

AM/NS

INDIA

ANTI-BRIBERY & ANTI-CORRUPTION POLICY

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Dear Colleagues,

As a joint venture among world's leading steel and mining companies, ArcelorMittal and Nippon Steel Group, ArcelorMittal Nippon Steel India Limited ("the Company" or "AM/NS India") is one of the largest steel companies in India.

One of the risks to which AM/NS India is exposed is the corruption risk and AM/NS India is committed to prevent and fight corruption.

AM/NS India has a zero tolerance anti-corruption and anti- bribery policy. Eliminating corruption is obviously a major ethical goal for the Corporate Responsibility and Governance of our Company.

In addition, recent corruption cases that involved big international corporations have shown us that when the corruption risk materializes, it can have a huge financial loss and significantly tarnish a company's reputation. Furthermore, there is a growing trend of enforcement toward prosecution of individuals for corruption.

For all these reasons, AM/NS India has adopted, in addition to the Code of Conduct, this Anti-Bribery & Anti-Corruption Policy ("**Policy**") which specifically aims at addressing the corruption risk and are part of this Policy.

Given the risks at stake, I urge you to carefully read this Policy, to strictly comply with its provisions and to ensure that you and your team have received proper anti-corruption & anti-bribery compliance training.

Should you have any question please consult with the General Counsel/ HR/ Compliance Officer.



Dilip Oommen

Chief Executive Officer

ArcelorMittal Nippon Steel India Limited

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1. Purpose

AM/NS India has a reputation for honesty and integrity in its management practices and in its business transactions that it wishes to maintain. It is therefore vital for the AM/NS India to fight and prevent corruption in all its forms.

It is the policy of AM/NS India and its subsidiaries and affiliates to comply with all applicable anti-corruption laws, including the Prevention of Corruption Act, 1998 ("PCA") and other local laws in India, international conventions wherever it does business, the anti-corruption conventions of the Organization for Economic Co-operation and Development ("OECD Convention") and of the Council of Europe, the U.S. Foreign Corrupt Practices Act ("FCPA")) as well as the UK Bribery Act, 2010 ("UKBA").

The obligation to comply with local, national and international laws and regulations applicable to its business, including anti-corruption laws, is also contained in the AM/NS India Code of Conduct.

2. Scope

It is the responsibility of each and every director, officer and employee in AM/NS India, and any third party acting on behalf of AM/NS India, to understand the Code of Conduct and this Policy and to seek assistance from General Counsel/ HR or the Compliance Officer, if and when there is any question or doubt as to how these rules apply in a given situation.

This Policy applies to Business Partners, and of the sub-contractors of the Business Partners when they do business with us or if they do business with a third party on our behalf.

"Business Partner" means and includes a customer, agent, consultant, distributor, vendor, service provider or other supplier, joint venture partner or any other intermediary that may act on the Company's behalf.

3. Legal Environment

PCA is the principal anti-bribery legislation in India tackling corruption and bribery involving public officials in India. The PCA among other things, criminalizes taking and giving of 'undue advantage' to public servants. All forms of illegal payments including facilitation payments, gratifications, speed money, baksheesh etc. are prohibited under the PCA. Subsequent amendments to the PCA have extended the scope of PCA to prosecute bribe givers, commercial organizations and its officials.

In 1999, the OECD Convention entered into force and concluded that bribery in business transactions:

- raises serious moral and political concerns,
- undermines good governance and economic development and distorts international competitive conditions.

All countries that are members of the OECD have adopted legislation which criminalizes the bribery of Government Officials, including foreign Government Officials. Similar conventions have been adopted by other international bodies, including the United Nations Convention Against Corruption, the African Union's Convention on Preventing and Combating Corruption and the Criminal Law Convention on Corruption of the Council of Europe.

The UKBA and FCPA are the other two most important legislations and have overarching impact across jurisdictions.

In addition to the above conventions and legislations, nearly all countries outlaw the bribing of their own Government Officials. Although a particular action or payment might be lawful under legislation implementing a convention or the FCPA, it might not be lawful under local law. Further, local laws may be additionally applicable in case of cross- border transactions, which should be properly reviewed and complied with.

4. What is Corruption?

In practice, the words "bribery" and "corruption" are generally used interchangeably.

Corruption is defined as the misuse of power by someone to whom it has been entrusted, for his own private gain. The most common form of corruption is bribery, which is the giving or receiving money, a gift or other advantage as an inducement to do something that is dishonest, illegal or a breach of trust in the course of doing business.

The anti-corruption laws prohibit an offer, payment, promise to pay or authorisation of payment of any money, gift, or anything of value to any Government Official for purposes of:

- influencing any act or decision of the Government Official, - inducing him or her to do any act in violation of his or her lawful duties,
- securing an improper advantage, or
- inducing him or her to use his or her influence with a Governmental agency,

in order to assist in obtaining or retaining business or to direct business to anyone.

The "obtaining or retaining business" element is interpreted broadly to include business advantages, such as obtaining a permit or a tax break.

Facilitation Payments

In addition, according to the PCA, UKBA and the laws applicable in some other countries such as those

that have ratified the Criminal Law Convention on Corruption of the Council of Europe, corruption is considered a criminal offence even in the event that the payment of a bribe would not be made in order to assist in obtaining or retaining business. In other words, the act of corrupting someone in order to induce him or her to act or refrain from acting in the exercise of his or her functions is considered a criminal offence. For example, the UK Bribery Act contains very clear provisions prohibiting any facilitation payment.

