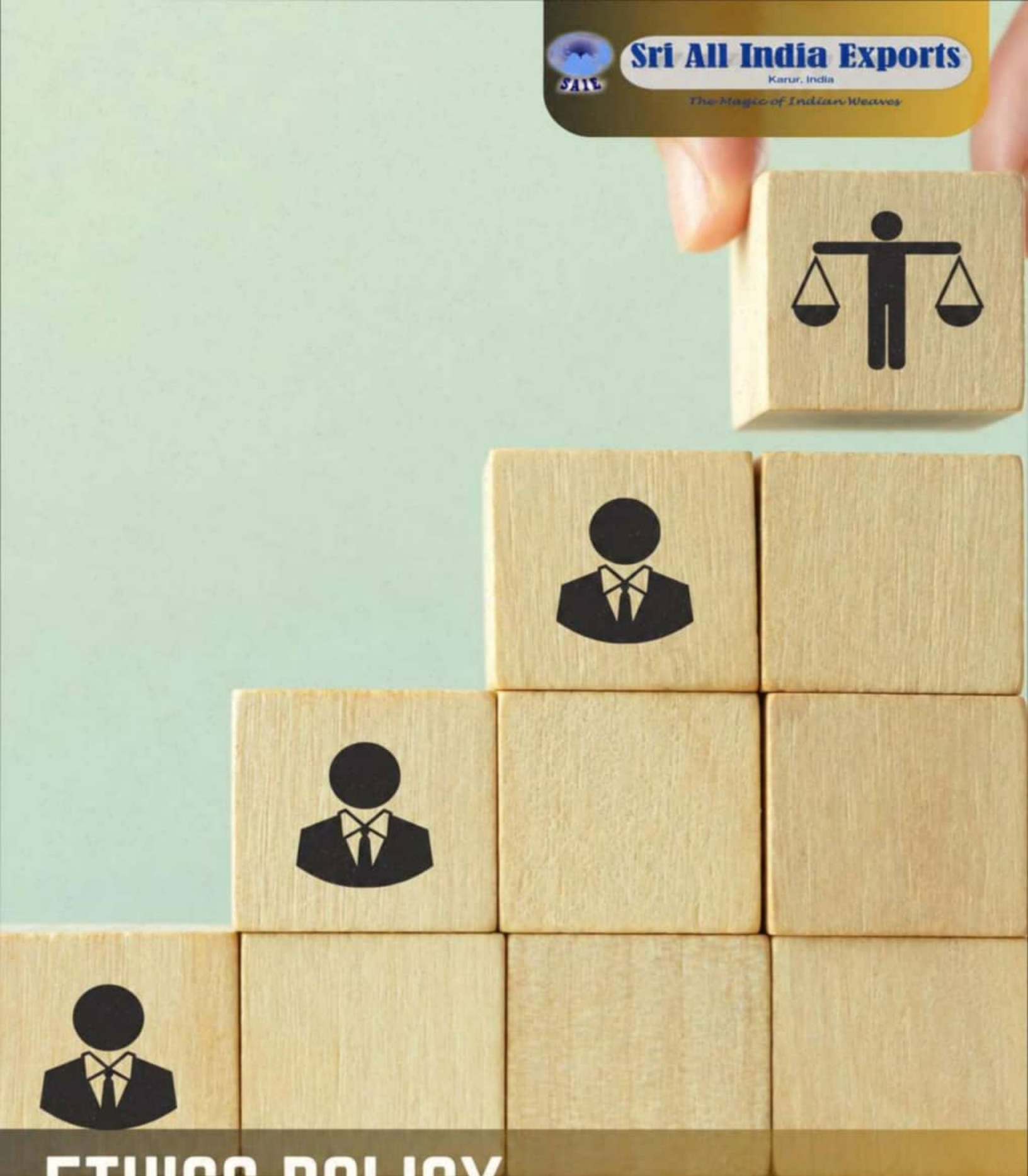
Sri All India Exports
Karur, India
The Magic of Indian Weaves



ETHICS POLICY

Effective from : 01/01/2023

Revision Number : 03

#23, Velammal Layout, Sengunthapuram, Karur-639002, India.

