

CIRCULAR

ANTI-BRIBERY AND ANTI-CORRUPTION POLICY OF TATA STEEL LIMITED (the "Company")

I. General guidelines

This Anti-Bribery and Anti-Corruption (ABAC) Policy is applicable to our Company. Our Company shall recommend adoption of this Anti-Bribery and Anti-Corruption (ABAC) Policy to the boards of its Indian subsidiaries. The Company shall also encourage its Indian associates and joint venture to adopt this Anti-Bribery and Anti-Corruption (ABAC) Policy. Different countries may have different laws on bribery and corruption and therefore the Company's foreign subsidiaries, associates and joint ventures may adopt policies which are relevant to the jurisdictions in which they operate and as advised and recommended by their respective boards.

1. We uphold all laws relevant to countering bribery and corruption applicable to us in the conduct of our business across all the jurisdictions in which we operate including, wherever applicable, the U.S Foreign Corrupt Practices Act ("**FCPA**"), the UK Bribery Act ("**UKBA**"), the Indian Prevention of Corruption (Amendment) Act, 2018 ("**PCA**"). Different statutes adopt different yardsticks to determine whether or not a particular act or omission is an offence thereunder; thus an act may be an offence under one statute, but not under another. The FCPA makes it a federal crime for companies or individuals to bribe government officials in non-U.S. countries in order to obtain or retain business, or to secure improper business advantages. The FCPA also requires public companies or issuers (U.S. and non-U.S. companies that trade securities on a U.S. stock exchange), to keep accurate books and records, and to have an adequate system of internal financial and accounting controls. The UKBA prohibits bribery in both, the public and private sectors. Under the PCA, bribery of government officials and agents, whether directly or indirectly, is strictly prohibited.
2. It would also be pertinent to note the impending amendments introduced upon enactment of the Prevention of Corruption (Amendment) Act 2018 in India which are intended to strengthen the legislative framework of the PCA and include:
 - 'supply' side of bribery (i.e. bribe giving) covered by making it a substantive offence under the PCA;
 - The law covers both direct bribery by a corporation/partnership as well as bribery through a third party; and
 - a company could be held liable under the PCA as an offender if any person 'associated' with the company gives a bribe. However, a company would be able to defend itself by proving that it had in place adequate procedures (such as a robust ABAC program) designed to prevent persons associated with it from undertaking such conduct;
 - every director, manager, secretary or other officer with whose 'consent or connivance' the offence was committed, to be made liable under the PCA.
3. In addition to the PCA, the following laws in India also presently apply to offences relating to or resulting in corruption and bribery and resolutions available in case of occurrence of corruption or bribery:
 - i) Indian Penal Code, 1860 ("**IPC**");
 - ii) Prevention of Money Laundering, 2002;

- iii) Central Vigilance Commission Act, 2003;
- iv) Lok Ayukta Acts of various states.

II. POLICY STATEMENT AND PURPOSE

1. The purpose of this Anti-Bribery and Anti-Corruption Policy ("**ABAC Policy**") is *to ensure that the Company and any Tata Steel Group Company (ies), in any part of the world ('TS') conduct(s) its operations and business activities in consonance with applicable laws, highest ethical standards and ensure(s) the **prevention, detection of fraud, bribery and corruption.***
2. The guidelines in this ABAC Policy supplement the Tata Code of Conduct 2015 ("**TCoC 2015**") and should be read in conjunction with:
 - a) TCoC 2015;
 - b) the Whistle blower Policy
 - c) Anti- Money Laundering Policy;
 - d) Gift and Hospitality Policy;
 - e) Any guidance published pursuant to this policy; and
 - f) Any other relevant policies as may be implemented from time to time.