Facilitation payments are a form of bribery where (i) the sum involved is minor and paid to a low level Official and (ii) the payment is made to secure an action or service to which an individual or company is routinely and legally entitled (e.g. expediting routine processing of Government papers such as a visa).

Consequently, it is possible that AM/NS India or ArcelorMittal could face liability if its constituents were to contravene those laws.

It is the policy of AM/NS India to refrain from making any corrupt payments, including facilitation payments. AM/NS India employees asked to make facilitation payments should report such incidents to the HR/ Compliance Officer.

Extortion

Except when the life, health or safety of an employee has been threatened, extortion is no excuse to pay a bribe. When the threat is aimed at the business and not at the personal safety or health of the employee, the payment will be considered a bribe.

A payment made in the good faith belief that life, health or safety may be in imminent danger must be reported to the Chief Security Officer, who will liaise with the Compliance team.

Solicitation and other incidents

Any solicitation by a government official or a private person of a bribe or anything else of value as well as any other corruption incident or attempt must be reported to the Compliance Officer and your respective Approving Authority.

5. Who is a Government Official?

A "Government Official" is:

- an officer or employee of a government (holding an administrative, judicial or legislative mandate) or of a department, agency or instrumentality thereof or any person acting in an official capacity for or on behalf of such government (e.g. an entity hired to review bids on behalf of a government agency or to collect custom duties);
- an officer or employee of a "public international organisation" or any person acting in an official

capacity for or on behalf of such public international organisation (Public international organisations include, for example, the United Nations, the World Bank, the European Commission, etc.);

- an employee of a company or other business entity in which a governmental body has a significant ownership interest and/or over which such governmental body may, directly or indirectly, exercise a dominant influence (such employee can qualify as a Government Official even if he or she is engaged in commercial, rather than governmental, activities); and
- a political party (see Section “Political Contributions” below) or a member of a political party or a candidate for political office.
- Additional caution should be applied in respect of persons who are known or suspected to be immediate family members of Government Officials or in respect of companies who are controlled by family members of Government Officials so as to avoid that these persons serve as a conduit for an illegal payment to a Government Official.

6. Private-to-Private Corruption

Private-to-private corruption acts are acts that do not involve Government Officials. Although these acts may not be covered under the specific statutes, such acts are strictly prohibited under this Policy. Private corruption also constitutes a criminal offence in many countries.

7. Procurement and Bidding Procedures

It is important that AM/NS India be able to demonstrate that local procurement decisions are taken based on merit and not by exerting improper influence on Government Officials. Procurement includes procurement of goods and/or services for the Company by way of tender, contracting, subcontracting etc.

Procurement regulations usually include specific rules about the timing of, and process for, securing bid information and documents and you should ensure that you act in conformance with those rules. You should never seek non-public inside information in violation of such regulations.

During the tender process, strict regulations usually exist concerning conflicts of interest and interactions and communications with officials involved in the tender process. During the tender process, you should not engage in any entertainment, gift-giving, or similar exercise with any official or other person involved in the tender process.

AM/NS India shall not directly or through any other person, offer, promise or give to any of the official or other person involved in the tender process or the execution of the contract or to any third person any gift or material or other benefit which he/she is not legally entitled to, which can be perceived to have been given in order to obtain in exchange any advantage of any kind whatsoever during the tender process or during the execution of the contract.

You should locate and review relevant procurement guidelines and regulations and, if necessary, consult with the Executive Vice President – Procurement / to avoid any violations of such laws.

Business Partners and other third parties

It is prohibited (i) to make any corrupt payments through intermediaries and (ii) to make a payment to a third party, while knowing that all or a portion of the payment will go directly or indirectly to a Government Official. The term “knowing” includes conscious disregard and deliberate ignorance.

AM/NS India may face a risk of bribery while dealing with its customers. AM/NS India sells products either directly or through distributors in both public and private sectors. Offering discounts, preferences and rebates to customers may be a common industry practice, however, there may be a risk of perceived improper inducement of customers and bribery.

Accordingly, AM/NS India employees should endeavour that all contracts with the Business Partners or other third parties include relevant anti-bribery and anti-corruption provisions or refer to this Policy.

AM/NS India must undertake due diligence on its Business Partners with a view to assessing the corruption risk before engaging in business with them. For example, before engaging an agent, you should be comfortable that he/she will not be used as a conduit for the payment of a bribe. After conducting due diligence on the agent, you should refrain from engaging in business with them if the due diligence findings are not satisfactory.

Due diligence must be conducted in accordance with the principles set out in this Policy and AM/NS India's Due Diligence & Compliance Procedures (“**Due Diligence Procedure**”) as well as any other procedures tailored to specific business/risk areas.

AM/NS India must establish whether any of its Business Partners have a reputation for corruption (even though they may not have been convicted for corruption yet) or if any of its Business Partners are being investigated or prosecuted, or have been convicted or (in the case of lawyers) debarred, for corruption. If so, AM/NS India should ascertain as far as possible the facts of the case and make a determination on that basis, keeping in mind the risk of reputational damage to AM/NS India.

Records of each due diligence check must be kept for a period of at least ten (10) years. Such records should be maintained by the Procurement Department or the Sales & Marketing Department or the concerned user department.

