

ETHICS POLICY



With effective from: 01/01/2024

Revision: 01

Next review date: 31/12/2025

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1. Introduction

Aarti Steels International Ltd (ASIL) is committed to maintaining the highest standards of business ethics. Our policy addresses critical areas such as corruption, anticompetitive practices, and information management. We aim to go beyond national legal requirements, demonstrating our dedication to reducing impact, mitigating risks, and improving performance. This policy outlines our commitments and sets quantitative targets to measure our progress.

2. Scope

This environmental policy applies to all aspects of ASIL's operations, from product development and manufacturing to everyday practices throughout our offices and facilities. It serves as a guide for our workers and employees at all levels; and extends to all the associated stakeholders and contractors. This ensures everyone is involved in achieving our environmental goals.

3. Purpose

Establishing an Ethical Framework:

The primary purpose of this policy is to establish a clear and comprehensive ethical framework within ASIL. By defining ethical standards and expectations, we aim to guide employees, officers, directors, and agents in making decisions that uphold integrity, transparency, and fairness in all business activities.

Ensuring Compliance:

Another key objective of this policy is to ensure compliance with relevant laws, regulations, and industry standards. By adhering to ethical practices, ASIL aims to mitigate legal risks and uphold its obligations to stakeholders, including customers, shareholders, employees, and the wider community.

Promoting Transparency and Integrity:

ASIL is committed to promoting a culture of transparency and integrity in all aspects of its operations. This policy emphasizes the importance of open communication, honesty, and accountability in dealing with internal and external stakeholders.

Protecting Reputation:

Upholding high ethical standards is essential for safeguarding ASIL's reputation and brand image. By adhering to ethical principles, we seek to build trust and confidence among our stakeholders, thereby enhancing the company's reputation as a responsible and trustworthy business entity.

**Guidance on Ethical Issues:**

The policy also serves as a guide for identifying, assessing, and addressing ethical issues that may arise in the course of business operations. It provides employees with clear guidelines and procedures for handling ethical dilemmas, conflicts of interest, and potential breaches of ethical standards.

4. Focus Areas**Prohibit Bribery and Corruption:**

- ✓ We maintain the highest standards of conduct by strictly prohibiting any form of bribery or corruption. Training and Awareness: By FY 2029-30, 100% of employees will complete annual training on anti-corruption policies and procedures, with FY 2022-23.

Conflict of Interest:

- ✓ Employees are encouraged to avoid situations where personal interests conflict with their professional duties. All potential conflicts must be disclosed and managed appropriately. By FY 2029-30, 100% of employees will complete an annual conflict of interest disclosure form, compared to FY 2022-23.

Fraud Prevention:

- ✓ We are committed to identifying, preventing, and addressing fraud within our operations. Conduct bi-annual fraud risk assessments and implement controls to mitigate identified risks, aiming for 0% incidents by FY 2029-30, compared to 2022-23.

Anti-Money Laundering (AML):

- ✓ We ensure that the origin, ownership, or destination of funds are legitimate and transparent, adhering to all AML regulations. By FY 2029-30, conduct quarterly AML compliance audits with the goal of 100% compliance, compared to FY 2022-23.

Prohibit Cartels and Collusion:

- ✓ We strictly prohibit any agreements or practices that restrict free competition, including cartels and collusion with competitors. By FY 2029-30, 100% of relevant employees will receive annual training on antitrust laws and competitive practices, compared to FY 2022-23.

Avoid Abuse of Dominant Position:

- ✓ We commit to competing fairly and maintaining a market position in a manner that fosters healthy competition. Conduct quarterly reviews of market activities to ensure compliance with competition laws, aiming for 0% violations by FY 2029-30, starting from FY 2022-23.

**Compliant Mergers and Acquisitions:**

- ✓ All mergers and acquisitions will be conducted in compliance with relevant legal frameworks to ensure they support competitive markets. By FY 2029-30 Investigate and resolve 100% of reported anticompetitive practices within 45 days, compared to FY 2022-23.

Sustainable Practices Training:

- ✓ By FY 2029-30, 100% of employees will receive training on sustainability practices annually, FY 2022-23.

Carbon Footprint Reduction:

- ✓ By FY 2029-30, Achieve a 20% reduction in our carbon footprint within the next five years, compared to 2022-23.

Ethical Sourcing Audits:

- ✓ By 2028-29, conduct annual audits of suppliers to ensure compliance with our ethical sourcing standards, aiming for 100% compliance, compared to 2022-23.

5. SDGs Covered

ASIL is committed to achieve the following Sustainable Development Goals:



6. Responsibility

The overall responsibility of enforcing the policy is vested with the entire management of ASIL. However, the primary responsibility of implementation is of the Anti-corruption Officer. The Head of the Department is responsible for overseeing the enforcement of the policy within their teams.

7. Review

The policy is reviewed annually by the Anti-corruption Officer to oversee the effectiveness of our ethics policy and to incorporate the changing market demands and ethical regulations. These reviews help guide improvements, track progress, ensure compliance and uphold our commitment to ethics stewardship.



8. Communication

The policy is communicated to all the employees of Aarti Steels International Ltd. as Corporate Ethics Policy. The updated document is easily accessible through the company website (info@aartisteelintl.com). Official emails are sent to all employees highlighting key aspects of the policy and any updates.

Approved By:

General Manager of Operations