Anti-Bribery and Anti-Corruption Policy

Welspun Living Limited

&

Subsidiaries

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1: Welspun's Commitment to Compliance

Section 1.A: Welspun's Commitment to Anti-Bribery & Anti-Corruption

Message from Managing Director

Dear Colleagues,

Welspun Living Limited has grown into a full-service global company recognized as a leader in the industry. Our people around the world have worked hard to create and protect our reputation and success. The key elements to our success are motivation, learning, service to others, diversity, commitment to excellence, mutual respect and personal integrity.

As a global company with business and clients in nearly every region of the world, Welspun's officers, directors, employees, agents, and other third party representatives are confronted each day with challenges that test our judgment, skill, and knowledge of the local markets where we operate.

In some cases, we encounter business practices that are very different from our own.

Corruption is a threat to our global business. Failure to comply with the laws and regulations applicable to our business and operations can create liability and reputational harm to the Company. Violations of law will not be tolerated and will be the subject of disciplinary action.

As a Company, we owe it to our customers, our communities, our shareholders, and ourselves to conduct our business according to high ethical standards and in accordance with all applicable laws of the countries where we operate. All officers, directors, employees, agents, and other third-party representatives are expected to conduct business for or on behalf of Welspun in an honest, ethical and professional manner at all times.

This Anti- Bribery and Anti-Corruption ("ABAC") Policy reflects Welspun's commitment to integrity in all dealings with our customers and other stakeholders. The procedures in this Policy apply to all Welspun Living Limited and its subsidiaries' officers, directors, employees, agents and other third-party representatives regardless of citizenship or place of employment. Many of the policies and procedures also apply to third parties that Welspun engages during its business. Welspun's commitment to compliance extends to all parts of the world where Welspun has a presence.

The Chief Compliance Officer is primarily responsible for overseeing the compliance program outlined in this Policy. Other departments and Functions are responsible for implementing the procedures as set forth in the Policy, and the Chief Compliance Officer may assign, as necessary, responsibility for implementation of these procedures to other employees.

Please read this Policy carefully and refer to it whenever necessary. If you have any questions or concerns, please raise them directly with your supervisor, the head of your Function, business unit or region, the Legal Department or the Chief Compliance Officer.

Compliance with ABAC Policy is essential from an ethics and business perspective. Thank you in advance for your attention to the content of this Policy and for your commitment to compliance.

Managing Director & CEO

Welspun Living Limited

2: Introduction

1.0 Scope

The Policy applies to the operations of Welspun Living Limited and its subsidiaries (collectively, "**Welspun**" or "**the Company**"), including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by the Company. Some of the policies and procedures in the Manual also apply to Welspun's agents and other third-party representatives.

All Welspun officers, directors, employees, all agents and Third-Party Representatives who represent Welspun, must comply with this policy, regardless of seniority, specialization or location.

This Policy is not intended to provide specific answers to unique legal questions, to create legal rights or duties as to third parties, or to set standards of conduct that are enforceable by third parties against Welspun.

2.0 Purpose

It is the policy of Welspun to comply with all applicable laws and regulations in the countries where Welspun conducts business. As part of that policy, Welspun has developed this Policy to guide all officers, directors, employees, and other third-party representatives on

compliance with anti-bribery & anti-corruption rules and regulations. This policy sets the expectations and requirements for compliance with those laws.

3.0 General Policies

All Welspun officers, directors, employees, agents and other third-party representatives are required to act in accordance with high standards of personal and professional integrity, honesty, and ethical conduct while working for the Company.

3.1 Anti-Corruption Policy

(a) Welspun prohibits bribery and any other corrupt practices or conduct in any form. Bribery and Kickback involving government officials, customers, competitors, suppliers, and all other counterparties is strictly prohibited.

(b) It is the policy of Welspun to comply with all applicable laws, regulations or orders of relevant governmental authorities prohibiting the provision of a financial or other advantage for a corrupt purpose or otherwise in connection with the improper performance of a relevant Function, including, as applicable, the Livingn Prevention of Corruption Act 1988, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other applicable laws not only governing corruption and bribery, whether public, commercial or both but in relation to the same like Livingn Penal Code, 1860.

(c) No Welspun officer, director, employee, agent, or other third party representative worldwide may, directly or indirectly, offer, promise, pay, give, abet or authorize the giving of any financial or other advantage, or anything else of value, to a government official or any other person, with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage for Welspun, or improperly reward the recipient for past conduct.

(d) No Welspun officer, director, employee, agent or other third party representative may request, agree to receive, or accept Anything of Value from any other person as an inducement or reward for violating his or her duties to Welspun, performing a Function improperly, or providing an improper benefit or other advantage.

(e) Welspun's anti-corruption and anti-bribery policies extend to all commercial dealings in the markets where Welspun operates. All interactions with private customers, agents, and any other individual or entity must be professional, honest, and ethical.

4.0 Compliance Obligations

(a) Compliance with this Policy is mandatory. All Welspun officers, directors, employees, agents and third-party representatives must read and understand the procedures set forth in this Policy.

(b) None of the procedures in this Policy may be waived or adapted without the approval of Chief Compliance Officer. Anyone who violates the standards in this Policy will be subject to appropriate disciplinary action including termination of his or her employment relationship with Welspun. Certain conduct in violation of the standards in this Policy also could give rise to criminal prosecution by governmental authorities.

(c) If there is any doubt about the procedures set forth in this Policy or whether a proposed payment, transaction, business relationship or other activity complies with the standards of this Policy or applicable laws and regulations, it is the concerned individual's responsibility to seek advice and guidance. If you have questions or problems concerning this Policy and the procedures set forth herein, or if you have questions about interactions with government officials, payment practices, governments and parties, or any other issue related to the information and standards of this Policy, please immediately contact the Chief Compliance Officer at:

Chief Compliance Officer:

Contact Information:

Chief Compliance Officer

Welspun House

6th Floor, Kamala City

Senapati Bapat Marg

Lower Parel (West)

Mumbai 400 013,

Phone: 91-22-66136000

Appendix B provides names and contact information for responsible individuals and departments cited throughout this Policy

5.0 Non-Retaliation Policy

(a) No person subject to Welspun's ABAC Policy will suffer adverse consequences for refusing to offer, promise, pay, give, or authorize any improper benefit, advantage or reward, even if doing so results in the loss of business for Welspun.

(b) Further, no person subject to ABAC policy will suffer retaliation or other adverse consequences for providing information in good faith relating to a violation of law or Welspun policy. Welspun will not tolerate any retaliation against persons asking questions about or making good faith reports of possible violations of the procedures Policy.

(c) Anyone who retaliates or attempts to retaliate will be subject to discipline up to and including termination.

3: Guidance on using this Policy

1.0 Organization of this Policy

This Policy sets forth Welspun's procedures on several compliance areas related to anti-bribery & anti-corruption. The topics focused on anti-bribery & anti-corruption compliances are the following:

- Retention and Monitoring of Third-Party Representatives
- Gifts
- Travel and Accommodation (Boarding and Lodging)
- Meals, Entertainment and Other Hospitality
- Charitable Contributions and Sponsorship Involving Government Officials or Government Entities
- Political Contributions
- Suppliers, Vendors and Other Third Parties Specifically Recommended by Government Officials
- Employment Requests from Government Officials
- Facilitation Payments

When dealing with a transaction involving one of these activities, you should turn to the relevant section of this Policy for applicable procedures.

