



CODE OF CONDUCT FOR VALUE CHAIN PARTNER OF AFCONS INFRASTRUCTURE LIMITED

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Flow of applicability of the Policy to the Company

Sr. No.	Description	Approval Date
1	Adoption at Board Meeting	March 20, 2025



I. Preface

AFCONS firmly believes that building sustainable businesses requires the creation of a sustainable ecosystem encompassing the environment, society, safety, and governance.

As outlined in its Sustainability Policy, AFCONS is committed to conducting business responsibly and ethically, ensuring high levels of governance across all activities, including procurement operations, with strict adherence to the highest ethical standards.

This “Value Chain Code of Conduct” (also referred as **“Policy”**) establishes the core expectations from our Value chain partners (also referred as **“VCPs”**), covering compliance with laws and regulations, corruption, bribery, social and working conditions, child labour, and environmental responsibility. Our VCPs are required to comply with the principles outlined in this Policy and are expected to promote and extend these principles to their own value chain partners and subcontractors.

II. Scope of Application

This Policy governs all Value Chain Partners or VCPs engaged in business with AFCONS, its Subsidiaries and Joint Ventures (hereinafter collectively referred as **“Afcons”** for the purpose of this Policy). The Value Chain Partner includes entities that have a direct or indirect business relationship with the Afcons, its Subsidiaries and Joint Ventures, including those that:

- a. Supply products or services integral to Afcons offerings, or
- b. Procure products or services from Afcons

This includes contractors, subcontractors, vendors, consultants, clients, agents, business partners, collaborators, and other service or goods providers to Afcons, along with their staff (employees or subcontractors).

The requirement of this Policy is in addition to any contractual obligations agreed upon with Afcons. In cases where applicable laws, regulations, contractual requirements, or international standards cover the same topics as the Code without conflicting, the stricter standard will apply. If the Code’s standards conflict with applicable laws or international norms, we expect Value chain partners to bring such conflicts to our attention so we can work together to determine the best course of action.

III. The Principles of Value Chain Partners’ Code of Conduct

The principles outlined below serve as the cornerstone of Afcons commitment to sustainable practices throughout its value chain. They are designed to guide operations of Afcons VCPs, ensuring that business in the value chain is conducted with integrity, environmental stewardship, and social responsibility.

A. Business ethics

We expect our VCPs to conduct business in accordance with the highest standards of compliance and business ethics. All VCPs should:



- Comply with all applicable laws and regulations and must act in an ethical and responsible manner.
- Not engage in any form of corruption, extortion, bribery, or facilitation payments, and must maintain adequate procedures to ensure and document compliance with all applicable anti-corruption and anti-bribery laws and regulations.
- Not offer gifts or hospitality to Afcons' employees, representatives, or partners that contravene Afcons standards. Afcons only permits gifts and hospitality that are appropriate in nature, reasonable in value, transparently exchanged and documented, and offered for a legitimate business purpose. Afcons prohibits all forms of gifts and hospitality offered or received in connection with contract bidding, negotiation, or award.
- Maintain procedures to prevent improperly biased decision-making and shall inform Afcons promptly of any actual or potential conflict of interest of which they become aware.
- Comply with all relevant laws and regulations, including those concerning antitrust, trade sanctions, export controls, money laundering, tax compliance, and data protection
- Maintain adequate internal technical and organisational measures to protect the security and confidentiality of personal information.
- Comply with and maintain adequate procedures to protect the confidentiality and information security of business information received from Afcons.

B. Health, safety and the environment

We expect our VCPs to provide a safe and secure working environment and to conduct their business activities in a way that minimises negative environmental impacts. All VCPs should

- Comply with all applicable laws, regulations, and other requirements regarding workplace safety and the working environment
- Implement effective health and safety management systems that support identification, monitoring, and mitigation of health and safety risks from their operations.
- Provide their workforce with personal protective equipment and health and safety training appropriate to the nature of work.

C. Working conditions and employment practices

We expect our VCPs to provide a working environment where individuals are treated with dignity and respect. All VCPs should:

- Respect and adhere to internationally recognised labour and human rights standards.
- Prohibit any form of forced or involuntary labour in its workforce or supply chain.
- Prohibit any form of child labour in its workforce or supply chain and ensure not to engage workers below permissible age as per locally applicable minimum legal age.



- Ensure fair and equal treatment for workers, including contract and migrant workers.
- Prohibit any form of discrimination, including on grounds that are prohibited by applicable law.
- Prohibit and take active steps to prevent harassment and abuse, including sexual harassment and abuse.
- Comply with requirements regarding employment terms, minimum wages, overtime wages, legally mandated benefits, working hours, overtime, breaks, rest periods, paid sick leave, paid annual leave, and paid pregnancy and parental leave as established by applicable laws and regulations, international and industry standards, and relevant collective bargaining agreements.
- Establish fair and transparent disciplinary, grievance, and termination procedures.
- Provide workers with a reliable and confidential channel to report concerns about the VCP's business practices and must prohibit any form of retaliation against those who report concerns in good faith

D. Environmental impact:

We expect our VCPs to foster a workplace that promotes environmental responsibility and sustainability. All VCPs should:

- Comply with all applicable environmental protection laws including emission monitoring, air pollution control, waste segregation and disposals.
- Promote efforts to minimize environmental impact through efficient use of resources, proper waste management, ensuring all operations are conducted with respect for the planet.
- Promote developing and deploying strategies and technology to improve energy efficiency, reduce fuel and power consumption, and reduce greenhouse gas emissions
- Actively support Afcons in achieving its sustainability and environmental objectives.
- Commit to regularly measuring and monitoring their environmental impact and must provide comprehensive environmental impact data to Afcons for review and action.

IV. Implementation of Code of Conduct:

By adopting this Policy, VCPs commit to implement all principles to the best of their knowledge and efforts. Afcons reserves the right to conduct due diligence, and inspections of its VCPs. VCPs are also encouraged to carry out similar due diligence on their own Value chain partners, contractors, and affiliates to ensure compliance throughout their supply chain.

In the event of a violation to this Policy, AFCONS reserves the right to take appropriate actions, including termination of current contract and/or precluded from consideration of future business.

VCPs are required to promptly inform Afcons of any circumstances that lead to non-compliance with this Policy and agree on corrective measures to be taken.



V. Exclusions

In addition to the scope described, it is essential to understand that this Policy is implemented at the group level, setting a standard expectation for ethical and responsible conduct among all VCPs. However, given that some aspects of the code might be more pertinent or applicable to certain categories of VCPs, depending on their product or service type, Afcons' commercial team will evaluate these nuances individually. This method ensures that, while the core principles of the code are universally applicable, flexibility is maintained to accommodate the unique needs and situations of different vendors, thereby facilitating a fair and effective enforcement of the code throughout the Value chain

VI. Grievance Redressal Mechanism

Beyond general business inquiries, which should continue to be directed through existing business channels, VCPs can address grievances related to this Policy by emailing Afcons at SCM@AFCONS.com.

Afcons is committed to ensuring that all grievances are handled with the utmost confidentiality and sensitivity. Reports can be submitted without fear of retaliation or discrimination.

VII. Review of Policy

This Value Chain code of Conduct will be reviewed annually, or more frequently, if necessary, to ensure it remains relevant and aligned with emerging trends, stakeholder expectations, and regulatory requirements. In case, the Policy needs to be changes / modified, the Policy shall be reviewed and amended, as deemed necessary, with due approval from the Board of Directors.

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