In addition, depending on the results of the background check and the sensitivity of the matter, AM/NS India may use external providers to perform additional or more in-depth due diligence on individuals or corporate entities.

The following principles should be applied in respect of the use and remuneration of all third-parties:

- a) Payments to third-parties must be reasonable and rationally reflect the value of the services provided;
- b) Third-parties should have a proven track record in the industry concerned;
- c) Third-parties should not be referred by Government Officials;
- d) The services to be rendered must be legitimate and the nature of the services as well as the price must be described in the relevant contract; and

The Company shall endeavor to include anti- corruption clauses in all third party agreements.

8. Mergers and Acquisitions

AM/NS India if acquiring other companies run the risk of inheriting successor liability for any violations of anti-corruption laws committed by the acquired or merged company. This may entail significant reputational damage for AM/NS India and business disruption as well as sanctions if at a later stage such violations come to light. Therefore, it is essential to perform thorough anticorruption due diligence and to include in the acquisition contract appropriate anti-corruption provisions as well as to consider other available options to avoid successor liability prior to the closing of the transaction. While acquisitions solely of assets theoretically do not trigger successor liability, it is nonetheless important to perform thorough anti-corruption due diligence and tailor the acquisition contract in such a way that it excludes liability for anti-corruption laws violations from the scope of the asset acquisition. If an ongoing business is acquired as part of an asset acquisition, such a transaction must be treated as if it were a stock acquisition. You should raise any anti-corruption issues that arise in due diligence with the General Counsel.

Additional guidance can be found in the Due Diligence Procedure.

9. AM/NS India Employees

The integrity of AM/NS India employees must be preserved by applying the following principles:

- a) Only appoint an employee to a key position if the integrity of that employee or has not been challenged.
- b) All actual or potential conflicts of interest that employees may have must be reported in accordance with the relevant provisions of the Code of Conduct, Business Practice Policy and AM/NS India's other relevant Policies.
- c) The recruitment of a Government Official ("GO"), former GO, or relative of a GO could be viewed as a favour or advantage potentially constituting bribery and/or may create a Conflict of Interest ("COI"). Such a COI may impair an individual's decision-making or jeopardise the reputation of the individual

and that of AM/NS India. In order to ensure that COIs can be mitigated, they must be identified at an early stage of the recruitment process, and the approval shall be provided by Director/ Dy Director, HR & Administration and CEO.

- d) Where a new employee is to be appointed, comply with AM/NS India's internal policies and procedures implemented by HR department and provide appropriate compliance training.
- e) In case of breach by an employee of this Policy, appropriate and proportionate sanctions (up to and including termination) should be taken. No employee will suffer any adverse consequences for refusing to pay bribes even if it may result in AM/NS India losing business or not benefiting from a business advantage.
- f) The Employee or its dependent/ immediate relative should not enter into any contract with AM/NS India and if such a situation arises the Employee should report to the HR and the respective Approving Authority.

10. Gifts, Entertainment, Travel

Employees should refer to the specific AM/NS India's Receiving & Giving Gift & Entertainment Procedure ("Gifting Policy") which sets out rules (e.g. pre-approval rules together with financial thresholds) and provides detailed guidance which is annexed hereto and marked as '**Annexure A**'. This Policy provides some general guidance on this topic.

Gifts

AM/NS India is under the legal obligation to comply with the anti-corruption laws of the countries where it does business. Therefore, gifts should not be given without the prior review of the local anti-corruption law and this Policy and the Gifting Policy.

No gifts and gratuities should be offered to Government Officials except for promotional items of little value, such as inexpensive pens, mugs, T-shirts, calendars, or similar items, that bear the company's name and/or logo, provided that this is not prohibited by local law and that the same does not lead to Corruption.

The AM/NS India Code of Conduct and Business Practice Policy also prohibits offering gifts or granting favours outside the ordinary course of business to current or prospective customers, their employees or agents, or any person (including but not limited to "Government Officials") with whom the relevant group company has a contractual relationship or intends to negotiate an agreement.

AM/NS India's employees must also refuse gifts and gratuities from persons who deal or seek to deal with AM/NS India such as the Business Partners with the exception of promotional items of little value. All gifts and gratuities among AM/NS employees must be moderately scaled.

Cash gifts to anyone are prohibited and, if offered to you, must be refused.

Entertainment & Travel

All business entertainment and travel given or received by AM/NS India employees must be moderately scaled. As a general guideline, business entertainment in the form of meals and beverages is acceptable as long as it is in line with local law, the Company's internal policies, reasonably infrequent, and as far as possible on a reciprocal basis.

More restrictive rules apply with respect to business entertainment and travel provided by AM/NS India employees or third parties acting on behalf of AM/NS India to Government Officials.

AM/NS India may pay or reimburse Government Officials for reasonable travel and lodging-related expenses or costs directly related to:

- a) the promotion, demonstration, or explanation of AM/NS India's products or services; or
- b) the execution or performance of a contract between AM/NS India and the government which the government official represents.

provided, that the payment of reimbursement of travel, entertainment and lodging expenses is permitted under local law and any other applicable laws and subject to the prior written authorisation of the respective Approving Authority.

In each case, the purpose of the trip must be defined and approved in advance and reimbursement is subject to "bona fide" supporting documentation and correspondence which must be kept on file.

Cash payments or per diems should be avoided and reimbursements for travel and lodging-related expenses should be paid to the government entity or agency rather than to the Government Official directly. Any exception to this rule can be made only with the prior written authorisation of the respective Approving Authority.