III. SCOPE AND APPLICABILITY

1. This ABAC Policy is applicable to all individuals working at all levels and grades, including directors senior executives, senior managers, officers, employees (whether permanent, fixed term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, business partner, service provider, professional associate, and such other relevant persons, third parties or company associated with TSL, including those acting on behalf of TSL, joint venture in which TSL is a shareholder, foreign subsidiaries and associates and as maybe designated by the Compliance Officer / Chief Ethics Counsellor from time to time (all of the aforesaid being collectively referred to as "**Tata Steel Personnel**").
2. This ABAC Policy requires Tata Steel Personnel to recognize questionable transactions, behaviour or conduct, and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct.
3. This policy sets out the minimum standards to assist Tata Steel Personnel to set up adequate procedures in order to ensure the prevention, deterrence and detection of bribery and other corrupt business practices in the conduct of the operations and business activities, directly or indirectly through a third party, to or from any individual, or associates, officials in the private or public sector, government officials, agents customers and suppliers.
4. These could include improper payments, gifts or inducements of any kind to obtain or retain business, or to secure improper business advantages, licenses or permits.
5. Bribery and corruption can take many forms including cash or gifts to an individual or family members or associates, inflated commissions, fake consultancy agreements, unauthorized rebates, non-monetary favours and false political or charitable donations. These actions may be undertaken directly or through a third party for the benefit of the individual or any of its family members.
6. It is illegal and immoral to, directly or indirectly, offer or receive a bribe, involvement in any activity relating to bribery, facilitation payments, or corruption, even where the involvement may be unintentional.

7. Each TSL company, including a joint venture in which TSL is a party, must comply with all applicable laws, domestic and foreign, as applicable, in the conduct of its business.
8. Most countries have their own laws relevant to countering bribery and corruption which maybe applicable to the conduct of our business across these jurisdictions or with parties, agencies or regulators from or in these or other jurisdictions.
9. Different jurisdictions adopt different yardsticks to determine whether or not a particular act or omission is an offence and prescribe different standards for adequate internal financial and accounting controls, records and reporting.
10. When applicable local laws are stricter than this policy, such laws must be complied with. In case of any doubts, Tata Steel Personnel must contact the Compliance Officer / Chief Ethics Counsellor.
11. Tata Steel Personnel have a responsibility to comply with this ABAC Policy, and ensure that our Company's procedures and measures to combat ABAC risks and threats are upheld and strengthened. If in doubt whether an act would breach this ABAC Policy, the Tata Steel Personnel must take a step back and ask oneself the following on a contemplated action:
 - What is the intent - is it to build a relationship or is it something else?
 - How would it look if these details were on the social media/public domain?
 - What if the situation were reversed - would there be a double standard?
12. Whenever faced with a doubt on the applicability of this ABAC Policy, or if an act could be perceived to be a breach of this ABAC Policy, consult the Compliance Officer / Chief Ethics Counsellor.
13. While an exhaustive list cannot be provided, set out below are indicative questionable transactions or situations that **Tata Steel Personnel** should be careful about - which, when appearing together or individually, should raise a 'red flag':
 - i. A contract requires the use of a third-party consultant dealing on behalf of TSL with Government agencies;
 - ii. The business lacks qualifications or resources i.e. the potential business partner does not appear capable of performing the services being offered. Sham service contracts, under which corrupt payments are disguised using a consulting agreement or other arrangement are typical modalities for indulging in bribery or corrupt activities;
 - iii. Any potential partner who provides guarantees of success or claims to have the ability to obtain licenses or other government approval without providing a description of a legitimate manner by which those goals will be accomplished;
 - iv. Transactions involving unusual payment patterns or financial arrangements. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption. A request to deposit commissions in multiple bank accounts, perhaps in offshore banks, also justifies additional scrutiny;
 - v. Transactions for which invoices are processed but deliverables are not as per contract or service level agreements.
 - vi. Transactions without approval of appropriate authority.
 - vii. A potential counterparty who refuses to accept an ABAC or anti-money laundering clause in the proposed contract;
 - viii. Based on pre-acquisition / counterparty due diligence, it becomes apparent that the potential counterparty has a reputation for offering bribes or violating other laws or indulging in unusual structured transactions;
 - ix. Inflated payouts to, or questionable role in the project of potential counterparty or its affiliate;
 - x. A proposed counterparty resists or fails to provide details of parentage or has

- undisclosed principals, associates or subcontractors with whom it splits fees;
- xi. A proposed counterparty refuses access to its books and records where requested under the proposed contract.

14. Because no code of conduct or policy can cover every possible situation, our Company relies on the Tata Steel Personnel to use good judgment and to speak up when they have either questions or concerns.

IV. COMPLIANCE OFFICER / CHIEF ETHICS COUNSELLOR

The Company shall, from time to time, designate an employee of sufficient seniority, competence and independence as the Compliance Officer / Chief Ethics Counsellor to ensure compliance with the provisions of this ABAC Policy ("**Compliance Officer / Chief Ethics Counsellor**") and the same shall be notified to the Tata Steel Personnel. All reports, complaints, doubts or concerns in relation to this ABAC Policy shall be raised by the Tata Steel Personnel to the Compliance Officer / Chief Ethics Counsellor. Every query or concern raised by any Tata Steel Personnel in relation to any suspected violation of this ABAC Policy shall be investigated by the Compliance Officer / Chief Ethics Counsellor.