In addition to the topics listed above, this Policy discusses broader aspects of the Company's compliance infrastructure, including the following:

- Books and Records
- Compliance Due Diligence in Acquisitions and Joint Ventures
- Compliance Monitoring and Audit
- Compliance Training
- Reporting violations or suspicious activity
- Investigations and disciplinary action for non-compliance with this policy
- Waiver and amendment

Appendix C to this Policy contains additional information and forms that must be completed before engaging in certain transactions. All this information is also available electronically on the Company intranet.

2.0 Important Definitions

Please keep the following definitions in mind as you review and implement the procedures in this policy.

2.1 The **Chief Compliance Officer** is the individual designated by Welspun as having functional responsibility for the implementation and management of the procedures in this Policy and other relevant compliance policies.

2.2 A **Function** is a substantive area of business operation, such as finance, legal, sales, or production.

2.3 A **Government Entity** means any government or its subdivision, any independent government agency, or any state-owned or state-controlled business.

2.4 A **Government Official** includes all the following:

- An officer or employee, regardless of rank, of any national, provincial, regional or local government agency or department (whether domestic or foreign), including but not limited to police agencies, customs officials, local tax officials, issuers of government permits, approvals or licenses and/or immigration officials;
- an elected official (for example, a mayor, legislator, chief minister or city council member);
- an officer or employee of any government-owned or government-controlled company (for example, an employee of a government-owned customer or government-owned joint venture partner);
- a candidate for political or elected government office or a party official;

- an officer, employee, or representative of a public international organization (for example, the World Bank, the World Health Organization, or the United Nations); or
- a private person acting in an official capacity for or on behalf of a governmental entity or any public international organization (for example, a government environmental consultant acting under governmental authority).
- Spouses and family members of any of the individuals specified above

2.5 **Legal Department** means the Legal Department of Welspun Living Limited or its subsidiaries.

2.6 A **Third-Party Representative** includes any third party that is appointed to interact with Government Officials on Welspun's behalf, or that otherwise is authorized by Welspun to represent the Company in dealings with customers or other commercial counterparties. Third Party Representatives include, but are not limited to, sales agents, customs agents, regulatory consultants, vendors, contractors and sub-contractors including any officer or employee, intern, trainee, etc. thereof.

2.7 **Welspun** or the **Company** refers to Welspun Living Limited and its subsidiaries, including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by Welspun Living Limited.

2.8 **Anything of Value**

Anything of value just about covers any form of benefit, which includes, but is not limited to:

- Cash or cash equivalents, loans, gifts or prizes;
- Employment offers or promises of future employment (to an individual or any of his/her relatives);

- Favorable terms on a product or service or product discounts;
- Entertainment/hospitality (payment of travel, hotel or restaurant bills, living expenses, or costs of trips or resort stays);
- Use of vehicles or vacation homes;
- Discounted or free tickets to events
- Services, personal favors, or home improvements;
- Sponsorships
- Political or charitable donations
- Opportunity to buy direct shares ("friends and family shares") in a company with a connection to Welspun.

2.9 **Bribe/bribery**

To "bribe" or "bribery" means directly or indirectly offering, promising, giving, accepting or soliciting 'Anything of Value' (which could be financial or non-financial), and irrespective of location(s), in violation of applicable law to an individual, a government official or an employee of a commercial enterprise for the purpose of obtaining or retaining business, to win a business advantage, or to influence a decision regarding Welspun. Unless specifically permitted under the applicable laws, this also includes obtaining licenses or regulatory approvals, preventing negative government actions, reducing taxes, avoiding duties or custom fees, or blocking a competitor from bidding on business.

2.10 **Corrupt Practice/Corruption**

Any offering or giving receiving or soliciting directly or indirectly of 'Anything of Value' to influence improperly the actions of another party.

2.11 **Kickback**

Kickbacks are typically payments made in return for a business favor or advantage.

3.0 Oversight and Sources of Guidance

3.1 Oversight of Welspun's Compliance Program

(a) The Audit Committee along with the Managing Director and Chief Financial Officer are responsible for providing guidance, resources and support for the implementation of this Policy.

(b) The Chief Compliance Officer is responsible for the implementation and management of Welspun's Compliance Program. The Chief Compliance officer in consultation with the Managing Director and Audit Committee will be responsible for approving amendment in the content of this Policy.

(c) The Chief Compliance Officer may delegate oversight responsibility for management and implementation of the Compliance Program. Regardless of such delegation, the Chief Compliance Officer shall ultimately be responsible for ensuring proper implementation of the Compliance Program. The Chief Compliance Officer shall consult with outside counsel with appropriate expertise as necessary for guidance and assistance regarding compliance with applicable law and implementation of this Program.

3.2 Guidance on Welspun's Compliance Program

Whether a proposed payment, engagement or transaction would violate the procedures in this Policy often will depend on unique facts and circumstances. If you are unsure whether conduct would violate the Company's ABAC policy, you must seek guidance before proceeding further. There are many people within Welspun who can help you to understand your responsibilities, including the following:

- your immediate supervisor;
- the person in charge of your Function (for example, if you work in an accounting position in a manufacturing facility, this would be the facility's Finance Head);
- the Unit Head;
- the Regional Head;
- the Legal Department; or
- the Chief Compliance Officer;

4: Anti-Corruption Policies and Procedures

(a) Officers, directors, employees, agents and other Third Party Representatives may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value corruptly to a Government Official to: (i) influence an official act or decision of the Government Official; (ii) induce the Government Official to violate a lawful duty; or (iii) induce the Government Official to influence or affect an act or decision of a Government Entity, political party, or public international organization, in order to obtain or retain business or secure an improper advantage for the Company.

(b) Similarly, officers, directors, employees, agents and other Third Party Representatives may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value to another person: (i) to induce that person to perform a relevant Function or activity improperly; (ii) to reward that person for having performed a relevant Function or activity improperly; or (iii) if the person's acceptance of the payment or gift would itself constitute the improper performance of a relevant Function or activity.

(c) Additionally, officers, directors, employees, agents and other Third-Party Representatives may not accept Anything of Value to perform their Function improperly.

(d) The following section of the Policy addresses several business activities and transactions where heightened corruption risks may arise. You must comply with the policies and procedures of this section.

4.A: Retention and Monitoring of Third-Party Representatives

(a) Third Party Representatives play an important role in Welspun's business. Welspun relies on sales agents, customs agents, and other Third-Party Representatives in carrying out a range of important business activities. Misconduct by a Third-Party Representative can create risk for Welspun that could lead to civil or criminal penalties or reputational harm to the Company. Therefore, care must be taken when selecting and monitoring the activities of sales agents and other Third-Party Representatives. Integrity due diligence reviews (see Section 4. A (2.1) must be performed in advance of engaging a new Third Party Representative.

(b) Once engaged, Welspun's Third Party Representatives must conduct themselves in accordance with high ethical standards, all applicable laws, and Welspun's policies and procedures, including those in this Policy. The integrity due diligence review process outlined below does not apply to persons or entities that are not authorized to act on behalf of Welspun, such as agents of Welspun's customers, suppliers of raw materials, and other vendors/counterparties that do not represent Welspun.