Family members of Government Officials may not be invited to such trips or events. If a family member nevertheless accompanies the relevant person to the trip or the event, AM/NS India will not pay or reimburse any expenses of such family member.

11. Political Contributions

AM/NS India does not support any political party or candidate for political or public office.

In case any Director or an employee makes a legally permitted political contribution/ donations in their individual capacity, it should be done so using their personal funds and resources and the decision to do so should be personal and voluntary. Contributions of money or services on behalf of AM/NS India to any

political parties or individual politicians in any country may only be made in accordance with applicable law and all requirements for public disclosure must be fully complied with.

All data relating to contributions by AM/NS India must be kept by the Finance Department. If a contribution of money or services to a political party or individual politician in any country is being contemplated, the rules on conflicts of interest contained in the AM/NS India Code of Conduct, Business Practice Policy and AM/NS India's other relevant Policies must be observed. This means that any person who has any kind of affiliation with the individual politician or political party should abstain from any involvement in the decision-making process regarding the contribution.

All political contributions by AM/NS India shall require the approval of the CEO. As set out under the Section "WHO IS A GOVERNMENT OFFICIAL?" above, political parties, members of political parties and candidates for a public office do fall within the scope of the "Government Official" definition.

12. Contributions to Trade Unions

Contributions of money or services on behalf of AM/NS India to any trade union or union member or to any entity controlled by a trade union in any country may only be made in accordance with applicable law and all requirements for public disclosure must be fully complied with.

Such contributions are subject to the prior written approval of Director/ Dy. Director- HR & Administration.

If a contribution of money or services to a trade union or a union member or to an entity controlled by a trade union in any country is being contemplated, the rules on conflicts of interest contained in the AM/NS India Code of Conduct, Business Practice Policy and AM/NS India's other relevant Policies must be observed. This means that any person who has any kind of affiliation with the trade union or the member of the trade union or the entity controlled by the trade union should abstain from any involvement in the decision-making process regarding the contribution.

Be mindful that in specific countries and in specific circumstances trade unions, union members or entities controlled by a trade union may serve as a conduit for bribes to Government Officials and that depending on the context contributions to trade unions, union members or entities controlled by a trade union may consequently be interpreted as a bribe.

13. Charitable / Corporate Responsibility Contributions

There is a risk that bribes take the form of charitable contributions or sponsorships. Make sure that money paid to a charity or any other form of sponsorship is not dependent on, nor made to win, a business deal or otherwise unduly obtain another business advantage. Money must always be given to a legitimate organisation (e.g. charity) and not to an individual. The contributions should be subject to adequate

monitoring and compliance with key performance indicators.

Charitable and Corporate Responsibility contributions as well as sponsorships should be in line with the Corporate Responsibility strategy of AM/NS India, and the Corporate Responsibility department must be consulted prior to engaging in any such type of contribution.

In addition, significant charitable contributions, Corporate Responsibility contributions and any other form of significant sponsorship, especially when government entities or Government Officials are involved, as defined in the internal policies of AM/NS India, are subject to the prior written approval of CEO.

14. Accounting Requirements

AM/NS India is under the legal obligation to make and keep books, records, and accounts, which, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of AM/NS India.

The use of false documents and invoices is prohibited, as is the making of inadequate, ambiguous or deceptive bookkeeping entries and any other accounting procedure, technique or device that would hide or otherwise disguise illegal payments.

15. Internal Controls

AM/NS India is also under the legal obligation to devise and maintain a system of internal accounting controls sufficient to provide reasonable assurances that:

- a) transactions are executed in accordance with management's general or specific authorization;
- b) transactions are recorded as necessary (i) to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and (ii) to maintain accountability for assets;
- c) access to assets is permitted only in accordance with management's general or specific authorization; and
- d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

All business units within AM/NS India should have in place internal controls and procedures that fit these criteria and enhance compliance with this Policy.

One element of an effective internal controls system is for business and finance personnel to review transactions and expense/payment requests for warning signs that signal an inadequate commercial basis or excessive risks. Below is a list of common warning signs.

- Transaction party has current business, family, or some other close personal relationship with a customer or Government Official, has recently itself been a customer or Government Official, or is qualified only on the basis of its influence over a customer or Government Official.
- A customer or Government Official recommends or insists on the use of the transaction party.
- Transaction party refuses to agree to anti-corruption contractual terms, uses a shell company or other unorthodox corporate structure, insists on unusual or suspicious contracting procedures, refuses to divulge the identity of its owners, or requests that its agreement be backdated or altered in some way to falsify information.
- Transaction party does not have office, staff, or qualifications adequate to perform the required services.
- Expense/payment request is unusual, is not supported by adequate documentation, is unusually large or disproportionate to services to be rendered, does not match the terms of a governing agreement, or involves the use of cash or bearer instrument.
- Expense/payment request involves an off-the-books account, is in a jurisdiction outside the country in which services are provided or to be provided, or is in a form not in accordance with local laws.
- Expense/payment request is described as required to “get the business” or “make the necessary arrangements.”

This list is not exhaustive and warning signs will vary by the nature of the transaction or expense/payment request and by the geographical market or business line. Personnel should constantly assess whether additional common warning signs are present in their specific situation.