All queries, concerns or complaints received by the Compliance Officer / Chief Ethics Counsellor dealing with a bribery or corruption issue should be reported to the Ethics committee. Any action required to be undertaken under this ABAC Policy shall be taken by the Ethics Committee. The Compliance Officer / Chief Ethics Counsellor shall submit quarterly compliance reports to the Designated Director. Aggravated cases of breach of this ABAC Policy shall be escalated to the Board of Directors of the Company ("**Board**").

V. DEFINITIONS

1. *Bribery*

Bribery includes the offer, promise, giving, demand or acceptance of an undue advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes often involve payments (or promises of payments) but may also include anything of value - providing lavish/inappropriate gifts, hospitality and entertainment, inside information, or sexual or other favours; offering employment to a relative; underwriting travel expenses; abuse of function; or other significant favours. Bribery includes advantages provided directly, as well as indirectly through an intermediary.

2. In the Indian context, the ingredients of an act of bribery under the PCA are:

- a) Any person who gives or promises to give an undue advantage to another person or persons with intention to induce a public servant to perform improperly a public duty
- b) Any person who gives or promises to give an undue advantage to another person or persons to reward such public servant for the improper performance of public duty.

Violators of the PCA shall be subject to fines and/or imprisonment. Liability could also be attributed to a company, if an employee/agent acted within the scope of employment, to obtain benefit for such a company.

Improper Performance could lead to accusations of criminal breach of trust, which is an offence under the Indian Penal Code (IPC). The IPC also penalises abetment as an offence. Under the IPC any person who intentionally aids, by any act or illegal omission, the doing of a thing,

or engages with a person/persons in a conspiracy for the doing of a thing, is guilty of the offence of abetment. Additionally, a person could also be prosecuted for offenses of cheating and/or criminal breach of trust under the IPC.

3. Corruption

Corruption includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards.

4. Designated Director

“Designated Director” means a person designated by the board of directors to ensure overall compliance with the ABAC Policy

5. Public Official (Government Official or Public Servant) / Foreign Public Official

In the Indian context, a public official would include (but not be limited to) the following:

- a) any person holding a legislative, executive or administrative office of the government (domestic or foreign), or acting in the official capacity for or on behalf of a legislative, executive, or administrative office of the government (domestic or foreign), whether appointed or elected, whether permanent or temporary, whether paid or unpaid, irrespective of that person’s seniority;
- b) any person in the service or pay of the government or of a corporation established by or under a central, provincial or state statute, or an authority or a body owned or controlled or aided by the government or a government company or is remunerated by the government by fees or commission for the performance of any public duty;
- c) any judge, including any person empowered by law to discharge, whether by himself/herself or as a member of any body of persons, any adjudicatory functions;
- d) any person authorised by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner appointed by such court;
- e) any person who performs a public duty, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country and as applied in the pertinent area of law; and
- f) any other person defined as a “public official” under the domestic law.
“State” means all levels and subdivisions of governments (i.e., local, regional, or national and administrative, legislative, or executive).

Foreign public official

Under non-Indian ABAC laws, what constitutes a “foreign official” or “foreign public official” is interpreted broadly and includes officials from all branches of government, as well as public international organizations, regardless of whether the official is a paid or unpaid employee. The term also includes political parties, party officials, and candidates for public office. Further it includes employees or agents of state-owned or state-controlled enterprises and means any person acting in an official capacity on behalf of any government department, agency, instrumentality, or corporation, family members of the official, as well as a political party official or any candidate for political office.

6. Third party/Business Associates

The term “third party/Business Associates” includes any individual or organization, who/which comes into contact with the Company or transacts with the Company, and also includes actual and potential clients, vendors, consultants, retainers, agents, advisors, distributors, business

associates, partners (including academic institutions), contractors, suppliers or service providers who work for and on behalf of the company.

7. *Improper performance*

Breach of an expectation that a person will act in good faith, impartially or in accordance with a position of trust amounts to improper performance. This would also include obtaining, agreeing to receive, accepting, or attempting to obtain, an undue advantage for acts to be performed properly.