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♦ INTRODUCTION

Sri All India Exports is steadfast in its commitment to maintaining the highest ethical standards across all aspects of our operations. As a prominent leader in the textile industry, we are dedicated to fostering an environment of integrity, transparency, and accountability. This Ethics Policy articulates our commitment to ethical behavior and outlines the framework for addressing key ethical issues, including corruption, conflict of interest, fraud, money laundering, anti-competitive practices, and information security.

Our goal is to ensure that all employees, stakeholders, and partners conduct business with honesty and respect for legal and ethical standards. This policy serves as a guide for maintaining ethical conduct, safeguarding the company's reputation, and complying with legal requirements.

♦ SCOPE

This policy is exclusively applicable to the operations of Sri All India Exports, covering all employees, workers, subcontractors, and other stakeholders directly affiliated with our site.

Sr. No.	Name of Site	Address
1	Sri All India Exports	#23, Velammal Layout, Sengunthapuram, Karur-639002, India.

♦ POLICY STATEMENT

At Sri All India Exports, we uphold the highest standards of ethical behavior. We are committed to preventing and addressing unethical conduct and ensuring compliance with applicable laws and regulations. This policy reinforces our dedication to ethical practices and provides a clear framework for addressing potential ethical issues.

♦ KEY FOCUS AREA

Corruption

- Anti-Corruption Measures: Implement and enforce strict anti-corruption policies and procedures. Prohibit any form of bribery, kickbacks, or improper payments.
- Training and Awareness: Provide regular training on anti-corruption practices and legal requirements to all employees and partners.
- Reporting Mechanism: Establish a confidential reporting system for employees to report suspected corruption or unethical behaviour.

Conflict of Interest

- Disclosure Requirements: Require employees and stakeholders to disclose any personal, financial, or professional interests that may conflict with their duties and responsibilities.
- Review Process: Implement a process for reviewing and managing disclosed conflicts of interest to prevent any potential bias or improper influence.
- Decision-Making Process: Establish a transparent decision-making process that involves multiple stakeholders to mitigate the risk of conflicts of interest influencing business outcomes.

Fraud

- Fraud Prevention: Develop and implement fraud prevention measures, including internal controls and audit procedures, to detect and prevent fraudulent activities.
- Fraud Reporting: Provide a secure and anonymous channel for reporting suspected fraud and investigate all allegations thoroughly.
- Disciplinary Actions: Enforce disciplinary actions for individuals involved in fraudulent activities, up to and including termination of employment.

Money Laundering

- Monitoring and Reporting: Monitor transactions and activities for signs of money laundering and report suspicious activities to the appropriate authorities.
- Training Programs: Provide training on anti-money laundering practices to employees, highlighting red flags and legal obligations.
- Record Keeping: Maintain comprehensive records of all transactions and customer interactions to facilitate auditing and regulatory compliance

Anti-Competitive Practices

- Competition Compliance: Adhere to fair competition laws and regulations. Prohibit anti-competitive practices, including collusion, price-fixing, and market manipulation.
- Market Conduct: Ensure that all market conduct is fair, transparent, and in line with competition regulations.
- Market Analysis: Regularly analyze market conditions and competitors to ensure compliance with anti-competitive regulations and practices.

Information Security

- Data Protection: Implement robust information security measures to protect confidential and sensitive information from unauthorized access, alteration, or destruction.
- Employee Training: Provide training on information security best practices and the importance of protecting company and customer data.
- Incident Response Plan: Develop and maintain an incident response plan for handling data breaches and security incidents, including communication protocols and remediation steps.
- Data Encryption: Use encryption technologies to protect data both at rest and in transit, minimizing the risk of data breaches.

