



Anti-Bribery Anti-Corruption Policy

Contents

1. INTRODUCTION
2. OBJECTIVE
- 3 SCOPE AND RESPONSIBILITIES
4. DEFINITIONS
5. APPLICABLE LAWS AND GUIDELINES
6. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY
7. AWARENESS AND TRAINING
8. BOOKS, RECORDS AND INTERNAL CONTROL REQUIREMENTS
9. BRIBERY RISK ASSESSMENT
10. EMPLOYMENT PROCESS
11. CONTRACTUAL PROVISIONS
12. NON-COMPLIANCE AND PENALTIES
- 13 INCENTIVIZATION
14. REPORTING VIOLATIONS OR SUSPICIOUS ACTIVITY
15. WAIVER AND AMENDMENT OF THE POLICY
16. CONTACT ADDRESS
17. ANNEXURES

1. INTRODUCTION

Techno Electric & Engineering Company Limited practices a zero-tolerance approach to bribery and corruption and is committed to acting professionally and fairly in all its business dealings and relationships and in implementing and enforcing effective systems to counter bribery and corruption in any form.

Bribery and Corruption violate the public's trust, threaten national and international economic and social development, and substantially impede fair trade. Bribery occurs when there is an offer or payment made or the seeking or accepting of a payment, gift, or favor to influence a business outcome, which is considered a crime in eyes of law. Bribery and corruption may involve government officials or private/ commercial individuals and can be direct or indirect, through third parties and partners. Techno Electric & Engineering Company Limited ("the Company") prohibits any facilitation payments and considers it as a bribe. As a part of the Company's commitment to maintaining a high standard of business conduct, direct or indirect involvement in the acceptance or payment of bribes or use of company funds or assets for any other illegal, improper, or unethical purpose is unacceptable and prohibited. This commitment must be reflected in every aspect of business. Therefore, there is an obligation to prevent bribery by complying with this policy.

2. OBJECTIVE

The Company is committed to the prevention, deterrence, and detection of bribery, fraud and all other corrupt business practices. It is Company's policy to conduct all of its business activities with honesty, integrity and the highest possible ethical standards and vigorously enforce its business practice, wherever it operates throughout the world. If local laws or regulations establish stricter requirements, the Company will comply with such stricter requirements.

3. SCOPE AND RESPONSIBILITIES

This policy is applicable to all officers, board members, key managerial personnel, if any, directors, employees, temporary/ contractual staff, consultant(s), vendor(s), and third parties working for or acting on behalf of the Company and are required to read, understand and adhere to this policy. This policy applies to all dealings and transactions in India or abroad where the Company operates. In addition, the Company's Board of Directors and the Head of HR are required to enforce the policy and ensure that employees, individuals, and entities for which they are responsible, are aware of, understand, and adhere to the requirements of this policy. In countries where the local laws or regulations are silent on the issue of Anti-Bribery Anti-Corruption (ABAC), this ABAC Policy may be applied. In each of the jurisdictions in which the Company operates or expands, employees are expected to follow the Company ABAC policy or the applicable laws, whichever is stricter.

No Stakeholder can waive compliance with this policy.

4. DEFINITIONS

The following terms are used in this document

Techno Electric and Engineering Company Ltd.

A. Anything of Value

- “Anything of Value” covers just about any form of benefit, which includes, but is not limited to:
 - Cash or cash equivalents, loans, gifts or prizes;
 - Employment offers or promises of future employment (to an individual or any of his/her relatives);
 - Favourable terms on a product or service or product discounts;
 - Entertainment/hospitality (payment of travel, hotel or restaurant bills, living expenses, or costs of trips or resort stays);
 - Use of vehicles or vacation homes;
 - Discounted or free tickets to events;
 - Services, personal favors, or home improvements;
 - Sponsorships
 - Political or charitable donations
 - Sexual favors/ Adult entertainment
 - Opportunity to buy direct shares ("friends and family shares") in a company with a connection to the Company.

B. Bribe/Bribery

To “bribe” or “bribery” means directly or indirectly offering, promising, giving, accepting, or soliciting ‘Anything of Value’ (which could be financial or non-financial), and irrespective of location(s), in violation of applicable law to an individual, a government official or an employee of a commercial enterprise for the purpose of obtaining or retaining business, to win a business advantage, or to influence a decision regarding the Company. This also includes obtaining licenses or regulatory approvals, preventing negative government actions, reducing taxes, avoiding duties or customs fees, or blocking a competitor from bidding on business.