16. Risk Assessment, Monitoring, Certification and Audits

Business segments must periodically assess the nature and extent of their exposure to potential internal and external risks of corruption in the form of a documented risk assessment. The purpose of the risk assessment is to identify major risk areas and to take mitigation actions focusing on these areas.

AM/NS India is committed to monitor the effectiveness of anti-corruption processes and controls as well as to conducting audits to ensure compliance with anti-corruption laws, with this Policy and any other procedure in relation thereto.

Each Head of Department must periodically certify compliance in accordance with AM/NS India's Compliance certification process and provide relevant information in relation to status of trainings, risk assessments, processes and controls in relation to this Policy.

17. Whistleblower Policy

Any concern that an AM/NS India employee, officer or director has about a possible bribery or corruption

case should be reported in accordance with the AM/NS India Whistleblower Policy.

18. Anti-Corruption Sanctions

Criminal liability and civil penalties

Under PCA, AM/NS India or its employees may be held liable for contravention of the provisions listed under PCA. An employee of a commercial organization if proven to have consented and/or connived to commit offence of bribery may be punishable with imprisonment for a term not less than three years and extendable to seven years and also be liable to fine.

Generally speaking, criminal liability entails fines and prison terms which can be severe. For example, under the FCPA, business entities are subject to a fine of up to USD 2 million per violation. Officers, directors, shareholders, employees and agents are subject to a fine of up to USD 250,000 per violation and imprisonment of up to five years. Alternatively, the Courts have the authority to increase the FCPA mandated fines under the US Alternative Fines Act, which may be up to twice the benefit that the defendant sought to obtain by making the corrupt payment.

Further, criminal penalties for companies like AM/NS India accused of violating the Books and Records (i.e. accounting – see “Accounting Requirements”, above) provisions of the FCPA can reach up to USD 25 million and up to twice the benefit the entity sought to obtain through the violation. Individuals convicted of such a violation will be fined up to USD 5 million or imprisoned for up to 20 years.

In addition, disgorgements of profits associated with improper payments are likely to be imposed under the FCPA.

Companies and individuals may be prosecuted for corruption in their home countries, in the country where the corruption took place, and in other countries, including the United States of America. There is a further risk of extradition of individuals to another country, depending on the country where the actions took place. Fines imposed on individuals may not be paid by their employer.

AM/NS India may also seek disgorgement of profits along with interest from its employee or anyone who benefits from such transaction.

Civil Liability and Damages

In addition to criminal liability, both individuals and companies involved in corruption are at risk of being sued and being found liable to compensate those other individuals or companies who may have suffered losses as a result of the corrupt act.

Suspension or Debarment

In addition to direct sanctions for corruption, companies involved in enforcement proceedings may be prohibited from making sales to government customers or organizations. Loss of such sales opportunities in many cases can have a greater financial impact on a company than the direct sanctions of the enforcement proceeding.

Sanctions taken by AM/NS India

Based on this Policy, applicable law and AM/NS India internal policies, instances of fraud or bribery by an AM/NS India employee are punishable and will result in sanctions that may include the termination of the employment contract.

19. General Guidance and Contacts

As this Policy cannot cover every eventuality, AM/NS India employees are encouraged to use their good judgement and apply common sense. In case of doubt, please contact your/ respective Approving Authority or the persons referred to in this Policy with any questions. Upon reporting of all incidents and/or concerns, the line managers should act in accordance with this Policy.

The Approving authority for respective department of AM/NS India shall be as under:

Department	Approving Authority
AM/NS India or any other department which is not covered here specifically. All escalations.	Chief Executive Officer
Sales & Marketing	Director & VP- Sales & Marketing
Procurement	Director & VP- Operations/ Executive Vice President- Procurement
Operations	Director & VP- Operations
Finance	Director & VP- Finance – Finance / Dy Director - Finance
Information Technology	Director & VP- Technology
HR and Administration	Director/Dy. Director- HR & Administration
Legal, Compliance and Secretarial	General Counsel

For any further guidance, following persons can be contacted:

- a. Compliance Officer;
- b. Head- Internal Assurance;
- c. HR Department; and,
- d. General Counsel.

Compliance Officer is Mr. P. Ashok Kumar, VP, Legal. Email ID: ashok.kumar1@amns.in

Approved by: Mr Dilip Oommen, CEO

Annexure A: Receiving & Giving Gift & Entertainment Procedure (“Gifting Policy”)

1. Short Description

The exchange of gifts and entertainment can build goodwill in business relationships, but some gifts and entertainment can create improper influence (or the appearance of improper influence). Some can even be seen as bribes that tarnish AM/NS India's reputation for fair dealing or break the law. This procedure complements the relevant provisions of the Code of Conduct and the AM/NS India’s Anti-Bribery & Anti-Corruption Policy (“Policy”) and essentially aims at providing more guidance to AM/NS India employees concerning this subject.

2. Scope

This procedure is applicable to all the employees of AM/NS India and its subsidiaries involved in any gift & entertainment receiving or giving process.

3. Purpose of this procedure

This procedure complements the relevant provisions of the Code of Conduct and the Policy and essentially aims at providing more guidance to AM/NS India employees as to (i) the kind of gifts and entertainment that we are allowed to offer or receive and (ii) the conditions under which we may offer or accept them. Segments and BUs are allowed to adopt more stringent procedures whenever considered appropriate on the basis of a risk assessment.