1.0 Policy

In determining whether to engage a Third-party Representative, Welspun must consider factors such as the Representative's reputation and qualifications, the manner and reasonableness of compensation and any relationship between the Representative and a Government Official.

1.1 **Pre-classification of Third Party**

- Before the commencement of the due diligence, the Third-Party(ies) (existing and new) must be pre-classified as "low" or "high" risk;

- Generally, all third parties who directly or indirectly interact with government authorities on behalf of Welspun shall be classified as "high" risk;

- Also, below stated factors (including but not limited to) may also be considered to assess "high" risk third party(s):

  - Third party(s) known to have been investigated for or convicted of, or currently under investigation relating to, bribery of a government official or individual in private sector, or relating to corruption, money laundering or fraud;

- Third party(s) is a government run or sponsored company/ agency/ society and/ or have direct interaction(s) with government or government official(s);
- Third party(s) states that they have a 'personal or family relation' or 'close relative' working with a government or government official;
- Any third party to whom Welspun proposes to make a charitable contribution
- Third party making unusually large or frequent political contribution(s); and/ or;
- Other factors such as geography, the type of services provided, and background of third party shall also be considered in assessing the risk level of third parties.

- The due diligence process is required to be repeated at regular intervals including, but not limited to:

  - Contract renewal;
  - Significant amendment to contract (e.g. nature of transaction/scope of services/amount of remuneration);

  - Change of control as communicated by the third party or change identified during the annual due diligence process in third party(s);
  - Every three years for low-risk parties and every year for high risk parties and
  - If an existing third party(s) hasn't supplied/ provided services for two years and if there is any change in place, personnel or infrastructure, the third party(s) shall be subjected to re-evaluation process of third-party due diligence.

1.2 **Know your Third-Party Representative.** It is the responsibility of every Welspun employee to "Know Your Third-Party Representative." The responsible Welspun employee who wishes to engage the Third-Party Representative must confirm that the Representative has a reputation for integrity and does not appear to be involved in illegal or unethical activities. In this regard, the responsible Welspun employee may carry out a due diligence of such Third-Party Representative. The Procedures below provide details on the due diligence and certification process.

1.3 **Hold Third Party Representatives to our ethical standards.** Misconduct by Third Party Representatives creates risk for Welspun and for any Welspun employee(s) who are involved. Every Welspun employee interacting with a Third-Party Representative should ensure that such Third-Party Representative also adheres to Welspun's compliance policies.

1.4 **Legitimate services only.** No payment may be made or promised to a Third-Party Representative except in exchange for legitimate services. Any such payment must be in an amount that is not greater than the fair market value of the legitimate services received. All payments must conform to the requirements of local law.

1.5 **Report "red flags."** While Welspun's relationship with each Third-Party Representative must be evaluated on its specific facts, there are several "red flags" that may signify a heightened risk to Welspun and that require special scrutiny. Employees who interact with Third Party Representatives must be trained to detect "red flags." The "red flags" listed at Form A must be reported to the Chief Compliance Officer if a current or proposed Third Party Representative is involved.

1.6 **Review of non-standard compensation.** Proposed deviations from standard compensation, including discount schedules or policies, unanticipated requests for reimbursement for a Third Party Representative's out-of-pocket expenses, or other deviations, must be reviewed in advance and approved by the Chief Compliance Officer, unless pre-approval is not possible due to an exigency. In the event of an exigency, the deviation from policy or unanticipated expense must
be reported promptly to the Chief Compliance Officer and in all cases within 15 working days. If the Chief Compliance Officer does not approve the deviation, such deviation will be considered null and void and non-binding on the Company. It also will be regarded as an instance of non-compliance and reported to the Board of Directors.

2.0 Procedures

Formal integrity due diligence must be conducted on all Third Party Representatives that Welspun appoints or hires to: (i) interact with Government Officials on Welspun's behalf; (ii) be involved in sales-related activities for Welspun; or (iii) otherwise function as an authorized representative of the Company in dealings with other commercial counterparties. The integrity due diligence review outlined below does not apply to persons or entities that are not authorized to act on behalf of Welspun, such as agents of Welspun's customers, suppliers of raw materials, and other vendors/counterparties that do not represent Welspun.

2.1 **Integrity due diligence review.** Welspun employees seeking to establish a relationship with a Third-Party Representative must undertake the following due diligence:

- **Request information from proposed Third Party Representative.** Each proposed Third-Party Representative must complete the Questionnaire attached as Form B and must be given a copy of the Summary of Welspun's ABAC Policy attached as Form C and a copy of Welspun's Code of Conduct Policy.

- **Integrity due diligence.** The manager responsible for the relationship with the proposed Third-Party Representative, or the manager's designee, shall complete the steps outlined in the Due Diligence Checklist attached as Form D. In completing the Due Diligence Checklist, the manager or the designated employee shall rely as appropriate on information provided in the Questionnaire received from the prospective Third-Party Representative. The manager or designated employee must be alert to the presence of "red flags" (Form A) when conducting this due diligence

- **Review of integrity due diligence.** The manager responsible for the relationship with the proposed Third-Party Representative shall review the completed Questionnaire (Form B), Due Diligence Checklist (Form D), and any other information the manager believes is necessary to evaluate specific corruption and other compliance risks. If the reviewer is satisfied with the results of the investigation and deems it appropriate to engage the proposed Third-Party Representative, he or she will indicate such recommendation in writing as provided at the bottom of the Due Diligence Checklist (Form D). The reviewer should consult with the Chief Compliance Officer if there are any remaining questions or concerns.

- **Approval of proposed Third Party Representative.** The integrity review file containing the completed Questionnaire (Form-B), Due Diligence Checklist (Form D), and any supporting information shall be forwarded to the Chief Compliance Officer for approval. If the Chief Compliance Officer is satisfied with the results of the due diligence and determines that engaging the Third Party is consistent with Welspun's compliance policies, he or she will indicate such approval in writing as provided at the bottom of the Due Diligence Checklist (Form D). The Chief Compliance Officer should consult with legal department if there are any remaining concerns or questions.

- **Retain integrity review file.** A copy of the completed integrity review file shall be maintained for a minimum of five years beyond the end of the engagement with the Third-Party Representative. The file must contain all the documents described above, including the required written approvals.

2.2 **Written contracts.** All relationships.with Third Party Representatives as far as possible and practicable must be governed by written contracts that include a description of the scope of services to be provided and the manner and amount of compensation. A copy of the signed contract must be retained in the Company's files. Side agreements or letters are not permitted without the advance approval of the Chief Compliance Officer. Extensions or modifications of existing agreements may be entered into without pre-approval by the Chief Compliance Officer, if such extensions or modifications are subject to and consistent with the procedures in this Policy and are reported to the Chief Compliance Officer within 15 working days.

2.3 **Anti-corruption contract provisions.** Unless otherwise directed by the Legal Department, all agreements with Third Party Representatives must contain anti-corruption contractual provisions substantially in the form attached at Form E. Depending on the form of the agreement, it may be preferable to append the anti-corruption provisions as an appendix to the agreement.