C. Board member

Board member means a member of the Board of Directors of the Company

D. Head of HR

Head of HR means such Non-Executive Director of the Company as nominated by the Board of Directors from time to time who shall be responsible for effective implementation of, and compliance with, the ABAC. Head of HR shall regularly monitor and review the ABAC-related policies and procedures considering its suitability, adequacy, and effectiveness for the organization’s operations.

E. Stakeholder

This includes internal stakeholder(s) like Company employee(s), officer(s), project trainee(s), temporary/ contractual staff, Board of Directors. This includes external stakeholder(s) like, consultant(s), vendor(s), any third party(ies) working or acting on its behalf of the Company, for the Company, representative(s), agent(s), employees of a joint venture(s)/ subsidiary(ies)/ Governments official(s)/ agency(ies)/ society(ies), if any.

F. Facilitation Payment

Any payment to a government official designed to secure or speed up any government action by a government official. These are generally known as "Routine government actions". Some examples are provided below:

- Obtaining routine permits and licenses
- Processing passports, visas, and work orders
- Providing police protection, mail pickup or delivery
- Providing phone service, power and water supply, loading, and unloading cargo,
- Scheduling inspections or transit of goods across country;

Expediting shipments through customs

Please note that "routine government action" does not include:

- Any decision by a government official to award new business; or
- To continue business with a particular party, or
- To secure an advantage with respect to a discretionary approval/licenses.

G. Third parties

Includes any individual or entity acting as a vendor to or supplier of the Company, acting on behalf of the Company, under the supervision of the Company, or jointly with the Company, engaged in order to market or deliver services, in connection with the Company's business. Such individuals or entities may include but are not limited to the consultant(s), advisor(s), lawyer(s), surveyor(s), retainer(s), specialist valuer (s), academic institution(s), contractor(s), software supplier(s), agent(s), and/or other specialist(s). Third parties are further categorized based on the purpose for which they are engaged. These categories include joint business relationship partner(s), subcontractor(s), commercial associate, vendor(s) or supplier(s).

H. Government Official

"Government/ Public Official" shall include:

- An officer or employee, regardless of rank, of any national, provincial, regional or local government agency or department (whether domestic or foreign), including but not limited to police agencies, customs officials, local tax officials, issuers of government permits, approvals or licenses and/or immigration officials
- An officer or employee of any company, business or commercial enterprise or entity that is owned or controlled in whole or in part by any government;
- A political candidate or a political party or any officer or employee of a political party;
- An officer or employee of a public (quasi-governmental) international organization (such as the United Nations, World Bank, International Monetary Fund, International Olympic Committee, or African Union);
- Any private person acting in an official capacity for or on behalf of any government or public international organization (an official advisor to the government or a consultant responsible for making procurement recommendations to a government);
- Spouses, family members, and close associates of any of the individuals specified above

I. Government/ Public Entity

Any agency, instrumentality, subdivision, or other body of any national, state or local government including government committees or commissions and regulatory agencies or government-controlled businesses, corporations, companies or societies. Even if a Company is not wholly owned by the State, it may be considered an "instrumentality" of a government if the government exercises substantial control over the Company. State-owned banks, power companies, utilities, universities, banks, and hospitals are examples of government instrumentalities.

It includes public entities like (a) a municipal state, regional, or national government entity or agency thereof; (b) an entity that is wholly or partially owned by a government agency, such as a public hospital; or (c) a public international organization.

J. Relative

For the purposes of this policy, a relative of an individual is defined as the individual's spouse, mother, father, son, daughter, brother, sister or any of these step or in-law relationships whether established by blood or marriage

5. Applicable Laws And Guidelines:

All national/ international laws relating to bribery and corruption that are in place where the Company and its entire stakeholder have or may carry out the Company-related work. Some of the laws and regulations, which may be applicable to the Company, include but are not limited to, as below:

A. Indian Laws

- The Indian Penal Code, 1860
- The Prevention of Corruption Act, 1988
- The Integrity Pacts propounded by the office of the Central Chief Vigilance Commissioner and which Integrity Pacts form part of the Bids/ Tenders of Public Sector Enterprises in India
- Prevention of Money Laundering Act, 2002
- The Benami Transaction (Prohibition) Act 1988
- The Whistle Blowers Protection Act 2011
- The Lokpal and Lokayukta Act 2013
- Competition Act, 2002
- Any other laws and regulation(s) being applicable or required due to the nature of the transaction with the third party (ies). As amended and re-enacted from time to time

