ETHICAL BUSINESS CONDUCT POLICY

Revision Number : 02

Effective Date : 29/05/2023

Contents

1. Introduction

At Alchem International Pvt. Ltd., integrity, transparency, accountability, and ethical conduct are fundamental to the way we conduct business. We believe that long-term business success can only be achieved through responsible corporate behavior, compliance with applicable laws and regulations, and the highest standards of professional ethics.

Alchem is committed to conducting its business honestly, fairly, and responsibly while maintaining the trust of employees, customers, suppliers, business partners, investors, regulators, and communities. We recognize that unethical business practices such as bribery, corruption, fraud, conflicts of interest, money laundering, misuse of confidential information, and other forms of misconduct can undermine stakeholder trust, damage reputation, expose the organization to legal and financial risks, and negatively impact sustainable business growth.

This Business Ethics, Integrity & Responsible Conduct Policy establishes the principles, commitments, and expectations that guide ethical decision-making across all areas of our operations. It provides a framework for preventing unethical conduct, promoting responsible business practices, protecting confidential information, and ensuring compliance with applicable legal, regulatory, and contractual obligations.

Through this policy, Alchem seeks to foster a culture in which integrity is embedded in everyday decision-making and where all individuals are empowered to raise concerns, report suspected misconduct, and contribute to maintaining the highest standards of business ethics.

2. Scope

This policy applies to:

- All employees, workers, contractors, subcontractors, suppliers, consultants, and business partners operating at or for **BALLABGARH SITE**
- All activities including manufacturing, warehousing, logistics, administration, product design, research & development, and procurement.
- The surrounding communities and ecosystems that may be affected by our operations.

Location:

Site	Address
BALLABGARH SITE	25/2, Main Mathura Road, Village Kaili, Ballabhgarh, Faridabad, Haryana 121004

Baseline Year: FY 2023-24
Target Year: FY 2030-31

3. Core Principles

Alchem's approach to labour and human rights management is guided by the following principles:

1. **Integrity**

   We conduct business honestly, ethically, and transparently, ensuring that our actions are consistent with our values and commitments.

2. **Accountability**

   Individuals are accountable for their decisions, actions, and behavior and are expected to comply with company policies, procedures, and legal requirements.

3. **Transparency**

   We maintain accurate records, provide truthful information, and communicate openly with stakeholders while respecting confidentiality requirements.

4. **Fairness**

   We treat customers, suppliers, employees, competitors, and business partners fairly and respectfully, avoiding unethical or improper practices.

5. **Compliance**

   We comply with all applicable laws, regulations, industry standards, contractual obligations, and internal requirements in every jurisdiction where we operate.

6. **Confidentiality**

   We safeguard confidential information, intellectual property, personal data, and business-sensitive information from unauthorized access, use, disclosure, or loss.

7. **Responsible Decision-Making**

   We assess ethical, legal, financial, operational, and reputational considerations when making business decisions.

8. **Speak-Up Culture**

   We encourage employees and stakeholders to raise concerns, ask questions, and report suspected misconduct without fear of retaliation.

4. Ethics, Integrity & Responsible Business Commitments

For each Social aspect, we set both **qualitative objectives** (strategic direction) and **quantitative targets** (measurable outcomes).

4.1 Human Rights Governance

Qualitative Objectives: (by FY 2030-31, against FY 2023-24 baseline):

1. Integrate human rights considerations into business operations, strategic planning, and risk management processes.
2. Identify, assess, and address actual or potential human rights risks associated with our activities and business relationships.
3. Promote awareness of human rights responsibilities among employees, management, suppliers, and contractors.
4. Encourage ethical decision-making and responsible business conduct at all organizational levels.
5. Maintain effective grievance mechanisms that allow stakeholders to report concerns without fear of retaliation.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct annual human rights risk assessments covering operations and supply chain activities.
- Provide human rights awareness training to **100%** of management personnel.
- Ensure all reported human rights concerns are investigated in accordance with established procedures.
- Maintain **zero** substantiated cases of severe human rights violations within Alchem operations.
- Review **100%** of human rights performance indicators annually.

4.1 Ethical Business Conduct & Integrity

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Conduct all business activities honestly, ethically, and transparently.
2. Promote a culture of integrity and accountability across all operations.
3. Ensure compliance with applicable laws, regulations, and ethical standards.
4. Encourage employees to act in the best interests of Alchem and its stakeholders.
5. Foster trust through responsible decision-making and ethical leadership.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Provide Code of Conduct and Ethics training to 100% of employees by FY 2030-31.
- Achieve annual ethics awareness participation rates exceeding 95%.
- Conduct ethics compliance reviews across 100% of operational sites annually.
- Investigate 100% of reported ethics violations.
- Maintain zero substantiated incidents involving deliberate unethical conduct by senior management.

