for Animal Health (OIE) concerning animal welfare.
- **Reclamation and closure planning:** plants or mines in our supply chains shall have a proper closure planning, compatible with the protection of human health and the environment.

4. Human Rights & Modern Slavery

TSUK respects all human rights of employees and the communities in which it operates. TSUK is committed to ensuring that these principles are also adopted by its suppliers. In practice, TSUK require that suppliers comply with the terms of TSUK's Modern Slavery Policy which may include developing and implementing policies and procedures to ensure compliance with all modern slavery legislation in their business and those of their suppliers.

TSUK's Modern Slavery Policy and Modern Slavery Statement can be found on TSUK's website.

5. Local community development

TSUK expects its suppliers to contribute to the social, economic and institutional development of the communities in which they operate in line with the United Nations sustainability development goals to ensure the future of next generations.

TSUK's philosophy is that the community is not just another stakeholder in business, it is in fact the very purpose of its existence.

This philosophy is based on that of the founder of the Tata Group, Jamsetji Tata, who believed passionately that a company should play a significant and beneficial role within the local

community and society in general. Since its foundation more than a century ago, the Tata Group has retained that legacy and strives to make a positive social contribution, as well as major economic improvements, wherever it conducts business.

TSUK recognises that the influence of our operations extends beyond our own local communities to those touched upon by our supply chain and so to adopt the philosophy detailed above, we expect our suppliers also to contribute to the social, economic and institutional development of the communities in which they operate.

TSUK also recognises that the operations of our broad range of suppliers and the communities in which they are present vary widely and so compliance with this building block will differ between suppliers, but should be based on case studies and, where relevant, the adoption of suitable policies.

Where relevant, TSUK expects that its suppliers will:

- Engage at the earliest practical stage with likely affected parties to discuss and respond to issues and conflicts concerning the management of social impacts of their operations and ensure that appropriate systems are in place for ongoing interaction with affected parties. This process must also ensure that minorities and other marginalised groups have equitable and culturally appropriate means of engagement.
- Contribute to community development from project development through closure in collaboration with host communities and their representatives.
- Contribute to avoidance of adverse impacts to women and children in local communities where supply chain operations take place (such as prevention of sexual abuse and harassment of women and children in the vicinity of mines and processing plants).
- **Land Rights and Forced Eviction:** Suppliers should avoid forced eviction and the deprivation of land, forests and waters in the acquisition, development or other use of land, forests and waters
- Support efforts, or take steps, to engage with local authorities, international organisations and civil society organisations to avoid or minimise the exposure of vulnerable groups, in particular, artisanal miners.
- Have a public policy available that includes a statement of the company's respect for indigenous people's rights, as set out in the United Nations Declaration on the Rights of Indigenous Peoples.
- Encourage partnerships with governments and non-governmental organisations to ensure that programs (such as community health, education, local business development) are well designed and effectively delivered.
- Enhance social and economic development by seeking opportunities to address poverty.