B. INTERNATIONAL LAWS

Some examples of international laws and regulations prohibiting bribery, fraud, and corruption are i. USA: The Foreign Corrupt Practice Act. ii. UK: The United Kingdom Bribery Act

C. INTERNATIONAL ORGANISATIONS/ CONVENTIONS

- Anti-corruption Ethics And Compliance of Business Policies of :
- OECD (Organization for Economic Co-operation and Development.
- UNODC (The United Nations Office or Drugs and Crime)
- The World Bank
- Inter- American Convention Against Corruption
- United Nations Convention Against Corruption
- Council of European Criminal Law Convention on Corruption.
- Asian Development Bank
- Japan International Cooperation Agency
- African Development Bank

6. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

The Company expects all its relevant stakeholders to adhere to the policy. The Company prohibits anyone acting on its behalf, including directors, board members, officers, employees, and Third Party Intermediaries, directly or indirectly, from making or receiving improper payments. 'Improper payment' is defined as any payments constituting the receipt or payment of bribes or giving, offering, authorizing, or promising to give money or anything else of value to any person, including any Government Official, in order to improperly influence any act or decision of a person, or to otherwise gain an improper benefit for the Company. Without limiting the foregoing, the following are improper payments:

- Payments (other than those expressly required to be made and codified under applicable law or regulation) in order to secure licenses, permits, renewals, and any other required approvals or clearances in order to operate in a county, state, country or other jurisdiction;
- Payments to influence any act or decision of a Governmental Official or individual in the private sector in his or her official capacity; and
- Payments inducing a Governmental Official to use his or her influence with a government or government instrumentality to affect or influence any act or decision of a government or instrumentality.

This ABAC Policy also covers the receipt of a bribe by or for the benefit of, Company employees, suppliers, agents, consultants, distributors, and business partners. The areas of business where corruption, including bribery, can most often occur include:

- A. Gifts and Entertainment;
- B. Hospitality;
- C. Facilitation Payments;
- D. Business Relationships
- E. Political, Community, and Charitable Contributions.
- F. Other misconduct
- G. Employment of former public officials or their relatives

A. Gifts and entertainment

Gifts and entertainment are acceptable if they are reasonable, proportionate and bonafide, consistent with local customs and practices and in compliance with ABAC laws and all applicable company policies. One must be mindful of not violating the law by offering or receiving excessively lavish gifts that may be perceived as bribes. Note that this Policy applies to gifts and entertainment provided by the Company and/or individuals as well as such items received by the Company and/or individuals covered by this Policy. The Company recognizes that modest gifts and hospitality are a legitimate part of business life and that giving and receiving gifts and hospitality are often useful ways for employees to express gratitude and respect towards the recipient of the gifts.

To determine whether an offered gift or entertainment is acceptable, the following should be adhered to:

- Must be bona fide and customary business expense in the normal course of business
- Should be moderate and reasonable (Cash, cash equivalents like vouchers, bullions, etc. are not allowed).

- Must comply with the anti-corruption laws applicable to the company
- Disclosure should not cause embarrassment to the giver/receiver/respective organizations
- Must adhere to the Company Code of Conduct (COC) and ABAC policy
- Fully documented and supported clearly and in an identifiable manner, by receipts and accurately recorded in the company's books.
- Not designed to influence the judgment or encumber the independence of the person receiving the said courtesy

Giving of gifts:

Prior to giving any gift, the Company stakeholders are required to obtain a pre-approval from the Head of HR/Board of Directors depending upon the recipient of the Gift. The Head of HR shall maintain the List of approvals so granted whereas approval granted by the Board approval shall be recorded in the minutes of meetings of the Board of Directors.