♦ QUALITATIVE TARGETS

Corruption

- Develop and roll out a comprehensive anti-corruption training program for all new employees. For example, employees will participate in a workshop on recognizing

and preventing bribery and other forms of corruption within their first month of employment.

- Create a dedicated, confidential channel for reporting corruption, and ensure all employees are aware of and can use this system without fear of retaliation.
- Establish a confidential reporting system where employees can anonymously report suspected corruption. For instance, set up an online portal and a hotline dedicated to reporting unethical behavior.

Conflict of Interest

- Create a formal process for employees to disclose potential conflicts of interest. For example, employees will be required to fill out a conflict-of-interest declaration form when they join the company and annually thereafter.
- Develop a system for reviewing disclosed conflicts of interest. For instance, establish a committee that meets quarterly to assess and manage any disclosed conflicts.
- Establish a transparent process for decision-making that includes checks to identify and mitigate conflicts of interest. For example, decisions on promotions or major contracts will involve a review by a committee to ensure impartiality.

Fraud

- Implement internal controls to prevent fraud. For example, introduce a new verification process for financial transactions to detect any anomalies.
- Create secure channels for reporting suspected fraud. For instance, establish a confidential email and phone line where employees can report fraud anonymously.
- Organize workshops to raise awareness about fraud and its prevention. Employees will participate in quarterly workshops that cover different aspects of fraud prevention.

Money Laundering

- Implement a monitoring system to detect potential money laundering activities. For instance, use software to flag unusual transactions for further investigation.
- Offer training on anti-money laundering practices to all employees. Host bi-annual training sessions that include case studies and scenarios related to money laundering.
- Maintain detailed records of all transactions and customer interactions to support auditing and regulatory compliance. For example, keep transaction records and customer identification information for a specified period.

Anti-Competitive Practices

- Develop and implement policies to prevent anti-competitive practices. For example, draft a policy that prohibits any form of price-fixing or market manipulation.
- Conduct reviews of market conduct to ensure compliance with competition laws. For instance, perform semi-annual audits of pricing and market practices.
- Offer training on competition laws and fair market practices. Employees will attend an annual training session focusing on the importance of fair competition.

Information Security

- Enhance information security by updating data protection measures. For example, introduce new encryption protocols and secure access controls.
- Provide regular training on information security. Employees will participate in bi-annual training sessions covering topics such as data protection and response to security incidents.
- Develop an incident response plan and test it regularly. For example, conduct simulations of data breaches to refine the response plan and improve preparedness.
- Use encryption for protecting data. For instance, encrypt customer data both when stored and during transmission to prevent unauthorized access.

♦ QUANTITATIVE TARGET

Corruption

- Ensure that 100% of new employees participate in anti-corruption training within their first month of employment by 2030 from the baseline year 2022.
- Achieve 80% employee awareness and usage of this reporting system by 2030 from the baseline year 2022.
- Increase participation in health screenings and wellness programs to 70% of employees by 2030 from the baseline year 2022.

Conflict of Interest

- Ensure that 100% of employees complete conflict of interest declarations upon onboarding and annually by 2030 from the baseline year 2022.
- Achieve 100% review and management of disclosed conflicts within 30 days by 2030 from the baseline year 2022.

- ❖ Ensure that 100% of major decisions undergo a committee review process by 2030 from the baseline year 2022.

Fraud

- ❖ Achieve 100% implementation of new fraud prevention controls across all departments by 2030 from the baseline year 2022.
- ❖ Ensure that 90% of employees use the confidential reporting channels by 2030 from the baseline year 2022.
- ❖ Achieve 100% employee attendance in quarterly fraud prevention workshops by 2030 from the baseline year 2022.

Money Laundering

- ❖ Ensure that 100% of advanced transaction monitoring software is implemented by 2030 from the baseline year 2022.
- ❖ Host bi-annual training sessions with 90% employee attendance by 2030 from the baseline year 2022.
- ❖ Achieve 80% compliance in record-keeping and auditing practices by 2030 from the baseline year 2022.