2.4 **Annual Certification Requirement.** At least once each year, the Welspun employee responsible for managing the relationship with a Third Party Representative shall obtain from each Third Party Representative that has previously been subjected to the integrity review a signed copy of the certification attached at Form F. Signed certifications shall be maintained in the Third-Party Representative's integrity review file.

2.5 **Periodic updates to integrity review.** Welspun shall update the integrity review of its Third-Party Representatives at least once every three years and shall also perform periodic risk-based updates.

2.6 **Submission of Third-Party Representative invoices.** Third Party Representatives are required to submit accurate invoices and receipts and other supporting documentation to substantiate all disbursements or expenses incurred when conducting business on behalf of Welspun. Invoices and supporting documentation must be sufficiently detailed to identify the nature and cost of each good or service provided to the Third-Party Representative. Reimbursements must be paid directly to the Third-Party Representative.

3.0 Disqualification of Third-Party(s)

3.1 A third party (s) may be blacklisted in cases including, but not limited to:

a. Non-compliance with Welspun's Code of Conduct and ABAC policies and procedures;
b. Infringement of ethical standards in business dealings;
c. Resorting to malpractices that resulted in or might have resulted in loss to Welspun;
d. Using Welspun's assets/ rights/ names etc. to the third party(s)'s own advantage;
e. For blacklisting these third party (s), the business unit head must obtain approval from the Chief Compliance Officer
f. A blacklisted third party (s) may be registered again only after obtaining approval from the Chief Compliance Officer.

4.0 Responsible Persons

All employees who interact with Third Party Representatives are required to be alert for "red flags" and report any suspicious conduct. Managers or designated employees are responsible for conducting integrity due diligence and the Chief Compliance Officer is responsible for reviewing the integrity due diligence and providing approval and oversight. The employee responsible for managing the relationship with the Third-Party Representative is responsible for obtaining the annual certification. The relevant business unit is responsible for maintaining integrity review files and copies of contracts with Third Party Representatives. See Appendix B for the contact information of the key compliance-related Functions/departments.

5.0 Related Documents

- Form A: Red flags
- Form B: Questionnaire for Proposed Welspun Third Party Representative
- Form C: Summary of Welspun's Anti-Corruption Policy for Third Party Representative
- Form D: Due Diligence Checklist for proposed Third Party Representative

- Form E: Sample Anti-Corruption Contractual Provisions
- Form F: Certification of Compliance with Ethical Practices

4.B: Gifts

1.0 Policy

Gift-giving is an important part of many cultures. Properly controlled, a modest gift provided to a business counterparty can express respect and can help build a legitimate business relationship with the recipient.

While the legitimate and occasional provision of a modest gift can be an acceptable business practice, gift-giving can be subject to abuse and can expose the Company to legal and reputational harm. The giving of a gift is particularly sensitive when a Government Official is the recipient, or when the recipient exercises influence over a commercial decision, such as the award of a tender, that is important to Welspun.

Welspun employees and Third-Party Representatives accordingly must exercise caution when giving a gift to a Government Official or any other commercial counterparty and must comply with the following policies and procedures.

1.1 **No quid pro quo.** A gift may not be given or offered, directly or indirectly, if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun. No gift, regardless of its value, may be provided to a Government Official or other counterparty if it could create the appearance of impropriety.

1.2 **Basic requirements.** Unless specifically approved by the Chief Compliance Officer, a gift may be provided to a Government Official, customer, or other counterparty only if it meets all the following requirements:

- customary or symbolic and given as a courtesy, in return for hospitality, or as a token of respect; appropriate for the occasion;
- in accordance with the local business customs and not prohibited under local law;
- not provided more than once per quarter to the same person or the same government department;

- permissible under the guidelines of the employer or governmental agency involved, of which Welspun is aware;
- presented openly and with transparency;
- properly recorded in Welspun's books and records;
- of a nature that would not embarrass Welspun if publicly disclosed;
- not provided in proximity to a pending decision before the recipient's organization regarding Welspun's business interests and
- cash, cash equivalents like vouchers, bullions etc. are not allowed.

For gifts below US $50 for all operations or the pre-approved limit for operations abroad, the individual making the gift should ensure the basic requirements are complied with. For gifts above US $ 50 for all operations, or the pre-approved limit for operations abroad, the Head of the Business Unit at the relevant location shall ensure the basic requirements are met. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

1.3 **Customary gifts.** Generally, gifts should showcase the Company's products or contain the Company logo. Gifts that appear on the White List of Approved Gifts ("White List") (Form G) are preferred.

1.4 **Expenditure limits for gifts.** The aggregate value of gifts provided to a Government Official or other counterparty in a financial year may not exceed US $100 for all operations, or the preapproved limit for operations abroad (or the equivalent) without the approval of the Head of Department at the relevant location. If the proposed value of the Gifts is equal to or more than $1000 for all operations, additional approval of Head - Group Executive Office (GEO) shall be required. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

1.5 **Policy extends to families of Government Officials.** The policies and procedures in this section also apply to gifts that are provided on behalf of Welspun to the immediate family members (spouse, dependent children, and dependent parents) of Government Officials who are currently dealing with Welspun or reasonably expected to deal with Welspun in the near future.

2.0 Procedures

2.1 **No prior approval required for Welspun items or customary gifts of modest value.** Gifts of a modest value and bearing the Welspun logo, or customary gifts appearing on the White List, do not require prior approval so long as the aggregate value of the gift(s) provided to a Government Official or other counterparties on each occasion does not exceed US $.50 for all operations, or the preapproved limit for operations abroad, and the aggregate value does not exceed US$1000 for all operations, or the preapproved limit for operations abroad, in a financial year.

2.2 **Approval required for certain gifts.** Any proposed gift that does not appear on the White List or is not of a modest value bearing the Welspun logo, or that is more than US $50 or the preapproved limit for operations abroad must be reviewed and approved in writing in advance by the Business Unit Head at the relevant location and also approval of Chief Compliance Officer. Pre-approval of the Chief Compliance Officer is required for gifts that are not listed on the White List.

2.3 **Proper documentation of gifts.** A gift that is given to a Government Official or other counterparty must be properly documented in the Gift Log to reflect: (i) the relevant Welspun employee (name and position); (ii) the recipient (name and position); (iii) the recipient's organization and department; (iv) a description of the gift whether the gift is on the White List or of a modest value bearing the Welspun logo; (vi) the occasion for the gift and specific date when it is to be given; (vii) the value of the gift; and (viii) if approval is required, the person providing the approval, their position/department, and the date of approval. A sample Gift Log is appended at Form H.

3.0 Receipt of gifts

Welspun discourages receipt of any type of gifts by directors, officers, employees from its external stakeholders (such as customers, agents and other third-party representatives). Receipt of reasonable and customary edible gifts (such as sweets / dry fruits) during festivals shall be reported to the Chief compliance officer and shall be distributed amongst the employees. Apart from receipt of such gifts, no other gifts are acceptable by persons mentioned above. The Chief compliance officer should maintain a record of such receipt of gifts.