Category of recipient	Value of gift	Required approvers
Non-government/ Non-public official	Up to INR 2,000/- per person per calendar year	Pre-approval from Head of HR
Government/ Public officials	Reasonable and customary festive gifts in the form of flowers, sweets, fruits, dry fruits, the Company branded stationery (such as pen, calendar, key chain, diary, etc.) commensurate with the occasion	Pre-approval from Board of Directors by submitting 'gift declaration form' (Annexure 1 - Gift Declaration Form)

Receipt of gifts:

The Company discourages receipt of any type of gifts by its internal stakeholders from its external stakeholders (including customers, vendors, and other third parties). Receipt of reasonable and customary edible gifts (such as sweets / dry fruits) during festivals shall be reported to the Head of HR and shall be distributed amongst the employees. Apart from the receipt of such gifts, no other gifts are acceptable to internal stakeholders. Further, any gift or entertainment provided should be clearly and accurately recorded in the books of accounts along with adequate documentation (original receipts, requisite approvals, names, and designation, etc.) All procurement related to the giving of gifts shall be made according to the procurement process of the Company. Employees who are specifically responsible for or involved in the procurement of goods/services or any other possible risk profile area shall take particular care when exposed to such situations. For the avoidance of doubt, the Company or any person acting on its behalf (including directors, officers, employees, or Third Party Intermediaries) shall in no event provide gifts or entertainment to, or receive them from, a Government Official (or their close families or business associates) in violation of applicable laws and regulations as defined under Applicable laws and guidelines above.

B. Hospitality/ Hosting / Business courtesies:

Hospitality/ Hosting / Business courtesies can be offered or received when it is considered customary,

legal, and properly and accurately recorded. It should be reasonable and follow the accepted customary norms/practices and legislations of the country including meals, accommodation and transport, and customer specific hospitality events. Instances, where an individual will have to exercise additional diligence and care when accepting or offering any Hospitality/ Hosting / Business courtesies, are as follows:

- During business negotiations for renewal or obtaining new business
- Any interaction with government officials for obtaining approvals/renewal of licenses etc.
- Interactions with respective suppliers or retainers prior to the award of any contracts by the company to them

All hospitality/ hosting(s)/ business courtesies provided to government employees/entities by the stakeholder(s) shall require pre-approval from the Board of Directors. In addition to such pre-approvals, below stated procedures shall also be followed

- Expenses because of such hospitality/hosting (s) / business courtesies shall be clearly and accurately recorded in the books of accounts.
- There shall be adequate documentation (original receipts, requisite approvals, names, and designation, etc.) supporting such expenditure
- A separate Hospitality/ Hosting/ Business courtesies request form (refer to Annexure 2 – Hospitality/ Hosting/ Business courtesies Request Form) shall be maintained to record such hospitality/ hosting(s)/ business courtesies provided

Notwithstanding anything, if the Company is required to provide Travel, Lodging & Boarding to any official by virtue of a statutory or contractual obligation, in such cases, the same can be provided after prior approval from the respective Head of Department and approval of the Board shall not be required for the same. The examples of same are a) Visits by Client Officials for inspection of the Factory or site. b) Training to Client officials at the Company locations c) Site visits and attending meetings by officials of Banks etc. However, the respective business team needs to ensure that the amounts are within the official permissible limits as per the recipient of such allowances/ hospitality and maintain appropriate documentation of such official permissible limits along with the expenses.

C. Facilitation Payments:

- i. Refuse to make such payment without an official receipt and inform that the same is not permissible as per company policies;
- ii. Report to the Head of HR regarding the demand for such payment;
- iii. In case of exceptional circumstances, such as threat to personal safety, medical emergency, extortion, duress, etc. facilitation payments may be made. Post such payments, the same shall be brought to the notice of the Head of HR who shall ensure that these expenses are appropriately recorded in the books along with reasons. Further, approval from the Board of Directors should be obtained for such instances.

D. Business Relationships:

In the conduct of business, the Company may be required to maintain business relationships with every stakeholder(s), including governing bodies and government officials.

Techno Electric and Engineering Company Ltd.

While dealing with such business relationships the stakeholder(s) are expected to adhere to this policy. For the purpose of this policy, stakeholders include internal stakeholders like Company employee(s), officer(s), project trainee(s), temporary/ contractual staff, and Board members. This includes external stakeholder(s) like, consultant(s), vendor(s), any third party(ies) working or acting on its behalf of the Company, for the Company, representative(s), agent(s), employees of a joint venture(s)/ subsidiary(ies), if any / Governments official(s)/ agency(ies)/ society(ies), if any. The Company may interact with Government departments/entities and third/ or party (ies) in various forms such as approver, regulatory authority, supplier, customer, etc. In dealing with Government departments/entities and/ or third parties the stakeholder(s) shall take care and demonstrate the highest standards of integrity and transparency. During the interaction, the stakeholder(s) shall ensure that appropriate approvals are in place for the given business dealing. The stakeholder(s) shall not use/ receive private funds in case of dealing for, on behalf of or to benefit the Company and/ or any of the stakeholder(s). This Policy prohibits corrupt offer(s), request(s), demand(s), promise(s) and payment(s) made/ received through third party (ies) or agents.