4.2 Anti-Bribery & Anti-Corruption

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Maintain zero tolerance for bribery, corruption, facilitation payments, kickbacks, or improper advantages.
2. Prohibit offering, promising, giving, soliciting, or accepting anything of value intended to improperly influence a business decision.
3. Promote transparent and ethical interactions with customers, suppliers, government authorities, and business partners.
4. Implement controls to identify and mitigate corruption risks.
5. Encourage prompt reporting of suspected bribery or corruption.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct corruption risk assessments covering 100% of operational sites by FY 2030-31.
- Provide anti-bribery and anti-corruption training to 100% of employees in high-risk functions annually.
- Complete anti-corruption awareness training for at least 95% of all employees annually.
- Assess 100% of high-risk third parties through integrity due diligence processes.
- Investigate 100% of reported bribery and corruption allegations.
- Maintain zero confirmed incidents of bribery or corruption.

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4.3 Conflict of Interest

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Require employees to avoid situations where personal interests conflict with company interests.
2. Promote transparency regarding financial, personal, or professional relationships that could influence business decisions.
3. Ensure business decisions are made objectively and without improper influence.
4. Establish mechanisms for disclosure and management of conflicts of interest.
5. Encourage employees to seek guidance when potential conflicts arise.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Obtain annual conflict-of-interest declarations from 100% of management personnel.
- Train 100% of employees on conflict-of-interest requirements by FY 2030-31.
- Review 100% of disclosed conflicts and implement mitigation measures where necessary.
- Conduct annual conflict-of-interest compliance assessments.
- Investigate 100% of reported conflict-of-interest concerns.

4.4 Fraud Prevention

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Prevent fraudulent, deceptive, dishonest, or misleading activities.
2. Promote transparency, accountability, and responsible financial management.
3. Maintain strong internal controls to detect and prevent fraud.
4. Encourage prompt reporting of suspected fraudulent activities.
5. Ensure fair and ethical business practices throughout operations.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Provide fraud awareness training to 100% of finance, procurement, and management personnel annually
- Conduct fraud risk assessments across 100% of operational sites by FY 2030-31.
- Investigate 100% of reported fraud allegations.
- Perform annual internal control reviews covering key fraud-risk areas.

- Maintain zero confirmed material fraud incidents.

4.5 Anti-Money Laundering (AML)

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Prohibit participation in money laundering, terrorist financing, or other illicit financial activities.
2. Conduct business only with legitimate customers, suppliers, and business partners.
3. Implement due diligence processes to identify suspicious transactions and activities.
4. Maintain accurate financial records and transaction documentation.
5. Report suspicious activities as required by law.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Provide AML awareness training to 100% of relevant employees by FY 2030-31.
- Conduct AML risk assessments across 100% of operational locations.
- Screen 100% of significant business partners through appropriate due diligence processes.
- Review 100% of identified suspicious transactions.
- Maintain zero confirmed incidents of money laundering involvement.

4.6 Confidential Information, Data Privacy & Information Security

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Protect confidential business information, intellectual property, customer data, and personal information.
2. Ensure responsible collection, processing, storage, transfer, and disposal of information.
3. Maintain appropriate cybersecurity and information security controls.
4. Comply with applicable data privacy and information security requirements.
5. Promote awareness of information security risks among employees.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct information security risk assessments covering 100% of operational sites by FY 2030-31.
- Provide information security and confidentiality training to 100% of employees annually.

- Complete annual cybersecurity awareness training with at least 95% employee participation.
- Investigate 100% of reported information security incidents
- Maintain zero material breaches involving confidential business information resulting from negligence.
- Conduct periodic vulnerability assessments and corrective action reviews across all critical information systems.