4.0 Responsible Persons

Every Welspun employee is responsible for ensuring that all gifts comply with the policies and procedures set forth in this section. The employee giving a gift to a Government Official or other counterparty is responsible for ensuring that the Gift Log is completed, and that evidence of any necessary written approval is maintained. The Head of Department at the relevant location is responsible for approving gifts to Government Officials or other counterparties that are above certain limits and Finance Department shall be responsible for

accounting for all gifts properly in the Company's books and records. The Chief Compliance Officer is responsible for providing pre-approval for gifts as required above. See Appendix B for the contact information on the key compliance-related Functions/departments.

5.0 Related Documents

- Form G: White List of Approved Gifts
- Form H: Sample Welspun Gift Log

4.C: Travel and Accommodation (Boarding and Lodging)

1.0 Policy

Welspun employees are prohibited from providing travel and accommodation (boarding and lodging) to Government Officials and other counterparties unless directly related to a legitimate business purpose and appropriate under the circumstances. Furthermore, travel and accommodation may not be provided to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or the Company policies set forth below.

In limited circumstances, as described below, it may be appropriate for Welspun to pay for the travel, accommodation and related expenses of Government Officials or other counterparties in connection with a visit to a Welspun facility or project site.

1.1 **No quid pro quo.** Travel and accommodation may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or business transaction, or to confer an unfair advantage on Welspun.

1.2 **Basic requirements.** Travel and accommodation may be provided to Government Officials or other counterparties only under the following circumstances:

- the travel is for a legitimate business purpose that is related to the party's performance of his or her lawful duties, such as performing an inspection, technical audit, or pre-qualification;
- the expenditure, duration, and nature of the travel and accommodation is reasonable given the party's seniority and the specific business purpose;
- no friends or immediate family members (spouse, dependent children, and dependent parents) of the party are traveling at Welspun's expense;

- no stopovers or sightseeing are planned that are not directly connected to the business purpose of the travel, unless the stopover or sightseeing is at the expense of the party and results in no additional cost to Welspun;
- the expenditure is not prohibited under the local law of the party's country;
- the expenditure is permissible under the internal rules of the party's employer of which Welspun is aware and
- The class and cost of travel is consistent with Company allowances for travel by Company personnel.

For travel and accommodation below US $100 for operations in Living and US $200 for operations abroad, the individual arranging for the travel and accommodation shall ensure that the basic requirements are complied with. For travel and accommodation above US $100 for operations in Living and US $200 for operations abroad, the Head of Department at the relevant location shall ensure that the basic requirements are met, and approval of Chief Compliance Officer is taken.

A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

1.3 Travel provided to customers. Travel provided to customers must comply with the policies and procedures in this section and must be within the scope of the agreement between the customer and Welspun or specifically approved by the Chief Compliance Officer.

1.4 Welspun guesthouses and vehicles. Whenever possible, accommodation provided to Government Officials or other counterparties should be in Welspun guesthouses and transportation should be provided in the Company's regular vehicles, in each case at a standard comparable to that provided to employees of Welspun.

1.5 Proper documentation for invoices. All reimbursement requests for travel and accommodation provided to Government Officials or other counterparties must be accompanied by supporting documentation.

1.6 Application to indirectly funded travel. These policies and procedures apply whether the expenses related to travel or accommodation are paid directly or indirectly by Welspun -- such as travel paid in the first instance by a sales agent and reimbursed by Welspun.

2.0 Procedures

2.1 **Prior approval required.** All travel, accommodation and related expenses that are incurred on behalf of any Government Official or other counterparty, costing more than the limits specified in 1.2 above must be approved in advance by the Head of Department at the relevant location and the Chief Compliance Officer. An approval request form is appended at Form I.

2.2 **Pay vendors directly.** Payment of travel, accommodation and related expenses by Welspun should be made directly to the airline, hotel, or other vendor whenever possible. When that is not practical, travel expenses may only be reimbursed against appropriate receipts or equivalent supporting documentation. Money may not be transferred to a Government Official or other counterparty on the understanding that the party will arrange for his or her own travel.

2.3 **Third Party Invoices.** These procedures also apply if a Third-Party Representative arranges for the travel or accommodation of a Government Official or other counterparty in connection with its representation of Welspun. The Third-Party Representative must identify when an invoice includes travel expenses for Government Officials or other counterparties that were incurred on Welspun's behalf, specify all such expenses, and provide supporting documentation.

2.4 **Guest Log.** The concerned department at the relevant location is responsible for ensuring that each Welspun guesthouse maintains a log of non-employee guests to reflect: (i) the guest by name and position; (ii) the guest's organization and department; (iii) the duration of the stay; (iv) facilities or other conveniences provided in connection with the accommodation; and (v) the business purpose of the visit. The log may be subject to audit.

3.0 Responsible Persons

Each Welspun employee is responsible for ensuring that all travel and accommodation provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section The Head of the Department at the relevant location is responsible for approving expenditures above certain limits and ensure that approval of Chief Compliance Officer is taken. Finance Department shall be responsible for properly accounting for travel and accommodation in the Company's books and records. The Chief Compliance Officer shall also be responsible for approving travel involving customers. See Appendix B for the contact information on the key compliance-related Functions/departments.

4.0 Related Documents

- Form I: Approval Request Form for Travel/Accommodation

4.D: Meals, Entertainment and Other Hospitality

1.0 Policy

Employees may not provide meals and entertainment to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or Company policies. Business meals that are provided in connection with legitimate business activities generally are permissible, provided the meal is not furnished in exchange for some business advantage. Entertainment expenses are generally discouraged.

Because lavish meals and entertainment can create an appearance of impropriety, Welspun employees and representatives must exercise caution when providing meals, entertainment and other hospitality to Government Officials and other counterparties.

1.1 **No quid pro quo.** Meals, entertainment and other hospitality may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun.

1.2 **Basic requirements.** Welspun and its representatives may pay for or provide a meal or non-meal entertainment to a Government Official or other counterparty only if it meets all the following requirements:

- provided in connection with legitimate business activities;
- in accordance with the local business customs and not prohibited under local law;
- consistent with the internal guidelines of the recipient's employer or governmental agency, which Welspun knows or understands;
- reasonable in value and not excessive;
- infrequent and
- of a nature that would not embarrass Welspun if publicly disclosed.

1.3 For meals below US $50 for all operations, or the preapproved limit for operations abroad, the individual arranging the meal shall ensure the basic requirements are complied with. For meals above US $50 for all operations, or the preapproved limit for operations abroad, the Head of the Department at the relevant location shall ensure the basic requirements are met.

The threshold limits for non-meal entertainment are US $50 for all operations, or the preapproved limit for operations abroad. Expenditures above this threshold require prior written approval of the Head of the Department at the relevant location and Chief Compliance Officer.

1.4 **Presence of at least one Welspun employee or Third-Party Representative.** Because the purpose of a business meal is to facilitate business communications and foster better business relations, at least one Welspun employee or Third-Party Representative must be present at the meal.

2.0 Procedures

2.1 Prior approval for meals and non-meal entertainment. Meals and non-meal entertainment provided to Government Officials or other counterparties that cost more than the limits specified in 1.3 above, must be approved in advance by the Chief Compliance Officer and Head of the Department at the relevant location.