The type of counterparty involved may also present bribery issues. Therefore, it is important not to disregard or ignore any facts that indicate a probability that a corrupt payment may occur and hence all the internal stakeholder(s) shall follow the Company's third party due diligence policy while dealing with third party (ies) and/or Government bodies/ officials.

E. Political Contributions/ Donations/ Sponsorships:

The Company does not allow any political contributions to be made except as permitted under the Companies Act, 2013. In all such cases, approvals as required under the Companies Act, 2013 including the approval of the Board of Directors shall be obtained. The instance of such contributions may take many forms, directly or indirectly, including but not limited to as below:

- Direct provision of cash contributions to political campaigns,
- Provision of material resources or services including personnel or labor to governmental/public entity
- Donations to political action groups or non-governmental organizations with a political agenda.
- Funding of or purchase of seats at political fund raisers or parties.
- Contribution to the charity of the government official's choice.
- Sponsoring political conferences or events;
- Gift, loan, advance, or deposit of money or anything of value for the purpose of influencing any election for international, national, regional or local office or a ballot initiative; and
- Payment of debt incurred in connection with any election or ballot initiative

Contributions/ Donations/ Sponsorships:

Contribution(s), donation(s), sponsorship(s) made by or on behalf of or to benefit the Company shall be made in only such approved community projects or charities which are approved by the Board of Directors. In such cases Board of Directors shall conduct appropriate due diligence to ensure that the Projects do not violate this policy, the Company Code of Conduct, and other applicable policies and procedures. Any contribution(s), donation(s), or sponsorship(s) made to specific entities or charities at

the request of customers, Governments or Third Parties shall have prior approval from the Board of Directors of the Company. Board of Directors (as applicable) shall ensure:

- Charity is a legitimate charity.
- A complete due diligence (as mentioned in the TPDD Policy) is done on the charitable recipient before contributing;
- Payment shall not be diverted to or otherwise benefit any government official(s) or his or her family.
- Contribution(s), donation(s) and/ or sponsorship(s) shall be transparent and properly recorded in the financial records.
- Fund arrangement, if any, shall comply with all applicable laws.
- Contribution(s), donation(s), and/ or sponsorship(s) shall not be given/ received in exchange for a favorable decision by/ for the requestor. All contribution(s), donation(s), and/ or sponsorship(s) shall be clearly and accurately recorded in the books of accounts along with adequate documentation (original receipts, requisite approvals, names, and designation, etc.)

F. Other Misconducts

Misconduct related to fraud, cartels, and other anti-trust/anti-competition offenses, collusion, coercive practices, or money laundering shall be tantamount to a Corrupt practice and the Company strictly prohibits such practices across its Business. The Company's Internal Stakeholders and External Stakeholders should refrain from such kind of misconduct and in case if they become aware of the same, it should be immediately reported to the Board of Directors. The Board of Directors should ensure that respective business functions do not form any kind of cartel or engage in anti-competitive behavior while bidding for Tenders.

G. Employment of Former Public Officials or Their Relatives

Any employment of former public officials or their relatives is required to undergo documented hiring procedures and due diligence. Any such relationship requires the preapproval of the Head of HR. Further, the Company does not permit the employment of any current public officials or public officials on a "cooling-off period" as per applicable laws.

7. Awareness and Training:

Communication and training are essential in providing the essential information, knowledge, and skills to all relevant stakeholder(s) in relation to the ABAC. It shall ensure that all provisions set out in the code of conduct and the ABAC policies and procedures are made available to all the relevant stakeholder(s). All internal stakeholders are required to participate in the Anti-Bribery and Anti-Corruption training mandatorily. Training and awareness programs shall be periodically updated as necessary to reflect relevant new information. Training(s) shall be held at regular intervals such that all internal stakeholder(s) undergo at least one mandatory training in a year. The awareness program shall be on a continuous basis. It is critical to establish effective internal and external communication for ABAC to demonstrate commitment, ensure awareness, and cultivate transparency and accountability amongst all relevant stakeholder(s).