VI. AREAS OF CONCERN- WHERE CORRUPTION RISK IS HIGHEST

1. Corruption can take place in many types of activities. It is usually designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behaviour - they could be in the form of money, a privilege, an object of value, an advantage, or merely a promise to influence a person in an official or public capacity. Usually, two people are involved and both would benefit. Examples of a bribe include offering or receiving of cash in the form of a kickback, loan, fee or reward, or giving of aid, donations, or voting designed to exert improper influence.
2. The areas of business where corruption, including bribery, can most often occur include:
 - a) Gifts, Entertainment and Hospitality;
 - b) Facilitation Payments;
 - c) Procurement Process;
 - d) Political, Community or Charitable Contributions;
 - e) Improper Performance of Duties;
 - f) Favours Regarding Recruitment Opportunities.

VII. GIFTS, ENTERTAINMENT AND HOSPITALITY

1. What is a "Gift"?

A gift is anything of value and would encompass any gratuitous monetary or non-monetary benefit. It includes tangible items such as cash, precious metals, stones, jewellery, art, and any of their equivalents, but also intangible items such as discounts, services, loans, favours, special privileges, advantages, benefits and rights that are not available to the general public. A "gift" also includes meals, entertainment, hospitality. Under no circumstances should any Tata Steel Personnel ever solicit a gift from any person or company that is doing, or seeks to do, business with the Company. Note that meals, entertainment and hospitality may also qualify as a gift, unless they fall within reasonable bounds of value and occurrence.

2. Policy on Gift and Hospitality

2.1 Gifts, entertainment, and hospitality may be acceptable if they are reasonable, proportionate, made in good faith and in compliance with the Company's policies, Tata Steel Personnel must familiarise themselves with our Company's Gifts & Hospitality Policy. Any doubts in this regard should be clarified with the Compliance Officer / Chief Ethics Counsellor.

2.2 Offering gifts in order to win or keep business is unethical and, in many cases, illegal. In case of dilemma seek clarification from Compliance officer / Chief Ethics

Counsellor. If your compliance Officer / Chief Ethics Counsellor is conflicted, seek guidance from the Designated Director.

- 2.3 Note that this ABAC Policy is applicable whether a Tata Steel Personnel is personally offered a gift, or if a gift is offered for the benefit of a specific group or department at the Company (including as a prize to be distributed at a party or event). All gifts received should be promptly reported to the Compliance Officer / Chief Ethics Counsellor if they are not in the ordinary course of business, in compliance with all policies issued by the Company and as per applicable law. Gifts of cash or cash equivalents must never be accepted.
- 2.4 A Tata Steel Personnel may give a modest gift to a government or other public official only when it is appropriate, allowed by local law, and in accordance with our Company's Gifts and Hospitality Policy.
- 2.5 Tata Steel Personnel are prohibited from offering gifts or granting favours outside the ordinary course of business to current or prospective customers, their employees or agents or any person (including but not limited to Government Officials) with whom the company or its business associates have a contractual relationship, or intend to negotiate an agreement which is not in compliance with the Company's Gift and Hospitality Policy. No Tata Steel Personnel should accept or solicit any personal benefit from anyone in the course of business in a manner that might compromise, or appear to compromise their objective assessment.
- 2.6 The Company recognises that in certain countries the giving and receipt of gifts and/or hospitality is an important part of doing business, however, irrespective of local customs, excessive or inappropriate levels of hospitality or value of gifts could be bribes if given or received in order to improperly influence behaviours.
- 2.7 It is responsibility of the Tata Steel Personnel to determine whether the level of gift or hospitality is appropriate. As a general guide, the giving or receiving of gifts or hospitality may be acceptable if it meets the following requirements:
 - a. It is not received or offered in cash or cash equivalent.
 - b. The purpose and supporting details can be documented in a clear and identifiable manner so that any third party can easily understand it.
 - c. It is consistent with TSL ABAC policy.
 - d. It does not violate Prevention of Corruption Act, 1988 and Prevention of Corruption (Amendment) Act, 2018.
 - e. It is of nominal value (as defined in the Gift & Hospitality policy) and is not designed to influence the judgment or encumber the independence of the person receiving it.
 - f. It is authorized and approved by an appropriate authority within TSL.

In addition to the above, each Tata Steel Personnel is required to be in compliance with the specific guidelines set out in the Company's Gifts and Hospitality Policy, including in relation to maximum values permitted.

VIII. COMPELLED TO GIVE UNDUE ADVANTAGE

1. While the Company remains committed to its policy prohibiting bribe or kickback, it recognises that there may be the following exceptional circumstances in which an official immediately:

threatens or compromises the personal safety and security of an individual concerned (or another) in order to procure such undue advantage.