2.2 Expense reports. When filling out an expense report, Welspun employees must indicate whether the reimbursement request is for expenses relating to a Government Official. All expenses must be properly documented to reflect:

(i) the business purpose of the expenditure; (ii) the recipient; (iii) the recipient's organization and position; (iv) the cost of the meal or entertainment; (v) the location of the meal or entertainment; and (vi) the Welspun employee(s) present. If prior approval was required, the expense report should note the individual who approved the expense and the date.

2.3 **Third Party Representative invoices.** Third Party Representatives must identify whether an invoice includes meals or entertainment provided to a Government Official and must otherwise comply with the expense reporting requirements under Welspun policy.

3.0 Responsible Persons

Every Welspun employee is responsible for ensuring that any meal, entertainment or other hospitality provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section. The Finance Department at the relevant location is

responsible for accounting for meals, entertainment and other hospitality properly in the Company's books and records. The Chief Compliance Officer and Head of Department will be responsible for approving expenses exceeding above limit. See Appendix B for the contact information on the key compliance-related Functions/departments.

4.E: Charitable Contributions and Sponsorship Involving Government Officials or Government Entities

1.0 Policy

Welspun is committed to corporate social responsibility and to participating in charitable activities that benefit the communities surrounding the Company's locations. Donations or sponsorship requested by or on behalf of a Government Official or a Government Entity must be approached with care, however, to ensure that the donation would not confer a personal benefit on a Government Official.

The following policies and procedures must be followed with respect to any charitable contribution or sponsorship that: (i) is requested by a Government Official; (ii) is requested on behalf of a Government Official, where the responsible Welspun employee has knowledge of the Government Official's role; (iii) would support the activities of a Government Entity; or (iv) has some other known connection to a Government Official or Government Entity.

1.1 **No quid pro quo.** Charitable contributions or sponsorship may never be provided or offered as part on an exchange of favors with any Government Official or to obtain some benefit for Welspun, even if the recipient is a bona fide charity. If a Government Official has promised any benefit, or issued any threat, in connection with a donation request, the donation request must be denied.

1.2 **Legitimate purpose.** Charitable contributions or sponsorship may only be made for a legitimate and transparent capacity-building purpose or in response to a compelling humanitarian need.

1.3 **Welspun Foundation for Health & Knowledge.** Generally, charitable donations and corporate social responsibility activities are to be conducted through the Welspun Foundation for Health & Knowledge ("Welspun Foundation"), subject to the Foundation's policies and legal requirements.

When an individual business unit seeks to engage in a charitable activity independently, the business unit is responsible for informing the Welspun Foundation regarding the charitable activity.

1.4 **Compliance with local law.** Charitable contributions or sponsorship must comply with local law and any applicable industry codes.

1.5 **Cash Donations Prohibited.** Any monetary contribution must be made by cheque, transfer, or other method that creates a comparable record of the transaction. Welspun may never make a charitable contribution or sponsorship in cash.

1.6 **No charitable contributions or sponsorship to individuals**. Charitable contributions or sponsorship may be made only to institutional accounts of legitimate and recognized organizations or entities. Welspun may never make a charitable contribution to a Government Official or to any personal bank account.

1.7 **CSR Activity.** Additionally, the contributions for projects that qualify as CSR activities under Companies Act, 2013 shall be approved and documented by CSR Committee. Proper due diligence should be carried out to ensure that the CSR Projects do not violate this policy, Welspun's Code of Conduct and other applicable policies and procedures

2.0 Procedures

2.1 Written request. All requests for charitable contributions must be in writing. The request should include the following information: (i) the name, address and mission of the organization; (ii) a statement of need; (iii) the project name or purpose for which the contribution is requested; (iv) the project's overall profile, goals and objectives; (v) the amount of the request; and (vi) a statement that all funds/resources donated by Welspun will be used solely for the stated purpose.

2.2 **Due diligence.** The responsible employees must complete the Charitable Contribution/Sponsorship Due Diligence Checklist attached as Form J.

2.3 **Review and approval.** Advance review and approval by the Chief Compliance Officer is required for all proposed contributions that involve a Government Official or Government Entity for processing per its defined charitable activities.

2.4 **Evidence of receipt.** Welspun must obtain evidence of receipt for each Government-related charitable contribution that it makes. The Welspun employee interacting with the organization is responsible for obtaining a receipt and providing it to the Finance Department.

2.5 **Publication.** Whenever possible, charitable contributions should be publicized in a manner appropriate in the local market.

3.0 Responsible Persons

Each Welspun employee is responsible for ensuring that any charitable contribution involving a Government Official or a Government Entity complies with the policies and procedures set forth in this section. The Chief Compliance Officer shall approve all contributions subject to these policies. The head of the Finance Department shall ensure that all such contributions are properly accounted for in the Company's books and records. See Appendix B for the contact information on the key compliance-related Functions/departments.

4.0 Related Documents

- Form J: Charitable Contribution Due Diligence Checklist

4.F: Political Contributions

1.0 Policy

Welspun prohibits all political contributions using Company funds, unless the political contributions are legal under applicable law, are consistent with the procedures in this Policy, and approved in advance by the Chief Compliance Officer and the Board of Directors. This policy applies to any Welspun funds or resources used to make or reimburse a contribution to any political party, committee or candidate for office, whether national, state or local and covers direct contributions as well as indirect assistance or support through purchasing tickets to political fundraising events or providing goods, services or equipment for fundraising or other campaign purposes.

4.G: Suppliers, Vendors & Other Third Parties, specifically recommended by Government Officials

1.0 Policy

Welspun sources a range of goods, services and materials from suppliers around the world. Employees must be alert when a Government Official attempts to steer or pressure Welspun to select a favored supplier, vendor or other third party. This may reflect an effort to benefit from an undisclosed relationship between the Government Official and a supplier, vendor or other third party. The following policies govern Welspun's selection and retention of suppliers and vendors.

1.1 **No quid pro quo**. Welspun may never select a supplier, vendor or other third party in order to gain influence with a Government Official.

1.2 **Be alert if a Government Official recommends a supplier, vendor or other third party.** When engaging or managing suppliers, vendors and other third parties, Welspun employees must be alert for signs that a supplier, vendor or other third party may have a special relationship with a Government Official. Enhanced diligence is required under these circumstances. If a Government Official attempts to steer or pressure Welspun to select a specific supplier, vendor or other third party, you may not engage that supplier, vendor or third party without the prior written approval of the Chief Compliance Officer.

1.2.1 **Exception for government-approved vendors on public lists.** Pre-approval of the Chief Compliance Officer is not required for vendors that appear on public and transparent lists of certified, registered or pre-approved companies that are maintained by Government Entities in the absence of any indication of possible corrupt interest of the Government Official who recommends a specific vendor.

1.3 **Direct payment**. Payment must go directly to the supplier or vendor providing the goods or service.

2.0 Procedures

Suppliers, vendors and other third parties specifically recommended by a Government Official must comply with the procedures listed in Section 4.A, or comparable procedures as directed by the Chief Compliance Officer.

4.H: Employment Requests from Government Officials

1.0 Policy

Offers of employment by Welspun to sitting Government Officials, their immediate family (spouse, dependent children, and dependent parents) or candidates recommended by Government Officials present a compliance risk since such offers may be viewed as conveying a benefit or something of value to a Government Official. Caution must be exercised to ensure that offers of employment, including internships and part-time positions, extended to Government Officials, their immediate family or candidates recommended by Government Officials are awarded on the basis of merit and qualifications assessed through Welspun's normal hiring process and not based simply on connections.