- a. All ABAC related policies shall be communicated to the internal stakeholder(s) and high-risk third-party vendors / business associates.

- b. Policies and procedures shall be regularly communicated to all the internal stakeholder(s) and high-risk third-party vendors / business associates. Ensure newly appointed stakeholder(s) receive communication during the on-boarding process.
- c. Mode of communications may include the following:
 - o Regular/ periodic/ refresher training(s)
 - o Regular/ periodic e-mailers
 - o Induction training of a new joiner
 - o Sign boards across premises (poster, notice, etc.)
- d. Head of HR shall lead the communication responsibility.

8. Books, Records, and Internal Control Requirements:

This policy shall require detailed and accurate accounting records for transactions, including cash and bank accounts. Any 'off-the record' payments/ receipts and any form of fraudulent accounting or purposefully misclassified expenses/ income or falsification of books and records to conceal or layer any improper payment/ receipt are prohibited. All internal stakeholder(s) shall ensure that accurate books, records, and financial reporting are maintained to avoid any non-compliance with the Company's ABAC framework and related policies.

Internal stakeholder(s) shall be obligated to report all transactions accurately, ensure no payment(s)/ receipts(s) are made based on false documentation, and maintain adequate documents related to expenditure incurred. The Company's Finance team shall review all transactions thoroughly specifically related to travel and entertainment expenses, gifts, hospitality expenses, donations, etc., and may refuse payment or reimbursement of any unreasonable expenditure, despite it having been previously approved by the relevant functional head. All transactions related to gift(s), hospitality, hosting(s), and/ or entertainment shall be recorded in a separate register maintained with the Board of Directors.

9. Bribery Risk Assessment:

It is vital for the ABAC committee to have an effective risk assessment, which shall assist in the evaluation of existing controls and the identification of control gaps for remediation. The assessment shall gather sufficient, relevant information from people and other sources related to organization's business activities and relationships that enables it to determine exposure to bribery risk. The Head of HR shall perform periodic assessments of internal and external bribery risks to the Company. The risk assessment shall identify and weigh internal and external risks and define appropriate priorities based on their significance and impact on the organization. The priority or level of risk may determine the need and level of action(s) required. For the purpose of identifying risks and opportunities, a risk register has been prepared to address the below mentioned risks:

Government interaction:

- Obtaining approvals, licenses, and permits and/or interactions during inspection.
- Interaction with independent engineers appointed by government customers for work certification.
- Tendering for projects of government entities

Relationship with Third Parties / Associated persons

- Third-party appointment and scope/services performed including contractual terms, payment terms, etc.

- Monitoring of third parties.
- Awareness of ABAC Policy among third parties/associated persons.
- Gifts, hospitality & entertainment.
- Recording/ Accounting of expenses like employee reimbursements and imprest.
- Political Contributions and Sponsorships.

Expenses incurred towards corporate social responsibility including:

- Focus areas for CSR activities;
- Selection of third parties;
- Monitoring

The Head of HR shall maintain the Risk Register and update the same periodically. Any updating to the Risk Register shall be placed before the Board of Directors of the Company for its adoption.

10. Employment Process:

The Head of HR shall coordinate with the Human Resources Department and build in certain processes/controls that shall help the Company to mitigate the potential risks resulting from the hiring of and conduct of personnel.

The Head of HR in coordination with the Human Resources Department shall identify internal personnel within the Company that potentially have more than a low level of bribery risk. Generally, departments/personnel who interact with government customers/authorities shall be considered as having more than a low level of bribery risk.

The Human Resources Department shall maintain a list of such high-risk personnel and shall update this list on a periodic basis. Due diligence shall be conducted at the time of hiring, transferring, or redeploying employees in designations that are exposed to more than a low level of bribery risk. At the time of promotion/transfer of an employee, to a place exposed to a higher level of bribery/corruption risk, the HOD shall specifically recommend that considering the conduct and behavior of the concerned employee, whether he is a fit person for such promotion/transfer.

Performance measurement targets and incentives elements shall be reviewed periodically by the Human Resources Department to ensure adequate controls are in place to prevent personnel from engaging in bribery.

The Head of HR shall ensure that the Human Resources Department communicates ABAC policy to new joiners at the time of induction. It shall also be ensured that before the appointment of new joiners is finalized they give a declaration of compliance to policies and procedures including the ABAC policy.

A periodic ABAC related declaration shall also be obtained from all the employees on an annual basis.