2. Any payment made under such circumstances where the person is compelled to give undue advantage must be reported immediately to the Compliance Officer / Chief Ethics Counsellor and the Legal Head with 24 hours of such payment.
3. The Chief Ethics Counsellor & Legal Head shall report the matter to law enforcement authority or investigating agency within a period of seven days from the date of such payment.
4. Reporting existing cases
It shall be the responsibility of every Tata Steel Personnel to report any existing facilitation agreement or clauses related to payment of facilitation fees or other such arrangements in any existing agreement to the Compliance Officer / Chief Ethics Counsellor and the Legal Head.

IX. PROCUREMENT PROCESS

Tata Steel Personnel must follow our Company's processes and adhere to the system of internal controls around supplier selection. These processes are contained in our Procurement Manual available with the central procurement team] and every relevant Tata Steel Personnel must familiarize themselves with this manual. The Procurement Manual contains rules and processes for appointment of vendor including required due diligences, delegation of powers and the sanction request mechanism. Supplier selection should never be based on receipt of a gift, hospitality or payment. When supplier selection is a formal, structured invitation for the supply of products or services, it is most important we maintain documentation supporting our internal controls. Tata Steel Personnel must familiarise themselves with our Company's procurement processes and must always be in compliance of the same.

X. INTERACTION WITH CUSTOMERS

1. Sale side Bribery

Bribery may also occur on the sales side, For example an employee might accept a bribe to prefer one customer or distributor over another, again with potentially damaging consequences for relationships with other customers, as well as the legal consequences to our Company.

2. Policy towards customers and distributors

- a. The Company sells its products either directly to customers or through distributors. Where a Tata Steel Personnel is responsible for relationships with customers or distributors, she/he may entertain customers or distributors for bona-fide purposes only in accordance with our Company's Gifts & Hospitality Policy.
- b. In the normal course of business, discounts and rebates are offered to customers in both the private and public sectors. While this is common industry practice, the wide variety of arrangements and the relative complexity of some of them creates a degree of risk that such arrangements could be used to disguise improper inducements to individual customer representatives (for example, selective dissemination of the fact that free products are being provided), and consequently great care needs to be exercised in the deployment of such arrangements.
- c. Tata Steel Personnel must ensure that they use only approved Standard Distributorship

contracts (available with the Compliance Officer / Chief Ethics Counsellor) for relationships with Distributors. All such contracts should have provisions on anti-bribery and corruption that the proposed distributor must sign off to. Relevant Tata Steel Personnel should also ensure that every distributor has formally signed off on and agrees to adhere to the latest version of the Tata Code of Conduct.

- d. Tata Steel Personnel shall also conduct due diligences based on checklist available with the Compliance Officer / Chief Ethics Counsellor, during distributor acquisitions as well as continuous diligence of existing distributors at regular intervals, at least once in two years.

XI. USE OF THIRD PARTY AGENTS, CONSULTANTS AND OTHER INTERMEDIARIES

1. Our Company may be held responsible for bribes paid on its behalf by third parties, with severe and often irreparable consequences, even if our Company did not authorize these payments. Therefore, it is critical that we are careful in the selection of agents and other such third parties, that is, those people or companies who act on our behalf.
2. All dealings with suppliers, agents, contractors, service providers, intermediaries, consultants, and advisors, shall be carried out with the highest standards of integrity and in compliance with all relevant laws and regulations. We expect all our third parties to share our values and our ethical standards.
3. The following should be kept in mind prior to engaging any third party:
 - a) Standard formats for third party contracts including those with consultants, advisors, contractors, service providers, intermediaries, suppliers shall be provided by the Compliance Officer / Chief Ethics Counsellor.
 - b) Tata Steel Personnel must use only the formats provided by Compliance Officer / Chief Ethics Counsellor to enter into any agreements with agents. Any deviation to the format shall be made only after written approval from the Compliance Officer / Chief Ethics Counsellor.
 - c) The engagement process including the final approval of selection of any third party should be fully documented and up to date records maintained.
 - d) Conduct due diligence as per third party diligence questionnaire available with the Compliance Officer / Chief Ethics Counsellor, and document and retain records of such diligence conducted for a period of at least 7 years;
 - e) Formal commitment (in writing) is sought from the third party to ensure compliance to the latest version of the Tata Code of Conduct, the ABAC Policy, and any other policies formulated by the Company on bribery and corruption;
 - f) Appropriate anti-bribery and anti-corruption provisions are incorporated in the contracts in consultation with our Compliance Officer / Chief Ethics Counsellor