The main roles and responsibilities for this procedure can be summarized as follows:

Roles	Responsibilities
<ul style="list-style-type: none"> • Requestor for granting gift and/or entertainment by or on behalf of AM/NS India • Receiver of gift and/or entertainment (in case receiver is AM/NS India employee/company) 	<ul style="list-style-type: none"> • Strictly and consciously follow the steps and principles laid out in this procedure • Timely initiate the request • approval for any gift/entertainment which requires such an approval as per procedure from the respective Approving Authority as mentioned in the Policy

Approver of gift/entertainment	<ul style="list-style-type: none"> Assess each request carefully and in case of any doubt, may consult the Compliance officer before taking a final decision
Compliance officer	<ul style="list-style-type: none"> Organize proper communication of this procedure within his/her area of responsibility Act in case of reasonable doubt/suspicion when a gift/entertainment might result in non-compliance with the procedure
Head of Internal Assurance	<ul style="list-style-type: none"> Perform regular audits on compliance with this procedure

4. What does "GIFTS and ENTERTAINMENT" mean?

Gifts and Entertainment means anything of value, including (but not limited to) loans, favorable terms or discounts on any product or service, services, prizes, transportation, use of another company's vehicle, use of vacation facilities, stocks or other securities, participation in stock offerings, home improvements, tickets, gift certificates, lunches, dinners and events of any kind.

5. Government Officials and Private Persons: is there a difference to be made?

Gifts and entertainment can raise ethical and anti-corruption compliance questions both in the private and in the public sector.

However, AM/NS India employees should be especially careful when offering gifts to government officials. As the Prevention of Corruption Act, 1988, US Foreign Corrupt Practices Act ("FCPA") and many other anti-corruption laws, which have an international scope and apply to foreign corrupt activities, prohibit giving anything of value to government officials, it is important to be sure that gifts or entertainment offered to government officials cannot be construed as bribes.

Further, Government Officials are often prohibited by law from accepting gifts or entertainment. So, offering gifts or entertainment may put them in an awkward position.

Therefore, this procedure sets out more restrictive rules with respect to gifts and entertainment offered to Government Officials (see below).

6. Guidance for gifts and entertainment offered to employees of AM/NS India and employees of other *private* companies

Gifts and Entertainment fall into three categories:

- Those that are usually acceptable and that you may approve yourself
- Those that are never acceptable
- Those that may be acceptable but require approval

6.1. Usually acceptable

Some gifts and entertainment are sufficiently modest that they do not require prior approval.

Subject to your applying a "self-approval test" (see 8 below), the following are usually acceptable without prior approval, whether you accept or offer them:

- **Meals:** modest occasional meals *with someone we do business with*.
 - In any case, meals of a value¹ above INR 3,000 (excluding taxes) will not be considered "modest meals" (see 6.3. below).
 - Meals must be attended by the person or representatives of the person offering them. Otherwise they will be considered gifts and the rules of this procedure that apply to gifts will be applicable.
- **Entertainment:** occasional attendance at ordinary sports, theatre and other cultural events *when the person offering the ticket also plans to attend the event*.
 - When the person does not attend the event, the entertainment will be considered a gift and the rules of this procedure which apply to gifts will be applicable.
 - In any case, entertainment of a value higher than INR 5,000 will not fall within this category and will need internal approval as set out in this procedure under 6.3. below.
- **Gifts:** promotional items of little value, such as pens, calendars or other small items which usually bear the AM/NS India logo or another company's logo.
 - In any case, any gift of a value higher than INR 2,000 per receiver will not be considered a promotional item of little value

6.2. Always unacceptable

These are gifts and entertainment that are never permissible for ethical and legal reasons and that no one can approve, whether they are given or received:

- **Gifts other than promotional items of a nominal value or entertainment involving parties engaged in a tender or a competitive auction bidding process**
- **Any gift of cash or cash equivalent (such as gift cards/vouchers/certificates, loans, stock, stock options)**
- **Any gift or entertainment that is indecent, sexually oriented or that might otherwise adversely affect AM/NS India's reputation**

¹ For the avoidance of doubt, the value indicated in this procedure refers to a cost by meal (including beverage) per person.

- **Any gift or entertainment that would be illegal under applicable anti-corruption laws or that would not be in line with the other person's Ethics & Compliance policies**

6.3. May be acceptable under certain conditions when approved

For anything that does not fit into the other categories, the gift or entertainment are permissible only if the following conditions are met:²

- **Gifts valued below or at INR 2,000 are permissible.**
- **Gifts valued at more than INR 2,000:**
 - When offered: for gifts of a value **above INR 2,000 and below INR 10,000** only if previously approved by a respective Approving Authority as per the Policy. For a value higher than INR 10,000 only if approved by respective Approving Authority and by the Chief Executive Officer ("CEO"). If the donor is himself an Approving Authority/CEO, by his line manager. The Compliance Officer must be copied on any approval (see below 10.3).
 - When received: in principle, they have to be declined.
 - However, if the recipient feels that a refusal could be perceived as offensive by the donor, he must (i) notify the Compliance Officer for gifts below INR 2,000; (ii) get approval from the Approving Authority (or if the recipient is Approving Authority or higher his line manager) for gifts above INR 2000 and the gift (if non-perishable) must either remain in the office and be the property of AM/NS India or be given to a charity chosen by AM/NS India. The Compliance Officer must be copied on any approval (see below 10.3). The gift which has been received should be of moderate value.
- **Meals that may cost more than INR 3,000 (excluding taxes)** require to be approved *ex post* via the regular expense report in accordance with applicable procedures. Meals of such a value are expected to remain exceptional and must be in line with the Company's internal policies and any applicable internal procedures. Managers who have the responsibility to approve expense reports should give clear instructions to their employees to avoid inappropriate and lavish meals.
- **Entertainment (other than meals) that exceeds INR 5,000:**
 - When offered: **above INR 5,000 and below INR 10,000** only if previously approved by a respective Approving Authority as per the Policy. For a value higher than INR 10,000 only if approved by respective Approving Authority and by the CEO. If the donor is himself an Approving Authority/CEO, by his line manager. The Compliance Officer must be copied on any