Anti-Competitive Practices

- ❖ Achieve 90% adherence to new anti-competitive policies by 2030 from the baseline year 2022.
- ❖ Perform semi-annual audits with 80% compliance by 2030 from the baseline year 2022.
- ❖ Ensure 100% employee participation in annual training sessions by 2030 from the baseline year 2022.

Information Security

- ❖ Achieve 100% implementation of new encryption protocols and access controls by 2030 from the baseline year 2022.
- ❖ Ensure 100% employee attendance in bi-annual security training sessions by 2030 from the baseline year 2022.
- ❖ Conduct quarterly simulations of data breaches with 90% of plans tested by 2030 from the baseline year 2022.
- ❖ Achieve 80% encryption of sensitive data both at rest and in transit by 2030 from the baseline year 2022.

♦ CONTINUES IMPROVEMENT

Sri All India Exports is committed to continuously enhancing our ethical practices. We will regularly review and update our ethics policies, conduct internal audits, and seek feedback to identify areas for improvement. By fostering a culture of integrity and ethical behavior, we aim to achieve excellence and uphold our reputation as a responsible and ethical organization.

♦ ROLES AND RESPONSIBILITIES:

- **HR / Compliance Department:** Oversees implementation of the Ethics Policy, ensures compliance with ethical standards and codes of conduct, and maintains reporting mechanisms.
- **Board of Directors:** Provides oversight to ensure the Ethics Policy aligns with the company's values, integrity, and governance strategy.
- **Managers / Supervisors:** Act as role models, promote ethical behavior in their teams, and serve as the first point of contact for ethical concerns.
- **Employees:** Receive regular training on ethical responsibilities, follow the company's Code of Conduct, and are encouraged to report unethical practices without fear of retaliation.

♦ ETHICAL COMPLIANCE FRAMEWORK: DO'S AND DON'TS ACROSS KEY RISK AREAS:

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. → Maintain transparent and accurate records of all financial transactions.	→ Do not offer or accept bribes in any form. → Do not falsify or manipulate financial records. → Do not ignore or withhold information regarding potential corruption risks.

	→ Decline gifts or incentives from suppliers that could influence business decisions.	
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.	→ Do not share confidential company data with unauthorized individuals.

	→ Use strong passwords and enable multi-factor authentication where required. → Report any suspicious emails, phishing attempts, or data breaches immediately.	→ Do not use personal devices to store or transmit company-sensitive information.

♦ DISCIPLINARY MEASURES:

Sri All India Exports is committed to upholding the highest standards of ethics and compliance in all aspects of its business. Any violation of the company's **Ethics Policy** by employees, suppliers, agents, or partners will result in disciplinary action based on the severity of the misconduct.

Types of Disciplinary Actions

❖ **Verbal / Written Warning:**

- Applied for minor violations or first-time offenses, such as careless handling of export documents, not following reporting procedures, or minor breaches of workplace conduct.
- A formal warning is issued to highlight the violation and corrective steps needed.

❖ **Suspension (Temporary):**

- Imposed for repeated violations or serious negligence (e.g., ignoring compliance procedures, failure to report unethical practices, misuse of confidential trade data).
- Employees may be temporarily relieved of duties; suppliers or agents may be temporarily suspended from new business.

❖ **Contract / Employment Termination:**

- Enforced in cases of serious misconduct including bribery, corruption, document falsification (invoices, shipping bills, customs forms), fraud, or conflicts of interest.
- Employment contracts, vendor agreements, or agent partnerships may be terminated immediately if actions compromise legal compliance or the company's reputation.

❖ **Blacklisting of Suppliers / Partners:**

- Suppliers, agents, or logistics partners found guilty of unethical or fraudulent behavior may be permanently blacklisted from future business with Sri All India Exports.

❖ **Legal Action:**

- If a violation breaks the law (e.g., fraud, smuggling, money laundering, customs evasion), Sri All India Exports will report the matter to law enforcement and trade authorities.
- Legal proceedings may include criminal charges, civil recovery, or regulatory penalties.