XII. POLICY ON GOVERNMENT INTERACTION

1. Section I, Clause 2 of TCoC 2015 states "*We engage with the government and regulators in a constructive manner in order to promote good governance. We conduct our interactions with them in a manner consistent with our Code*". Doing business with the government is highly regulated and typically follows stricter rules than those in the commercial marketplace. If you work with government officials or a government-owned (or partially-owned) company, you have a special duty to know and comply with applicable laws and regulations, adhere to the highest standards of integrity and avoid

even the appearance of impropriety. Our Company may interact with the government, government officials and government agencies in multiple forms, such as: for seeking statutory or regulatory approvals, as a supplier, as a customer, etc. Tata Steel Personnel should always be truthful, accurate, co-operative and courteous while representing our Company before any government, government officials and government agencies.

2. Particular care must be taken with regard to business hospitality and travel provided to government officials. The Company may pay or reimburse government officials for reasonable travel and lodging-related expenses or costs directly related to:
 - a) The entering into or execution of a MoU, Contract or Agreement between the Company and the Government which the government official represents.
 - b) In each case, the purpose of the trip must be defined and approved in advance and reimbursement is subject to “bona fide” supporting documentation and correspondence records, all of which shall be documented.
 - c) the promotion or demonstration of its products and services (provided the same is not exclusively for Government Officials)

Cash payments or per diems should be avoided and reimbursements for travel and lodging related expenses should be paid to the government entity or agency rather than to the government official directly.

3. Our Company and employees shall not, unless mandated under applicable law and our Company’s Corporate Social Responsibility (“**CSR**”) Policy, offer or give any company funds or property as donation to any government agency or its representative, directly or through intermediaries. However, in the Indian context for example, donation of our Company’s funds or property to the Prime Minister’s Relief Fund or donations towards disaster relief may be permitted pursuant to our Company’s CSR Policy. The Company shall comply with government procurement regulations and shall be transparent in all its dealings with government agencies.
4. Any gifts, hospitality or entertainment with respect to government officials must be in compliance with the Company’s Gift and Hospitality Policy.

XIII. POLICY FOR POLITICAL COMMUNITY AND CHARITABLE CONTRIBUTIONS

1. Section I, Clause 1 of TCoC 2015 states: *“We shall act in accordance with the constitution and governance systems of the countries in which we operate. We do not seek to influence the outcome of public elections, nor to undermine or alter any system of government. We do not support any specific political party or candidate for political office. Our conduct must preclude any activity that could be interpreted as mutual dependence / favour with any political body or person, and we do not offer or give any company funds or property or other resources as donations to any specific political party, candidate or campaign.”*

Any financial contributions considered by our Board of Directors in order to strengthen democratic forces through a clean electoral process shall be extended only through the Progressive Electoral Trust in India, or by a similar transparent, duly-authorized, non-discriminatory and non-discretionary vehicle outside India”.

2. Tata Steel Personnel are not allowed to make political contributions from the funds, properties or other resources of our Company except political contributions approved by the Board in accordance with the TCoC and in compliance with applicable law. Our Company may make charitable donations for humanitarian needs and other factors, including emergency situations and disaster relief. Such contributions must be made in

compliance with our Company's Corporate Social Responsibility Policy. However, it is important that we pay special attention when making donations such that they shall be made without demand or expectation, so that our donations would not be considered inducements, as this would be a violation of the anti-corruption laws, the TCoC and this ABAC Policy. Thus, contributions by the Company to community projects or charities need to be made in good faith and in compliance with our TCoC, this ABAC Policy and all other relevant policies and procedures.

3. Before making such a contribution, the Tata Steel Personnel should ensure that:
 - a) Such charitable contributions are not dependent on, nor made to win, a business deal.
 - b) The contribution is always made to the charity and not to any particular individual, except where donations or grants are provided directly to affected victims of natural disasters, pursuant to our Company's CSR policy.
 - c) Contributions should be given to entities where the end use of the contribution is known and/or controlled.
 - d) Contributions should only be made to charitable organisations which are registered under the laws of the country.
 - e) As far as possible, background checks on the charitable organisations should be carried out in all cases specially to ensure that the charity does not act as a conduit to fund illegal activities in violation of anti-money laundering laws, antiterrorism laws and other applicable laws.
 - f) Only such charitable contributions shall be made that are legal and ethical under local laws and practices.
4. Sponsorships are closely allied to the various types of community / business activities undertaken by our Company. These could range from sponsoring educational scholarships to local sports teams. Any sponsorship must be for genuine business or charitable objectives without any element of quid pro quo. Any such sponsorship must be transparent, duly approved and properly documented.
5. The board of our Company has approved a well laid delegation of power for making donations, sponsorships and political contributions. Relevant Tata Steel Personnel must familiarize themselves with such delegations and always act within its scope.