² For the avoidance of doubt, all values indicated in this procedure refer to a cost per person.

- approval (see below 10.3).
- When received: only *when the person offering the ticket also plans to attend the event* and if approved by the Respective Approving Authority. The Compliance Officer must be copied on any approval (see below 10.3).
- **Major Events — such as the World Cup Game, IPL Matches (these have usually a value of more than INR 2,000):**
 - When offered: only if previously approved by a Approving Authority (or if the person offering entertainment is himself a Approving Authority, by his line manager) or if offered in compliance with specific guidelines issued for the event. The Compliance Officer must be copied on any approval (see below 10.3).
 - When received: only if previously approved by a Approving Authority. The Compliance Officer must be copied on any approval (see below 10.3).
- **Travel or overnight accommodation** (as this normally raises the personal benefit to material levels)
 - When offered: only if previously approved by the respective Approving Authority (or if the person offering travel or accommodation is himself a Approving Authority, by his line manager) or if offered in compliance with specific guidelines issued for the event. The Compliance Officer must be copied on any approval.
 - When received: only if previously approved by the respective Approving Authority (or if the recipient is himself a Approving Authority, by his line manager). The Compliance Officer must be copied on any approval.

Approval criteria

In determining whether to approve something in this category, the CEO or the Approving Authority will apply criteria similar to those described above under section 8 under the "self-approval test".

When an individual is invited, he should be requested in the invitation to inform his management.

Escalation

In case of doubt, the issue should be escalated to the respective Approving Authority or the Compliance Officer.

7. Guidance for gifts and entertainment offered to Government Officials Who is a "Government Official"?

The term "Government Official" is as defined in the Policy

7.1. Usually acceptable

Subject to your applying a "self approval test" (see 8 below), the following are usually acceptable without prior approval, whether you accept or offer them:

- **Meals with a Government Official:** modest occasional meals
 - In any case, meals of a value above INR 2,500 per person (excluding taxes) will not be considered "modest meals" (see 7.3. below).
 - Meals must be attended by the person or representatives of the person offering them. Otherwise they will be considered gifts and the rules of this procedure that apply to gifts will be applicable.

- **Gifts offered to a Government Official:** promotional items of little value such as pens, calendars or other small items which usually bear the AM/NS India logo. In any case, any gift of a value higher than INR 1,500 per receiver will not be considered a promotional item of little value.

7.2. Always unacceptable

These are gifts and entertainment to government officials that are never permissible for ethical and legal reasons and that no one can approve, whether they are given or received:

- Gifts or entertainment involving government officials (i) engaged in a tender or a competitive bidding process or (ii) involved in a licensing process
- Any gift of cash or cash equivalent (such as gift cards/vouchers/certificates, loans, stock, stock options)
- Any gift or entertainment that is indecent, sexually oriented or that might otherwise adversely affect AM/NS India's reputation
- Any gift or entertainment that would be illegal under applicable anticorruption laws or that would not be in line with the government official's Ethics & Compliance policies

7.3. May be acceptable under certain conditions when approved

Anything that does not fit into the other categories is permissible only if the following conditions are met:

- **Gifts offered to a Government Official:** Mostly to be avoided, however when offered in exceptional scenarios then for gifts of a value **above INR 1,500 and below INR 10,000** only if previously approved by a respective Approving Authority as per the Policy. For a value higher than INR 10,000 only if previously approved by respective Approving Authority and by the Chief Executive Officer ("CEO"). If the donor is himself an Approving Authority/CEO, by his line manager. The Compliance Officer must be copied on any approval (see below 10.3).

- **Meals with a government official which have a value exceeding INR 2,500 per person (excluding taxes)** require to be approved *ex post* via the regular expense report in accordance with applicable procedures. Meals of such a value are expected to remain exceptional and must be in line with the Company's internal policies. The manager who has the responsibility to approve the expense report should give clear instructions to his employees to avoid inappropriate and lavish meals from being offered.
- **Entertainment (other than meals) and/or travel and/or overnight accommodation offered to a government official:** only if approved by Approving Authority (or if the person offering entertainment/travel/accommodation is himself a Approving Authority or higher, by his line manager) upon prior written approval by the General Counsel using the **GOVERNMENT OFFICIALS PRE-APPROVAL REQUEST FORM** (see Appendix). The Compliance Officer must be copied on any approval (see below 10.3).

Approval criteria

In determining whether to approve anything to be offered to a government official, the CEO or the Approving Authority will apply criteria similar to those described above under section 8. under the "self-approval test".