❖ **Restitution of Losses:**

- In cases involving financial loss or fraud, the responsible employee, supplier, or partner may be required to repay losses or face contractual penalties.

❖ **Corrective Training / Awareness:**

- For correctable or unintentional misconduct, employees may be asked to undergo compliance, ethics, or export documentation training.
- Focus is on prevention and awareness, especially for first-time non-severe issues.

♦ REPORTING

At Sri All India Exports, transparent and thorough reporting on our Ethical practices is essential to maintaining accountability and trust with our stakeholders. Our reporting

mechanism ensures that key information is accurately and timely communicated to all relevant parties:

1. Ethics Performance Metrics:
   - Conduct monthly evaluations of ethics performance indicators, including incidents of corruption, conflicts of interest, and information security breaches.
   - Utilize data collection methods such as surveys and reporting systems to ensure accurate and real-time data.

2. Annual Ethics Report:
   - Publish a detailed annual ethics report outlining our practices, achievements, challenges, and future goals.
   - Include case studies and success stories, such as improvements in fraud prevention or information security.
   - Have the report independently audited to ensure accuracy and credibility.

3. Employee Feedback Reports:
   - Document and report on feedback received through surveys and forums, including participant numbers, key themes, and actions taken in response.
   - Share feedback trends and improvement actions with employees to maintain transparency and engagement.

4. Supplier Ethics Practices:
   - Conduct and report on annual audits of supplier ethics practices, including compliance with our policies and any corrective actions taken.
   - Include information on supplier adherence to our ethical standards and areas identified for improvement.

5. Stakeholder Engagement Reports:
   - Provide reports on stakeholder engagement activities, including meetings, consultations, and feedback received.
   - Summarize the outcomes of these engagements and how they have influenced our ethics practices and policies.

6. Incident Reporting:
   - Establish a system for reporting and addressing any ethics-related incidents or concerns.

- Provide monthly summaries of incidents, including root cause analysis, corrective actions taken, and any improvements implemented.

♦ REVIEW MECHANISM

The Human Resources Office is responsible for the implementation, oversight, and review of this policy. This policy shall be reviewed at least once every two (2) years or earlier if required due to changes in legal or regulatory requirements, business operations, stakeholder expectations, audit findings, management decisions, or other significant events affecting its suitability and effectiveness.

♦ REVISIONS AND HISTORY

Revision. No	Review Date	Changes Made
00	01-Jan-2023	Initial release of the document
01	01-Jan-2024	Initial review of the document
02	01-Jan-2025	❖ Added Roles and responsibilities section; included revision history table ❖ Ethical Compliance Framework: Do's and Don'ts Across Key Risk Areas ❖ Disciplinary Measures
03	01-Jan-2026	Periodic review completed. Review mechanism revised to require review every two (2) years or upon occurrence of defined trigger events. No other changes.

L.Shanthi

S.P.Selvam

Prepared By: Human Resources Office
Next Review Date: 01/01/2028

Approved By: General Manager

♦ EMPLOYEE ACKNOWLEDGEMENT FORM

I, hereby acknowledge that I have received, read, and understood the Ethics Policy of Sri All India Exports. I understand the importance of this policy and my responsibility to adhere to and uphold the ethical standards and practices outlined within it.

By signing this form, I commit to:

- Complying with all Ethics policies and procedures.
- Actively participating in the Ethics initiatives and programs implemented by Sri All India Exports.
- Contributing to the continuous improvement of our Ethical practices.
- Reporting issues, concerns, or violations related to Ethics practices to the Human Resources Office.

I understand that failure to adhere to the Ethics policy may result in disciplinary action, up to and including termination of employment.

- **Employee Confirmation:**

Employee Signature: C.Rajarajan

Date: 19.01.2026

- **Supervisor Confirmation**

I confirm that the above employee has received, read, and understood the Ethics Policy of Sri All India Exports.

Supervisor Signature: M. Mahesh

Date: 19.01.26