4.7 Gifts, Hospitality & Entertainment

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Ensure gifts, hospitality, entertainment, travel, sponsorships, and promotional activities are conducted transparently, reasonably, and for legitimate business purposes.
2. Prevent gifts, hospitality, or entertainment from influencing or appearing to influence business decisions.
3. Prohibit gifts, favors, or benefits that may create an actual or perceived conflict of interest.
4. Establish approval and disclosure requirements for gifts and hospitality.
5. Promote ethical business relationships while maintaining professional independence and objectivity.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Provide gifts and hospitality compliance training to 100% of employees in customer-facing, procurement, sales, finance, and management roles by FY 2030-31.
- Obtain documented approval for 100% of gifts, hospitality, or entertainment exceeding company-defined thresholds.
- Review gifts and hospitality registers annually across 100% of operational sites.
- Investigate 100% of reported violations related to gifts, hospitality, and entertainment.
- Maintain zero substantiated incidents involving improper gifts, kickbacks, or business inducements.

4.8 Fair Competition & Antitrust Compliance

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Compete fairly, ethically, and lawfully in all markets where Alchem operates.

2. Prohibit anti-competitive behavior, including price fixing, market allocation, bid rigging, abuse of market position, or unlawful information sharing.
3. Promote transparency and fairness in commercial dealings.
4. Ensure compliance with applicable competition and antitrust laws.
5. Foster a culture of ethical competition and responsible market conduct.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Provide competition law and antitrust awareness training to 100% of relevant commercial, procurement, and leadership personnel by FY 2030-31.
- Conduct annual competition law compliance assessments across all business units.
- Review 100% of identified high-risk commercial arrangements for antitrust compliance.
- Investigate 100% of reported anti-competitive conduct allegations.
- Maintain zero confirmed violations of applicable competition or antitrust regulations.

4.9 Accurate Books, Records & Financial Integrity

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Maintain complete, accurate, and transparent financial and business records.
2. Ensure all transactions are appropriately authorized, recorded, and supported by documentation.
3. Prevent falsification, manipulation, concealment, or misrepresentation of financial information.
4. Promote accountability and transparency in financial reporting.
5. Strengthen internal controls to protect company assets and financial integrity.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct annual internal financial control reviews across 100% of operational locations.
- Complete periodic audits of high-risk financial processes.
- Investigate 100% of identified financial irregularities.
- Achieve 100% retention of required financial records in accordance with legal and business requirements.
- Maintain zero confirmed cases of intentional financial misrepresentation or record falsification.

4.10 Responsible Procurement & Third-Party Integrity

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Conduct business only with reputable suppliers, contractors, consultants, agents, and business partners.
2. Integrate ethics, compliance, and integrity considerations into procurement and supplier management processes.
3. Promote responsible business conduct throughout the value chain.
4. Prevent unethical practices by third parties acting on behalf of Alchem.
5. Encourage suppliers and business partners to maintain effective ethics and compliance programs.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct integrity due diligence on 100% of high-risk third parties before engagement.
- Include ethics, anti-corruption, and compliance clauses in 100% of new supplier and contractor agreements.
- Assess 100% of strategic suppliers against business ethics requirements by FY 2030-31.
- Review supplier compliance performance annually.
- Close at least 90% of third-party ethics-related corrective actions within agreed timelines.
- Maintain zero critical unresolved ethics violations among approved suppliers and business partners.

4.11 Whistleblower Protection & Non-Retaliation

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Encourage employees and stakeholders to report suspected misconduct, unethical behavior, compliance violations, or concerns in good faith.
2. Provide confidential and accessible reporting channels.
3. Protect whistleblowers from retaliation, discrimination, intimidation, or adverse treatment.
4. Investigate concerns fairly, independently, and objectively.
5. Promote a culture where ethical concerns can be raised without fear.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Acknowledge 100% of reported ethics concerns within 7 working days.

- Investigate 100% of substantiated whistleblower reports.
- Resolve at least 90% of substantiated ethics cases within established timelines.
- Conduct annual awareness training on reporting mechanisms and whistleblower protections.
- Maintain zero substantiated incidents of retaliation against individuals who report concerns in good faith.

4.12 Regulatory Compliance & Corporate Governance

Qualitative Objectives (by FY 2030-31, against FY 2023-24 baseline):

1. Ensure compliance with all applicable laws, regulations, permits, licenses, contractual obligations, and industry standards.
2. Maintain effective governance structures that support ethical business conduct.
3. Promote accountability, oversight, and responsible decision-making.
4. Identify, assess, and manage compliance risks proactively.
5. Support continuous improvement of governance and compliance management systems.

Quantitative Targets (by FY 2030-31, against FY 2023-24 baseline):

- Conduct annual legal and compliance reviews covering 100% of operational sites.
- Maintain 100% compliance with mandatory regulatory filings and reporting obligations.
- Provide compliance awareness training to 100% of relevant employees.
- Assess significant compliance risks annually and implement mitigation plans.
- Investigate 100% of reported regulatory non-compliance incidents.
- Achieve closure of at least 90% of compliance-related corrective actions within agreed timelines.