11. Contractual Provisions:

Contracts with employees as well as a third party (ies) should in principle include appropriate provisions protecting the Company from corrupt activities. These provisions will typically include but not be limited to:

- a) Requirements of anti-bribery anti- corruption representations, warranties and covenants relating to compliance with ABAC laws and regulations.
- b) Avoidance of relationships and activities with disreputable individuals and party(ies).
- c) Right to terminate because of any violation of ABAC laws and regulations or the representations, warranties and covenants of the agreement related to such matters.
- d) Rights to obtain annual statements and conduct audits of books and records of the third party(ies) to ensure compliance with these representations, warranties and covenants.

Periodic ABAC related declaration (refer to Annexure 3 – Employee ABAC declaration) to be obtained at the time of recruitment as well as annually. The Board is to retain declaration related documents.

12. Non-Compliance and Penalties:

a. Failure to ensure compliance with this policy could lead to the following consequences for the company including but not limited to:

- Criminal or civil liabilities for the Company including fines and imprisonment.
- Serious reputational damage including media comments for the Company
- Debarment from tendering for contracts in India and/or Abroad.
- The unenforceability of contracts entered into because of acts of bribery, fraud, or other illegality.

b. Failure to ensure compliance with this ABAC Policy could lead to the following consequences for employees, including but not limited to:

- Personal criminal liability followed by fines or imprisonment
- Disciplinary action initiated by the Company, including dismissal/termination of Contract
- Personal reputational damage

The Company shall not be liable to any such fines/ penalties levied because of the violation by any of its stakeholder(s). For the purpose of this policy stakeholders include internal stakeholder(s) like the Company employee(s), officer(s), project trainee(s), temporary/ contractual staff, Board members. This includes external stakeholder(s) like, consultant(s), vendor(s), any third party(ies) working or acting on its behalf of the Company, for the Company, representative(s), agent(s), employees of joint venture(s)/ subsidiary(ies), if any/ Governments official(s)/ agency(ies)/ society(ies), if any

13. Incentivization:

It is the duty of each and every stakeholder related to the Company to comply with the Company's Policies including the Anti-Bribery Anti-Corruption Policy. However, it is Company's endeavor to appropriately reward internal stakeholders who extraordinarily contribute in developing and strengthening the ABAC culture in the Organization. The recognition will be evaluated on various

parameters like extraordinary contributions for meeting Training Targets, organizing self-help sessions with the Division, Suggestions including Innovative methods conveyed for strengthening ABAC and Whistle Blower mechanism, etc.

Towards this end, the HR department on an annual basis shall identify Ethics Champions from the Company and shall reward them initially with Appreciation Letter and Public recognition as may be decided by the Head of HR. An Ethics Champion shall also be eligible for cash reward as may be decided by Head of HR in case of continuous recognition for any two years over a block of three years.

14. Reporting Violations or Suspicious Activity:

The Company encourages its entire internal stakeholder to report in good faith or based on a reasonable belief that attempted, suspected, and actual bribery, or any violation of or weakness in ABAC as soon as possible. Any internal stakeholder(s) raising concern(s) under this policy shall be protected from victimization.

This policy shall be read in conjunction with ‘whistle-blowing’ policy of the Company

15. Waiver and Amendment of the Policy:

The Company is committed to continuously reviewing and updating the policies and procedures based on the learnings and changes in the relevant regulations. This is so even when the Company enters new market/ sector/ country, which may pose a risk under this ABAC Policy. The Head of HR will monitor the effectiveness and review the implementation of this ABAC Policy, regularly considering its suitability, adequacy and effectiveness.

Any exception to this policy shall have written preapproval from Head of HR.

Any amendment to the Policy can be made only after obtaining approval from Board of Directors

16. Contact Address

In case of registering any complaint or for any questions/queries on this policy please contact the Head of HRs of the Company at the following contact details:

Mr.Head of HR

Contact number Email:

17. Annexures:

Title: Annexure 1 - Gift Declaration Form
--

The approval Form must be completed prior to offering or giving any Gift to an external stakeholder as defined in the Company's ABAC policy. Please direct any questions that you may have regarding this Form to the Head of HR

Section A: Information about Gift(s)

1. Please provide details of the proposed recipient(s) of the Gift(s).

Institution/ Agency	Job Title and department	Name(s)	Description of Gift(s)*	Value of gift given	Aggregate Value in Calendar Year

[Use a separate sheet if necessary]

[*Gifts cannot be in the form of cash or cash equivalents (e.g., Gift cards, vouchers, bullion, etc.)]