More specifically, the following rules should be applied:

- **Nothing should ever be offered to family members of government officials:** on an exceptional basis, if deemed appropriate under the circumstances, the offer may be extended to the spouse of a Government Official.
- **We should never offer lavish entertainment.**
- **Entertainment (and the payment of travel and accommodation costs) should never be pure entertainment:** reasonable expenses incurred in relation to plant visits and inspections or conferences organized to promote products should normally be permissible.
- **The travel must match the trip:** if the motive for the visit is a plant inspection or a business meeting, an actual plant inspection or business meeting must take place and the official should not go sightseeing instead.
- **Cash payments and per diems to cover daily expenses should not be offered to Government Officials:** the vendors (e.g. restaurant) should be paid directly by AM/NS India.
Whenever practical, the invitation should be addressed to the agency/entity and kindly request the agency/entity to send a delegate.

8. Self-Approval Test

In addition to applying the principles above, ask the following questions to determine whether a gift or entertainment is appropriate to a Government Official or any other person:

- **Intent** — is the intent only to build a business relationship or offer normal courtesy, or is it to influence the recipient's objectivity in making a business decision including to grant business (e.g. a contract) or a business advantage (e.g. a permit, a tax benefit, customs clearance etc.)?
 - In the case of gifts: is the intention of the donor essentially to promote his products or services?
 - In the case of entertainment: Is it a trade fair or a conference to promote products or to visit a plant? If not, is there any other business component in the entertainment? Will the person offering entertainment attend the event?
- **Legality** — are you sure the gift or entertainment is legal under *local*, as well as international anti-corruption laws? A significant number of anti-corruption laws prohibit not only corruption of Government Officials but also private-to-private corruption. However, bona fide (see "Intent" above) hospitality and promotional business expenditure to improve the image of a commercial organisation, to better present products or services or establish cordial relations are, under *international* standards, generally considered legally acceptable provided they remain reasonable, proportionate and in line with the other criteria set out hereafter (see below). Any illegal gift, meal or entertainment is obviously *per se* unacceptable under this Gifting Policy.
- **Materiality and frequency** — is the gift or entertainment modest and infrequent or could it place, or appear to place, the recipient under an obligation? *For example, offering to, or receiving from, the same person, more than 3 gifts a year would generally not be acceptable and would in any case require prior approval* under this Gifting Policy.
- **Proportionality** — is the gift or entertainment in line with the recipient's position in his/her agency/company?
- **Compliance with the Code of Ethics and Compliance policies the other person is subject to** — is the receipt of gift or entertainment allowed by the recipient's organization or under the internal regulations that may apply to the government agency or the state-owned or state-controlled entity? In case of doubt, written confirmation should be sought from the other person.
- **Transparency** — would you be embarrassed if your manager, colleagues or anyone outside AM/NS India became aware? If so, there is probably something wrong.
- **No Double standards** — we should only offer what we would feel comfortable to accept (and vice versa).

9. Escalation

In case of doubt, any question should be escalated to the respective Approving Authority, General Counsel, HR or the Compliance Officer.

10. DOCUMENTATION**10.1. Proper records**

All records related to gifts and entertainment — especially when requiring pre-approval - must be accurate and include supporting documentation confirming the appropriate and bona fide business purpose.

Pre-approvals should be given in writing.

All records must be provided to the accounting department for inclusion in the books.

The Compliance Officer is entitled to have access to any document in relation to this procedure for monitoring purposes.

10.2. Pre-Approval Request Forms for government officials

Relevant personnel should use the attached **Pre-Approval Request Form** (see APPENDIX) for any form of entertainment/travel/accommodation offered to **Government Officials** and subject to pre-approval. The copy of Pre-Approval should be provided to the Compliance Officer and the Finance Department.

10.3. Gift Registers

The Compliance officer shall maintain a gift and entertainment registers.

APPENDIX

GOVERNMENT OFFICIALS PRE-APPROVAL REQUEST FORM FOR TRAVEL AND ENTERTAINMENT

Name of the Requestor		Title of the Requestor		Requestor's Segment and Business Unit	
Is the payment for travel/entertainment permitted under local law?		<input type="checkbox"/> YES		<input type="checkbox"/> NO	
The trip was initiated by:					
<input type="checkbox"/> Government agency		<input type="checkbox"/> AM/NS India		<input type="checkbox"/> Other - Please explain	
If other, please explain:					
The trip is directly related to (check all that apply)					
<input type="checkbox"/> Promotion, demonstration or exhibition of AM/NS India's products or services		<input type="checkbox"/> Performance or execution of a contract		<input type="checkbox"/> Other business - related purpose please describe:	
Summary of business purpose:					
Places to be visited on proposed trip:					
Total estimated cost of trip, gift or entertainment:					
AM/NS India will pay for (check all that apply):					
<input type="checkbox"/> International travel	<input type="checkbox"/> Domestic travel	<input type="checkbox"/> Meals	<input type="checkbox"/> Entertainment	<input type="checkbox"/> Gifts- describe	<input type="checkbox"/> Other- describe
List proposed entertainment and any other costs covered:					
Will payments be made directly to the service providers?		<input type="checkbox"/> Yes		<input type="checkbox"/> No	

Names, titles and government agency of each government official:		
Are family members or friends accompanying the government officials?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If yes, list names, relationship and reason for accompaniment:		
Does AM/NS India have any matter pending before the government agency?	<input type="checkbox"/> Yes If yes, please explain:	<input type="checkbox"/> No
Approving Authority:		