5. Action Framework

To translate policy commitments into measurable outcomes, Alchem shall implement the following ethics, integrity, governance, and compliance management actions:

Topic	Key Actions
Ethical Business Conduct	Annual ethics training, Code of Conduct certification, ethics awareness campaigns, management reviews.
Anti-Bribery & Anti-Corruption	Corruption risk assessments, third-party due diligence, gifts register reviews, anti-bribery controls.
Conflict of Interest	Annual disclosures, conflict reviews, management declarations, mitigation plans.
Fraud Prevention	Fraud risk assessments, internal controls, audits, investigation procedures.
Anti-Money Laundering	Customer and supplier due diligence, transaction monitoring, AML awareness training.
Information Security	Cybersecurity awareness, vulnerability assessments, access controls, incident response programs.
Gifts & Hospitality	Approval processes, disclosure registers, periodic compliance reviews.
Fair Competition	Antitrust training, legal reviews, compliance monitoring.
Financial Integrity	Internal audits, financial control assessments, record retention procedures.
Third-Party Integrity	Supplier assessments, contractual compliance requirements, corrective action tracking.
Whistleblower Protection	Confidential reporting channels, case management procedures, non-retaliation controls.
Regulatory Compliance	Compliance monitoring, legal reviews, corrective action programs, governance oversight.

6. Ethical Conduct Guidelines (Do's and Don'ts)

To support the effective implementation of this policy, all employees, contractors, consultants, and business partners are expected to adhere to the following ethical conduct principles.

Category	Do’s	Don’ts
Anti-Corruption and Fraud Prevention	→ Report any suspected bribery, fraud, or unethical conduct to the Compliance Officer or through the Whistleblower Procedure.	→ Do not offer or accept bribes in any form. → Do not falsify or manipulate financial records.

	→ Maintain transparent and accurate records of all financial transactions. → Decline gifts or incentives from suppliers that could influence business decisions.	→ Do not ignore or withhold information regarding potential corruption risks.
Conflict of Interest Management	→ Disclose any personal or financial relationships that could create a conflict of interest. → Seek approval before engaging in any external business relationships. → Follow company procedures for reporting conflicts of interest.	→ Do not make decisions that personally benefit you at the expense of the company. → Do not engage in business with direct competitors without approval. → Do not misuse company resources for personal gain.
Money Laundering Prevention	→ Report any suspicious transactions to the compliance department. → Conduct due diligence before engaging with new business partners. → Maintain accurate financial records and transaction logs.	→ Do not process or approve transactions that lack clear business justification. → Do not ignore red flags related to suspicious financial activities. → Do not engage in structuring transactions to evade reporting requirements.
Anti-Competitive Practice Avoidance	→ Compete fairly and ethically in the marketplace. → Follow all applicable competition laws and regulations. → Ensure transparency in negotiations and pricing strategies.	→ Do not engage in price-fixing, bid-rigging, or market allocation schemes. → Do not discuss competitive pricing strategies with competitors. → Do not misuse market influence to eliminate competition unfairly.
Information Security & Data Protection	→ Follow company cybersecurity policies to protect sensitive data. → Use strong passwords and enable multi-factor authentication where required. → Report any suspicious emails, phishing attempts, or data breaches immediately.	→ Do not share confidential company data with unauthorized individuals. → Do not use personal devices to store or transmit company-sensitive information.

7. Disciplinary Actions & Consequences

Alchem maintains a zero-tolerance approach toward unethical conduct, fraud, corruption, bribery, retaliation, deliberate policy violations, and other forms of misconduct.

Violations of this policy may result in disciplinary action, regardless of an employee's position, seniority, or length of service.

Examples of Misconduct

Examples include, but are not limited to:

- Bribery, corruption, kickbacks, or facilitation payments.
- Fraud, theft, embezzlement, or financial misconduct.
- Deliberate falsification of records, reports, or documentation.
- Conflicts of interest that are intentionally concealed.
- Misuse of confidential information or intellectual property.
- Data privacy or information security breaches resulting from negligence or misconduct.
- Retaliation against whistleblowers or individuals reporting concerns.
- Obstruction of investigations, audits, or compliance reviews.
- Deliberate violations of laws, regulations, or company policies.
- Failure to cooperate during investigations.