XIV. POLICY FOR MERGERS AND ACQUISITIONS

1. A company that does not perform adequate due diligence regarding compliance with anti-bribery and anti-corruption procedures of the target company prior to a merger or acquisition may face both legal and business risks. Our Company will undertake appropriate and reasonable due diligence on the reputation and integrity of any business in which it makes investments.
2. Our Company, when it is acquiring a potential target, will train new employees, re-evaluate third parties under company standards and where appropriate, conduct audits on new business units.

XV. CONFLICTS OF INTEREST

Section D, Clauses 24 through 28 of TCoC 2015 provide detailed guidance on assessment of potential situations of conflict of interest. Any conflict of interest, even if it is perceived or potential, reported to the Compliance Officer, must be in turn reported to the Designated Director and the Managing Director. Further process to be followed in such cases shall be as per prescribed guidelines.

XVI. BOOKS, RECORDS, AND INTERNAL CONTROL REQUIREMENTS

1. Accurate and complete recordkeeping is essential to the successful operation of our Company, as well as to our ability to meet our legal and regulatory obligations. Each Tata Steel Personnel has a responsibility to be accurate, complete and honest in what he/she reports and records to meet regulatory requirements, as well as in all internal and external documents of our Company, including accounting records, time cards, expense reports, invoices, payroll records, safety records, business records, performance evaluations, etc.
2. Expenses must never be hidden or purposefully misclassified. Many serious global bribery and corruption scenarios are found to involve inaccurate record-keeping. To prevent this, international anti-corruption laws generally require detailed and accurate accounting records for transactions, including cash and bank accounts. All Tata Steel Personnel must ensure that we maintain accurate books records and financial reporting.
3. All business units and entities must maintain an effective system of internal control and monitoring of our transactions. Certain monitoring controls are identified in our policies, specifically regarding approval of travel and entertainment expenses. It is the responsibility of the Tata Steel Personnel to be knowledgeable about control procedures and ensure compliance. Tata Steel Personnel are required to ensure that all expense claims relating to hospitality, gifts or charitable donations are submitted in accordance with applicable policies and specifically record the reason for the expenditure.
4. Tata Steel Personnel are required to maintain all financial records and have appropriate internal controls in place which will evidence the business reason for making payments to or receiving payments from third parties.
5. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and maintained with accuracy and completeness. Our records management and retention policies ensure that we maintain the records we need to meet our legal, tax and regulatory requirements and securely dispose of records that are no longer needed or are beyond the statutory retention period. Tata Steel Personnel should take care never to dispose of information that may be relevant to current or threatened litigation or subject to a legal prohibition or stipulation until they are authorized in writing to do so by the relevant department.
6. Tata Steel Personnel who see or suspect financial misconduct should immediately notify their supervisors and contact the Compliance Officer / Chief Ethics Counsellor.

XVII. COMMUNICATION AND COMPLIANCE TRAINING

1. It is our commitment to ensure that our Company has adequate procedures to combat ABAC risks and threats. To meet this objective, regular training will be made available to all business units in relation to our ABAC Policy, obligations of Tata Steel Personnel s, company procedures and measures.
2. Training will be conducted either on-line or in-person or a combination of both and will be administered by the Compliance Officer / Chief Ethics Counsellor. The training will be required to be completed within a specified timeframe. The Tata Steel Personnel must not treat these training programs as a 'one-time' event and Tata Steel Personnel are expected to keep themselves up to date by undergoing repeat training at regular intervals or each time a training program is updated.
3. New joiners (as applicable must receive training and confirm that they have understood this policy as part of their on-boarding process. Additional training for select employees like government facing, finance and accounts, senior management and employees having relevant exposure would be

conducted. Periodic confirmation should be sought from Tata Steel Personnel on compliance to ABAC policy.

4. The extent and nature of the training for each of the employee groups will be defined by the Compliance Officer / Chief Ethics Counsellor in consultation with the human resources group.
5. Our Company may also extend training programs to third parties and temporary workers, if it is envisaged that the work profile allocated to them carries a significant risk as per this ABAC Policy.