1.1 **No quid pro quo.** Welspun may not extend an offer of employment to a Government Official, relative of a Government Official or candidate recommended by a Government Official if the offer of employment could reasonably be expected to affect the outcome of a government decision or a business transaction or to confer an unfair advantage on Welspun.

1.2 **No special treatment.** Government Officials, the immediate family of Government Officials (spouse, dependent children, and dependent parents) and candidates recommended by Government Officials cannot be given special preference and must go through Welspun's normal hiring process.

1.3 **Pre-approval.** Discussions with sitting Government Officials about employment opportunities at Welspun must be pre-approved in writing by the Chief Compliance Officer and must occur in accordance with local law and the internal rules of the Government Officials organization of which Welspun is aware, including making any required disclosures to the candidate's employer.

1.4 **Policies apply to Third Party Representatives.** Employees may not pressure Welspun's Third Party Representatives, including agents, contractors, and vendors, to hire someone recommended by a Government Official unless the requirements of this policy are satisfied.

4.I: Facilitating Payments

Any payment to a government official designed to secure or speed up any government action by a government official. These are generally known as "Routine government actions". Some examples are provided below:

- Obtaining routine permits and licenses
- Processing passports, visas and work orders
- Providing police protection, mail pickup or delivery

- Providing phone service, power and water supply, loading and unloading cargo,
- Scheduling inspections or transit of goods across country; Expediting shipments through customs
- Please note that "routine government action" does not include:-
    - Any decision by a government official to award new business or
    - To continue business with a specific party or
    - To secure an advantage with respect to a discretionary approval / licenses

It is understood that in certain jurisdictions, facilitations payments are allowed. However, Welspun Management discourages any person covered by this policy to make any facilitation payments. In case a demand is received for payment to perform routine government actions, one should:

- Refuse to make such payment without official receipt and inform that the same is not permissible as per company policies;
- Report to the Chief Compliance Officer regarding demand for such payment;
- In case of exceptional circumstances, such as threat to personal safety, medical emergency, extortion, duress etc. facilitation payments may be made. Post such payments, the same shall be brought to the notice of the Chief Compliance Officer who shall ensure that these expenses are appropriately recorded in the books along with reasons.

5: Compliance Infrastructure

5.A: Books and Records

1.0 Policy

Welspun employees are required to maintain detailed and accurate records of the disposition of the Company's assets. All transactions, regardless of amount, must be recorded properly to permit accounting and financial reporting in accordance with the Generally Accepted Accounting Principles ("GAAP") and to maintain accountability. No false or misleading entries may be made in the books and records of Welspun. Personal funds may not be used to accomplish what is otherwise prohibited by Welspun policy.

In addition:

- Welspun employees must maintain accurate documentation of the transactions described in this Policy.

- Off-the-books accounts and inadequately identified transactions are strictly prohibited. No undisclosed or unrecorded assets may be established.

- Payments must not be made into anonymous bank accounts or other accounts not in the name of the payee or of an entity known to be controlled by the payee.

- Except for regular, approved cash payroll payments and normal disbursement from petty cash, supported by signed receipts or other appropriate documentation, payments must not be made in cash.

- No expenses will be reimbursed to persons or companies assisting Welspun in obtaining or retaining business unless the expenses are supported by reasonable written documentation.

- The requirement to properly record all transactions fairly and accurately extends to all original documents, including invoices, receipts and expense reports.

2.0 Procedures

The Chief Financial Officer or other designated Finance Department official, in conjunction with the Chief Compliance Officer, is responsible for the following:

Review and Approval

2.1 Maintaining accurate and detailed books and records and otherwise implementing this Books and Records policy.

2.2 Reviewing accounting records and monitoring for inaccuracies or deceptive entries that may disguise illegal payments.

2.3 Establishing a written list of documents and records that must be maintained in order to ensure compliance with this Policy and the recordkeeping provisions of applicable anti-bribery laws such as the FCPA.

2.4 Reviewing in advance of the issuance or transfer of reimbursement funds, detailed information regarding the nature of the payment for which reimbursement is requested. This information must be kept on file at the paying location.

2.5 Reviewing in advance any request to make payment to a Third Party Representative, supplier or vendor, that will be made outside of either the country where a substantial portion of the related services are performed or the country from which the person performing the services normally conducts business. Such payments can be made only if preapproved in writing by the Chief Compliance Officer.

2.6 Reviewing in advance requests for payments for any services rendered by a Government Official, including honorarium payments and reimbursement of expenses. Such payments require advance approval in writing by the Chief Compliance Officer and should only be made to the government authority employing the individual by check or wire to its named bank account.

Annual Review and Report

2.7 Within 60 days after the end of each financial year, the Chief Financial Officer

must prepare a report, which must be submitted to the Chief Compliance Officer, with respect to all commissions, other remuneration (including gifts, meals, entertainment, travel and lodging, and other hospitality), except for gifts and other hospitality below the allowable thresholds set forth in this Policy made in connection with his or her business units operations during that year.

2.8 The Chief Financial Officer must certify in the report that, to the best of his/her knowledge, the information in the report is accurate and all transactions during the year complied with this policy, except as noted.

2.9 The Chief Financial Officer must specifically identify any instance of noncompliance with or potential violation of this Policy, the FCPA, and other applicable anti-corruption or anti-bribery laws, describing the nature of the noncompliance or potential violation, and explaining the corrective action taken or to be taken.

2.10 Within 90 days after the end of each financial year, the Chief Compliance Officer must prepare a report, which must be submitted to the Board of directors at its next scheduled meeting, with respect to all commissions and remunerations (including gifts and other hospitality, except for gifts and hospitality below the thresholds set forth in this Policy).

5.B: Compliance Due Diligence in Acquisitions and Joint Ventures

1.0 Policy

When Welspun acquires, invests in or partners with another company, the due diligence performed on the target or partner must include a compliance assessment to identify and assess the corruption and international trade risk profile of the Target Company or partner.

2.0 Procedures

2.1 Due diligence. For any target company or joint venture partner, Welspun's pre-acquisition due diligence must include an anti-corruption and international trade component that is designed to identify and assess potential risks. A sample pre-acquisition due diligence checklist is attached at Form K. This checklist is illustrative only; the due diligence process should be tailored to account for likely risks facing the target company or joint venture partner, including the level of perceived corruption in the foreign market(s) where the target company or partner does business, the product and customer mix, the sales practices, and other factors specific to the target company or joint venture partner. The Welspun employees conducting due diligence on a target company or joint venture partner are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The individual(s) responsible for due diligence will be identified by the Chief Compliance Officer in connection with acquisitions or joint ventures as they arise. The Chief Compliance Officer should be consulted for guidance on conducting compliance-related pre-acquisition due diligence on a target or joint venture partner.

2.2 Report "red flags" and known or suspected improper conduct. You must bring the following to the attention of the Legal Department immediately:

- any "red flag" involving a potential target company (see Form A)
- any other information or suspicion that a target company, joint venture partner or any of its officers, directors, employees, or other representatives has made or intends to make an improper payment to a Government Official or is or has been involved in any business in embargoed countries or with embargoed parties.