Potential Disciplinary Actions

Depending upon the nature, severity, frequency, and impact of the violation, disciplinary measures may include:

- Verbal counseling.
- Written warning.
- Mandatory retraining or corrective action plans.
- Performance improvement measures.
- Suspension of duties or responsibilities.
- Removal of decision-making authority.

- Financial restitution where permitted by law.
- Termination of employment.
- Termination of supplier, contractor, consultant, or business partner relationships.
- Reporting to regulatory authorities, law enforcement agencies, or other relevant bodies where legally required.

Investigation Principles

All allegations of misconduct shall be:

- Investigated promptly and objectively.
- Handled confidentially to the extent possible.
- Reviewed based on evidence and facts.
- Documented and retained in accordance with company procedures.
- Subject to appropriate corrective and preventive actions.

Management Accountability

Managers and supervisors who fail to address known violations, ignore misconduct, encourage unethical behavior, or retaliate against individuals raising concerns may also be subject to disciplinary action.

No employee, regardless of position or authority, shall be exempt from compliance with this policy.

8. Roles and Responsibilities

Board of Directors / Executive Leadership

Responsibilities:

- Approve and periodically review this policy and associated governance frameworks.
- Demonstrate leadership commitment to ethical business conduct and compliance.
- Ensure adequate resources are allocated for policy implementation
- Review significant ethics, compliance, fraud, corruption, and governance risks
- Monitor overall ethics and compliance performance.

Site Head / Business Unit Head

Responsibilities:

- Ensure implementation of policy requirements across their areas of responsibility.
- Promote a culture of integrity, transparency, and accountability.
- Support ethics awareness initiatives and compliance programs.
- Review ethics-related performance indicators and corrective actions.

Human Resources Department

Responsibilities:

- Integrate ethics and compliance requirements into employee onboarding and training.
- Support investigations involving employee misconduct.
- Maintain disciplinary records and corrective action documentation.
- Promote awareness of reporting mechanisms and whistleblower protections.

Finance Department

Responsibilities:

- Maintain effective financial controls and recordkeeping practices.
- Monitor financial transactions for irregularities and fraud risks.
- Support fraud prevention, anti-corruption, and anti-money laundering initiatives.
- Cooperate with audits and compliance reviews.

Procurement & Supply Chain Department

Responsibilities:

- Conduct supplier integrity assessments and due diligence activities.
- Communicate ethics requirements to suppliers and contractors.
- Monitor third-party compliance with contractual ethics obligations.
- Address identified supplier non-conformities.

Information Technology Department

Responsibilities:

- Maintain cybersecurity and information security controls.
- Protect confidential information and business data.
- Monitor information security risks and incidents.
- Support employee awareness on cybersecurity and data protection.

Managers and Supervisors

Responsibilities:

- Lead by example and demonstrate ethical behavior.
- Promote awareness of policy requirements within their teams.
- Encourage employees to raise concerns without fear of retaliation.
- Escalate ethics concerns appropriately and promptly.

Employees

Responsibilities:

- Comply with this policy and all related procedures.
- Conduct business honestly and ethically.
- Report suspected misconduct, violations, or unethical behavior.
- Protect company assets and confidential information.
- Participate in required ethics and compliance training.

9. Alignment with Sustainable Development Goals (SDGs)

This policy directly contributes to the following UN SDGs:

11. Policy Review

This policy shall be reviewed annually to ensure its continued relevance, effectiveness, and alignment with applicable laws, regulations, stakeholder expectations, and business objectives.

The review process shall consider:

- Audit findings and compliance reviews.
- Ethics and compliance performance indicators.
- Reported incidents and investigation outcomes.
- Regulatory developments.
- Stakeholder feedback.
- Emerging business ethics risks
- Industry best practices.

Last Review Date: 06-04-2026

Next Review Date: 06-04-2027

Approved By: Sunil Malik

Designation: Senior Vice President

Signature:

Alchem International Pvt. ltd
Auth. Signatory

Date: 06-04-2026

10. Employee Acknowledgement

I acknowledge that I have received, read, and understood the Alchem International Pvt. Ltd. Ethical Business Conduct Policy.

I understand my responsibility to conduct business ethically, comply with applicable laws and company policies, avoid conflicts of interest, prevent bribery and corruption, protect confidential information, maintain accurate records, and report suspected misconduct.

I agree to uphold the principles contained within this policy and contribute to maintaining a culture of integrity, accountability, transparency, and responsible business conduct.

Employee Name: Yuvraj Chettri

Employee Signature:

Date: 07-04-2026