XVIII. HOW TO RAISE CONCERNS

Every Tata Steel Personnel is encouraged to raise concerns about any bribery issue or suspicion of malpractice or any case of corrupt practice or any breach of this ABAC Policy or applicable ABAC law at the earliest possible stage. If he/she is unsure whether a particular act constitutes bribery or corruption or if he/she has any other queries, these should be raised with the chief of his department and in cases of any conflict of interest, directly with the Company's Compliance Officer / Chief Ethics Counsellor.

Tata Steel Personnel may also raise concerns or queries to the Compliance Officer / Chief Ethics Counsellor through the 'Raising Concerns' mechanism under the TCoC or through the 'Whistleblower Policy' which is intended to encourage and enable employees, and other stakeholders, to raise serious concerns internally. No personnel who in good faith, reports a violation of the ABAC Policy shall suffer harassment, retaliation or adverse employment consequences. The identity of the Whistleblower shall be kept confidential to the extent possible and permitted under law.

XIX. RESPONSIBILITY AND PENALTIES

1. Our Company takes the subject of corruption and bribery very seriously. Any violation of this ABAC Policy will be regarded as a serious matter and shall result in disciplinary action, including termination, consistent with applicable law and the employee's terms of employment.
2. Bribery is a criminal offense. The defaulting Tata Steel Personnel will be accountable whether she/he pays a bribe herself/himself or authorizes, assists, or conspires with someone else to violate this ABAC Policy or an anti-corruption/anti-bribery law. Punishments for violating the law are against a defaulting Tata Steel Personnel as an individual and may include imprisonment, probation, and significant monetary fines which will not be paid by the Company. For example, punishment under the PCA ranges between 6 months and 5 years, along with a fine. In certain cases of habitual offenders imprisonment could be as high as 7 years. There is no limit on the maximum fine payable.
3. In case of violations of this ABAC policy, the Compliance Officer / Chief Ethics Counsellor shall take appropriate steps such as:
 - a) Assigning an Investigation Team: The Compliance Officer / Chief Ethics Counsellor along with other experts with the right knowledge and objectivity may be appointed to investigate a complaint.
 - b) Conducting an Investigation: Every investigation relating to a suspected violation of this ABAC Policy shall be investigated by the Compliance Officer / Chief Ethics Counsellor together with other members assigned under sub-clause (a) above. The objective of such an investigation would be to determine the facts, through interviews with concerned participants and/or review of documents. Such investigation team will make a written demand for information, records etc. that is reasonably related to the

alleged offence, including, without limitation: (a) copies or access to all records relating to the alleged offence (such as telephone records, Internet service records and/or other records stored on computer hard drives or other information storage equipment); and/or (b) a written statement made by the Designated Person, if any, setting out in detail all of the facts and circumstances of which such a Tata Steel Personnel is aware with respect to the alleged offence. Each Tata Steel Personnel shall co-operate with the investigation team and promptly respond to all requests for information. It is clarified that the report prepared by the investigations team, shall be kept confidential and shall be shared only with such persons who have a “need to know” under applicable law or Company Policies, e.g. a copy of the report may be shared with the Designated Director.

- c) Corrective Action: If necessary, corrective actions shall be prescribed or suggested to appropriate managers, officers and employees for implementation.
 - d) Penalties: The Compliance Officer / Chief Ethics Counsellor shall, after considering inputs, if any, and the Designated Director have the discretion to recommend appropriate disciplinary action, including suspension and termination of service of such a defaulting Tata Steel Personnel . The Compliance Officer / Chief Ethics Counsellor shall also recommend if the violation is potentially criminal in nature and should be notified to the authorities. In the event of criminal or regulatory proceedings, the Tata Steel Personnel shall co-operate with relevant authorities. Depending on the nature and scale of default by the defaulting Tata Steel Personnel, the Compliance Officer / Chief Ethics Counsellor may also recommend to the Board to commence civil and/or criminal proceedings against such a Tata Steel Personnel in order to enforce remedies available to our Company under applicable laws.
4. All internal investigations shall follow principles of natural justice and shall ensure that the relevant Tata Steel Personnel is provided with an opportunity to make his/her case before the investigation team.

XX. PERIODIC REVIEW AND EVALUATION

- 1. Our Company’s Internal Audit function will monitor the effectiveness and review the implementation of this ABAC Policy, considering its suitability, adequacy and effectiveness.
- 2. Our Company reserves the right to vary and/or amend the terms of this ABAC Policy from time to time.