

BUSINESS ETHICS POLICY

Purpose:

Ensure that Arvind Industries' Employees have a detailed understanding and meet with the Company's expectation on ethics to be followed / observed during the Conduct of Business within and for Arvind Industries.

Policy:

Arvind Industries does business in a direct, transparent and ethical manner. Business Ethics Policy provides the basis upon which ARVIND INDUSTRIES's actions and the process of decision making will happen. Business Ethics Policy clearly states our commitment to integrity in whatever we do. Our practices reflect the values which define us as an organization. This Policy will apply to all employees.

Our Value System:

- Excellence
- Integrity
- Learning & Sharing
- Contribution to Industry & Society

Goal:

All employees understand the core values and beliefs and live them out every day with all Stakeholders.

Why a code is necessary

- The right thing to do...
- Employees expect it...
- The law encourages it...
- Our business demands it...

Guide to Business Ethics:

Conflict of Interest:

To maintain high standards of conduct, it is imperative to avoid conflicts of interest - a situation where personal and private interests interfere with job responsibilities. Though it is not possible to list out every conflict of interest, a few examples could be:

- Handling transactions on behalf of the Company that directly or indirectly benefit staff, a relative or a close friend of a staff member.
- Accepting a second job or consultancy assignment in another Organization.
- Carrying out an Independent Business similar to the present job or that of the Company's products and services.

Employees are advised to avoid conflict of interest situations and report to the Head of the Department or HR Department of any such condition they may perceive to / will arise.

Acceptance of Gifts:

Gifts that create a strong feeling of obligation between staff and the customer, prospective customers, suppliers, or subcontractors are not to be accepted. If staff members are not sure of the propriety of getting such gifts, discuss all the relevant facts of the situation with the concerned Head of the Department or HR Department.

Employee May Not Accept:

- Entertainment from a customer or Business contact that could be interpreted as lavish such as accommodation or pleasure trips and such other activities.
- Inheritance from a customer who is not a family member because it may appear to be the result of self-dealing by an employee. If you learn that you are named as a beneficiary in a customer's will, you should obtain permission from the Management before the donor's death if possible.

In general, employees will be governed by the Company's Standing Orders.

The following are a few of the activities which may result in termination of services and / or criminal penalties

- Accepting of fees, gifts or commissions in exchange for extending help or services
- Stealing, embezzling of funds or assets of the Company
- Providing false information at any point in time
- Knowingly making false entries of records, committing other criminal acts related to employment.

Public Opinion:

Whether expressed in speeches or articles, employees' personal opinions must not appear in contrast with the Company Policy. If an employee is asked to speak publicly as a representative of ARVIND INDUSTRIES, they have to check with HOD / HRD to ensure the statement will reflect Corporate Policy accurately.

Misleading Remarks:

The employee must not make false, misleading or derogatory comments about ARVIND INDUSTRIES, its employees, customers, or suppliers. Such remarks constitute a breach of good faith that ARVIND INDUSTRIES pledges to its employees and customers.

Official Stationery:

Official stationery, including envelopes, is not to be used for personal correspondence.

Safe Work Environment:

ARVIND INDUSTRIES has a responsibility to its employees, customers and the general public to provide a healthy and safe work environment where its employees are free from the effect of drugs, alcohol or other job impairing substances. The Company's Policy prohibits the following activities during working hours:

- Having any measurable amount of alcohol or any illegal drug in your possession.
- Consuming alcohol or using any illegal drug.
- Smoking of cigarettes, pipes or cigars is not permitted in the working areas, company's own vehicles or common areas inside the premises.

(Common areas are those areas that are shared by other employees and include restrooms, conference rooms, lobbies, staircases, lounges and dining areas)

Fire Arms:

Employees are not permitted to possess firearms and other dangerous weapons on the Company premises or in Company vehicles. Violation of this Policy will result in immediate termination of employment.

Antibribery:

ARVIND INDUSTRIES prohibits all forms of bribery and corruption, whether involving, but not limited to, a Government official or a private sector person or a Company and whether directly or indirectly. ARVIND INDUSTRIES conducts its Business lawfully and ethically and expects everyone associated

with it to conduct its Business with integrity regardless of the existence of any local customs or traditions that may question integrity.

Our responsibility is to conduct operations and activities in compliance with applicable Antibribery and Anti-Corruption Laws, which prohibits improper / unethical payments to Government Officials and others. Any payment or benefit conveyed, and is ethical, must be fully transparent, adequately documented, and duly accounted.

Implementation:

The Policy is communicated to all employees through induction programs, Policy manuals and intranet portals.

The custodian of this policy is the Human Resources Head who reports directly to Management. For the unionized employees, compliance with the Policy is ensured through a robust grievance handling procedure and the presence of a union that brings violations to the notice of the Head - HR.

Monitoring & Audit:

ARVIND INDUSTRIES has appropriate systems and checks & balance to ensure compliance with the Policy and relevant statutory provisions. This policy shall be reviewed periodically for its suitability and updated as and when necessary.