2. Is the Gift:

- a) Directly related to the promotion, demonstration, or explanation of Company products or services,
- b) Being given as a courtesy or as a token to an external stakeholder in connection with a recognized Gift-giving holiday or event (e.g. Diwali)?

Yes No

If yes, please explain: _____

3. Have the external stakeholder recipients received Gifts from the Company in the past year?

Yes No

If yes, please explain: _____

4. Do you have any reason to believe the Gift is being offered or given to the external stakeholder in order to improperly influence or induce any act or decision of the external stakeholder or to secure any improper advantage for the Company?

Yes No

If yes, please explain: _____

5. Is the Gift appropriate and without any appearance of impropriety or any reputational risk to the Company (e.g., the appearance of possible conflict of interest, improper inducement, favoritism, etc.)?

Yes No

If yes, please explain: _____

If No, the Gift must not be given.

Section B: Approvals

HOD/Approval Authority:

GIFT : APPROVED REJECTED

Name:Title:

Signature:..... Date:.....

1. Please submit a completed copy of the Form to the procurement team for initiation of the purchase of the gift.
2. Forms must be completed and submitted to the Procurement Team at least five (5) days before the Gift is to be offered.
3. While approving the gift given to an external stakeholder, the Board member must assess that the aggregate value of the gift given in a calendar year shall not exceed INR 2000.

Title:
Annexure 2:
Hospitality/ Hosting/ Business courtesies Courtesies Request Form

This approval form must be completed prior to hosting (travel, lodging, meals, or entertainment) any authority/ entity as defined in the Company’s ABAC policy. Please direct any questions that you may have regarding this form to the Head of HR.

Information about Hosting:

1. Please state the business purpose for the Hospitality/ Hosting/ Business Courtesy
2. Please provide details of each official/ entity being hosted, including the business purpose for the authority/ entity's attendance.

Institution/Agency	Title/Job Position	Name	Location	Business Purpose for Attendance

[Use a separate sheet if necessary]

3. Please provide information about any travel, lodging, meals or entertainment that the Company will pay for, reimburse, or provide in-kind to government official/entity. Please note that these must be consistent with Company policies and standard operating procedures.

Type	Description (including the name of the recipient government official/entity)	Estimated Cost (INR)	Aggregate Value in Calendar Year
Air travel			
Ground travel			
Lodging (include days and location)			
Meals			
Entertainment			
Any other recreation or gifts			
Other (provide details)			

[Use a separate sheet if necessary]

1. Please submit a completed copy of the Form to HOD for initiation of hospitality/ hosting/ business courtesy.
2. Forms must be completed and submitted to HOD/approval authority at least five (5) days before the hospitality/ hosting/ business courtesy is proposed to be offered.

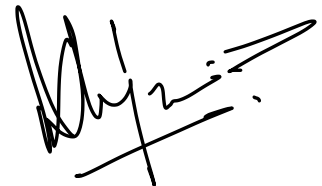
To,

Head of HR/Board of Directors

Subject: Declaration for anti-bribery and anti-corruption policy ('ABAC Policy')

This is to confirm that:

- I have been provided the copy of the organization's ABAC policy and have read and understood the letter and spirit of the same
- I agree to comply by ABAC policy and related policies & procedures and to all the changes which might occur time to time; at all times during the term of my association with the organization
- I agree that I shall not directly or indirectly promise, give, offer, agree to receive, request, or accept any monies or anything of value in course of my employment at the Company, when conducting the Company's business or when representing the Company in any capacity
- I acknowledge and agree, on becoming aware of, to report any suspicious activity, event, and occurrence that may amount to be a bribe being offered, promised, requested, given and accepted (either involving me or another person/ company); immediately to the Board of Directors
- I agree not to engaged in any business relationships with the Company vendor(s) or other third parties working on behalf of the Company other than for the services being officially involved in
- I agree to cooperate in manner required with respect to ABAC procedures
- I am fully aware that if found that I have will fully kept secret, the knowledge about such practices, or are found involved in any bribery related case; I shall be immediately terminated and the Company may take legal action, if required.



Mr. Ajay Khajuria
Head of HR

Date: 9th August 2024

Techno Electric and Engineering Company Ltd.