Automotive Axles Limited (AAL)

Code of Conduct for Suppliers and Service provider's

AAL expects suppliers and Service provider's to comply with all rules and regulations in force, and to follow the basic principles provided below.

- **Employment:** Do not employ child or forced labour. Follow the rules laid down concerning the minimum age of employment for children. Ensure that minimum wage legal requirements are met.

- **Equal opportunity Employment:** Do not discriminate on grounds of ethnic, national, or social origin, skin colour, sex, religion, views, age, disability, sexual orientation.

- **Employee representation:** The right of employees to form trade unions and employee representations and to join them is recognized.

- **Product safety:** Comply with all applicable legal product safety regulations and requirements, particularly legal requirements pertaining to the safety, labelling, and packaging of products as well as the use of dangerous substances and materials.

- **Safety in the workplace and working hours:** Comply with the relevant legal regulations for health and safety in the workplace. Achieve **Zero BAD** (B- Breakdown, A- Accident, D- Defect), **Zero COC** on work place (C- Chips, O- Oil, C- Coolant). They support the further development and improvement of working conditions. Working hours correspond at least to the legal standards.

- **Compliance with legal provisions:** Be responsible and implement environmental protection initiatives and comply with all applicable legislation relating to the environment. Suppliers will be responsible for violations of the rules, regulations and laws of their own country or country of origin of goods and services.

- **Energy efficiency:** Use optimum natural resources and minimize environmental pollution in production processes and products, and contribute to reducing energy consumption and CO_2 emissions.

- **Environmental management systems:** Implement environmental management systems (ISO 14001) and continuously improve environmental performance.

- **Avoiding conflicts of interest:** Take decisions based on objective criteria and do not allow to be guided by personal interests or relationships.

- **Prohibit corruption:** Do not tolerate bribery or corruption. Ensure that employees, subcontractors or representatives do not grant, offer or accept any bribes, kickbacks, donations.

- **Gifts, hospitality:** Do not offer AAL employees or third parties any inappropriate benefits either directly or indirectly in the form of gifts, hospitality, unduly influence them. Neither do they ask for nor accept such benefits.

- **Dealing with Government:** Comply with the strict legal provisions when dealing with governments, authorities, and public institutions.

- **Consultants and agents:** Employ consultants or agents in line with the laws in force. Take particular care to ensure that consultants or agents are only remunerated for consulting and

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agency services actually rendered and that the payments are commensurate with the performance rendered.

- **Export control:** Make sure to comply with all applicable legal provisions for importing and exporting goods, services, and information.

- **Business information:** Publish business information and report on business activities truthfully and in line with the laws in force.

- **Data protection:** Observe all laws applicable to protect the personal data of employees, customers, suppliers, and other parties concerned.

- **Protection of know-how, patents, and trade and business secrets:** Respect the know-how, patents, trade and business secrets of AAL and third parties. Do not pass such information on to third parties without the prior written consent of AAL.

- **Handling Company Assets Including Tooling:** To ensure that assets of the AAL are fully protected and put to use only for AAL's business and to maintain high standards of manufacturing practices to achieve customers total satisfaction. Tools are to be identified with respective part and asset number, history card to be maintained for life of the tool.

- **Closure of Business unit:** It is mandatory to inform in advance minimum of 3 months in writing to AAL. Ensure to return all the tooling assets with proper documentation. Advance information required to initiate actions for alternate sourcing in order to achieve end customer satisfaction.

- **Legal consequences of violating the AAL supplier and Service provider's code of conduct:** If an AAL supplier or service provider's does not observe the basic principles laid down in this Code of Conduct, AAL is entitled to terminate the business relationship with this supplier or business partner, Service provider.

- **Corporate Social Responsibility (CSR):** The supplier shall have fair practices of getting involved in the CSR related activities in order to demonstrate that the company continually commits to meet social and environmental obligations.

- **Conflict of Interest**

  Suppliers are expected to avoid conflicts of interest that may compromise the Supplier's credibility with AAL. There is a potential for conflict of interest, if a Supplier's employee or his or her family member has a relationship with a AAL employee who can make decisions that will affect the Supplier's business.

- **Sustainability**

  Suppliers shall strive to abide and act in accordance with the applicable statutory and international standards for environmental protection. All products manufactured along the supply chain must meet the environmental protection standards of their market segment such as water quality, air quality etc. and should have in place Responsible Chemical Management. This includes the complete product life cycle as well as all used materials. Suppliers shall, on AAL's request, provide evidence that they have implemented an environment program in order to reduce the carbon footprint on the environment.

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- **Duty to Report Violations**

  For any feedback or suggestion can be shared through ethics@autoaxle.com.

  Nagaraja Sadashiva Murthy Gargeshwari
  President & Wholetime Director

  Date: 31.03.2023
  Place: Mysuru