2.3 Post-acquisition integration. Post-acquisition integration plans should include processes to: (i) extend Welspun's anti-corruption and international trade policies and procedures to the target company; and (ii) train key employees of the target company in those policies and procedures. The Human Resources Department is responsible for post-acquisition integration.

2.4 Anti-corruption and international trade contract language. Joint venture partners must agree to anti-corruption and relevant international trade contract language with the Company.

2.4.1 In the case of existing joint venture agreements with entities listed in Appendix A that do not contain appropriate anti-corruption and international trade provisions, the responsible business unit shall look for opportunities to add such provisions to the agreement, and must do so at the time the agreement is renewed or amended.

3.0 Responsible Persons

The Welspun employees conducting due diligence on a target company or joint venture partner, in consultation with the Chief Compliance Officer, are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The Human Resources Department is responsible for managing the compliance aspects of post-investment integration. See Appendix B for the contact information on the key compliance-related Functions/departments.

4.0 Related Documents

- Form A: Red Flags
- Form K: Sample Pre-acquisition / Pre-Investment Due Diligence Checklist

5.C: Compliance Monitoring and Audit

1.0 Policy

Compliance with the procedures in this Policy is mandatory and subject to audit. Each year, the Head of Internal Audit in consultation with Chief Compliance Officer will submit an audit plan for the coming year to the Audit Committee for review and approval. The purpose of such an audit is to assess implementation of the Compliance Program and compliance with anti-bribery anti-corruption policy. These reviews may be conducted as part of Welspun's regular internal audit cycle and coordinated with other aspects of its audit of business processes for

compliance with other regulations and policies, or these reviews may be conducted independently of other Welspun audits. The results of each audit shall be presented to the Board of Directors.

2.0 Procedures

2.1 **Form of review**. Welspun will conduct the following types of assessments:

- Policies and procedures assessment: A review of policies and procedures will be conducted to assess whether Welspun effectively maintains and communicates anti-corruption and international trade policies and procedures. This review is designed to identify whether applicable legal obligations are understood throughout the Company and its stakeholders.

- Compliance assessment: A review of select contracts, activities, practices and procedures will be conducted on a periodic basis to assess whether Welspun operations are successfully implementing the policies and procedures of the Compliance Program.

2.2 **Schedule.** Each year, the Head of Internal Audit in consultation with Chief Compliance Officer, in consultation with relevant departments, will propose a schedule for periodic audits or reviews of compliance in different departments and submit this to the Audit Committee for review.

2.3 **Corrective actions and training**. Findings and recommendations will be developed following each audit and shared with appropriate personnel.

2.3.1 The Chief Compliance Officer will be responsible for developing and managing any necessary corrective actions to address the findings and recommendations of the assessments and will report to the Audit Committee.

2.3.2 As necessary, training will be provided to address findings and recommendations, as well as any identified weaknesses.

2.4 **Recordkeeping.** The Chief Compliance Officer shall keep complete records of all audits for five years from the date of the audit or last corrective action related to the audit.

3.0 Responsible Persons

The Head of Internal Audit along with Chief Compliance Officer, is responsible for overseeing periodic audits and any required corrective action and reporting on such activities to the Board of directors. See Appendix B for the contact information on the key compliance-related Functions/departments.

5.D: Compliance Training

1.0 Policy

ABAC compliance training shall be provided to Company officers, directors, employees or any person directly employed by the Company. The manner and schedule will be determined by the Human Resources Department in consultation with the Chief Compliance Officer.

Additionally, the company may also extend training programs to third parties and temporary workers if it is envisaged that the work profile allocated to them carries a significant risk as per this ABAC Policy

1.1 Overall Responsibility. Chief Compliance Officer has overall responsibility for the Company's compliance procedures set forth in this policy.

1.2 Responsibility of business units. Each business unit is responsible for implementing the procedures in this Policy.

1.3 Availability of information. Welspun will make this Policy available to all employees through the Company intranet.

1.4 Regular training. Welspun personnel must not treat this training program as a onetime event, but to keep themselves up to date by undergoing repeat training at regular intervals or each time a training program is updated.

1.5 Annual confirmation/certification. Annual confirmation should be sought from Welspun personnel on compliance of ABAC policy.

5.E: Reporting violation or suspicious activity

Any non-compliance or suspicious activity shall be reported as per the reporting mechanism in the Whistle Blower Policy.

5.F: Investigations and Disciplinary Action for Non-Compliance of Policy

1.0 Policy

Any incidents or issues of potential non-compliance will be investigated by the Head - Ethics in consultation with the Chief Compliance Officer, and individuals who violate the procedures in this Policy may be subject to disciplinary measures up to termination of employment, as appropriate and at the discretion of the Company.

2.0 Procedures

2.1 **Investigation.** The Head - Ethics in consultation with Chief Compliance Officer, is responsible for investigating any allegations or suspicions of violations of the procedures in this Policy and all applicable laws and regulations in the countries where Welspun conducts business. The Head - Ethics is responsible for gathering all relevant information and reporting the potential violation to the Chief Compliance Officer.

2.2 **Collection of facts and documents.** A record of the investigation, including the names of employees questioned, and facts and documents collected, must be maintained by the Chief Compliance officer for five years following resolution of allegations that prompted the investigation.

2.2 **Investigation report.** An investigation report is to be prepared by the Head - Ethics for every investigation conducted. The report must summarize the allegation or suspicion of non-compliance, information on all individuals and departments involved in the alleged non-compliance, an account of the investigation conducted, and the conclusion arrived at by the Head - Ethics. The report should be submitted to the Chief Compliance Officer. The Chief Compliance Officer, in consultation with the Head - Ethics and the Human Resources Department, is responsible for deciding whether discipline is warranted and what steps, if any, should be taken to strengthen the Company's compliance and training program.

2.3.1 **Serious allegations.** Allegations which involve potential criminal conduct, reflect a pattern of misconduct, suggest material weakness in the implementation of an aspect of the Compliance Program, call into question the ethics or compliance of the Company's officers,

directors, or senior management, or that are otherwise deemed to be serious by the Chief Compliance Officer, must be elevated to the Audit Committee for review and action. The Head - Ethics and other relevant departments will be responsible for investigating unless the Audit Committee decides otherwise. Where an allegation or potential incident involves a direct or willful violation of applicable law or regulation or a potential bribe Chief Compliance Officer will oversee the investigation and elevate the matter to the Audit Committee.

3.0 Responsible Persons

The Head - Ethics is responsible for investigating allegations of violations of relevant laws and Company policies. The Chief Compliance Officer, in consultation with the Head - Ethics and the Human Resources Department, is responsible for making decisions regarding employee discipline and strengthening the Company's compliance and training program. See Appendix B for the contact information on the key compliance-related Functions/departments.

5.G: Waiver and Amendment

The policy may be continuously reviewed and updated based on the learnings and changes in the relevant regulations. The Chief Compliance Officer will monitor the effectiveness and review the implementation of this ABAC Policy, regularly considering its suitability, adequacy and effectiveness. Any exception to this policy shall have written preapproval from the Chief Compliance Officer.

