

## **Anti-Bribery and Anti-Corruption Policy**

### **1. Preamble**

**ELANTAS Beck India Limited (the ‘Company’ or ‘EBIL’** as the context may require) is committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. It is the policy of EBIL to conduct its business in an honest and ethical manner wherever it operates throughout the world, not to engage in bribery or corruption and to implement effective system to counter the fraud, bribery and corrupt business practices.

The trust and confidence of EBIL’s business partners, customers, suppliers, shareholders, other third parties and the public in the responsible conduct of EBIL and its employees in accordance with the law are of key importance to the image and success of EBIL.

The Company has come up with this framework of law to set its own responsibilities that applies to its Associates to provide clarity on the bribery and corruption issues to them.

### **2. Scope and Applicability**

This Anti-bribery and Anti-corruption Policy (**‘Policy’**) applies to the Company as well as all its Associates.

All National, State and local legislations relating to bribery and corruption, especially such laws that are in place in jurisdictions where the Company has office(s) or carries out its work, are of importance to the Company.

### **3. Definitions / Clarifications of the Terms used in this document.**

- i.) Associates: means and include Directors, Officers & Employees (whether permanent, contractual or temporary) of EBIL.
- ii) Bribery and Corruption: Bribery is an offer or receipt of any gift or loan or other advantage to or from any person, in cash or kind, as an inducement to do something which is dishonest, illegal or a breach of trust.

Corruption includes wrong doing on the part of an authority or those in power through means that are illegitimate, immoral or incompatible with ethical standards as defined by the Company. Corruption often results from patronage and is associated with bribery.

- iii) “Facilitation Payments” are typically small, unofficial payments (sometimes known as “grease payments”) made to secure or expedite a routine government action by a government official.

“Kickbacks” are typically payments made to commercial organizations in return for a business favor/ advantage, such as a payment made to secure the award of a contract post awarding the same.

iv) Gifts, Hospitality, and Entertainment:

**Gifts** are benefits of any kind given to someone to receive any favor to get any undue advantage for business purpose. However this excludes something offered or received in a token form corresponding to custom and politeness in a country.

**Hospitality** generally includes refreshments, meals, and / or accommodation.

**Entertainment** usually includes attendance at cinemas, concerts, and /or sports events.

v) “Government/ public official” includes officials, whether elected or appointed, who hold a legislative, administrative or judicial position of any kind in a country or territory.

vi) Grant and Donations:

Grants and donations are benefits given by the Company in the form of money or in-kind contributions. They can also involve both a monetary payment and an ‘in-kind’ contribution.

The primary difference between grants and donations is that grants are given for a specific legitimate purpose, e.g. research / education, while donations address humanitarian needs, including emergency and natural disaster situations.

vii) Third Parties:

Any individual or organization, who / which comes into contact with EBIL or transact with EBIL and also includes existing and potential customers, suppliers, business contacts, consultants, intermediaries, representatives, subcontractors, agents, advisers, joint ventures and government & public bodies (including their advisers, representatives and officials, politicians and political parties).

#### **4. Fundamentals of the Policy**

Every Associate owes a duty to the Company to act with the highest sense of integrity. Integrity requires, among other things, being honest and candid within the constraints of Company confidentiality and adhering to a high standard of business ethics.

Company has complete belief in the performance, quality and prices of its products and services. No Associate of the Company shall bribe, offer or give a sponsorship, donations, entertainment, or anything else of value to anybody in violation of the terms of this Policy, in exchange for an explicit or implicit agreement or understanding that the Company's products will be used, purchased, ordered, recommended, or prescribed or that the Company or its products will receive any favorable treatment or will grant any unjustified personal advantages

It is an offence to bribe a government/ public official. EBIL does not distinguish between public officials and private persons so far as bribery is concerned; bribery is not tolerated, regardless of the status or standing of the recipient.

No Associate shall accept an offer of a gift of any size from any Third Party which:

- is in negotiation with, or is submitting a proposal to EBIL; or
- shall give, promise to give or offer, any payment, gift, hospitality or advantage with the expectation or hope that a business advantage will be given or received ; or
- is to reward a business advantage already given;

No Associate shall:

- give, promise to give or offer, any payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure; or
- threaten or retaliate against, another employee who has refused to commit a bribery offence or who has raised concerns under this Policy; or shall engage in any activity that might lead to a breach of this Policy.

No Associate shall directly or indirectly, give, promise to give or offer, to any other Associate anything of value which belongs to the Company, with a view to avail personal gain or advantage for himself or his family member or for any other Associate.

Exceptions apply only to the acceptance and offering of customary, occasional or advertising gifts and to gifts which correspond to custom and politeness in a country. Entertaining and inviting customers and business partners in the customary scope is generally permitted. However, when accepting or offering gifts or entertaining and inviting guests, it should always be ensured that a socially customary and appropriate financial scope is not exceeded. The very appearance of a conflict of interests should be avoided.

Furthermore, this Policy does not prohibit accepting or giving promotional items or gifts in token form such as sweets, calendars, diaries, pens etc., from or to Third Parties

## **5. Conflict of Interest**

Each Associate has a duty to the Company to advance the Company's business interests, consistent with applicable law and the Policy, whenever the opportunity to do so arises and not to let personal gain or advantage interfere with the performance of his or her duties towards the Company.

A Conflict of Interest occurs when any Associate's private interest including that of his/her family, interferes or appears to interfere with the interests of the Company. For example, a conflict of interest may arise when any Associate takes actions or has interests that make it difficult to perform his or her work objectively and effectively or when any Associate, or a member of his or her family, receives improper personal benefits as a result of the Associate's position in/ in relation with the Company.

Conflicts of Interest should be avoided and are prohibited as a matter of the Company's policy. If any Associate becomes aware of a Conflict of Interest or any material transaction or relationship that reasonably could be expected to give rise to such a conflict, he or she is required to promptly discuss the matter with the Legal Head and take all action necessary or appropriate to remove the conflicting element.

Examples of clear Conflict of Interest situations:

1. Any ownership interest in any supplier or customer's business;
2. Receipt of any favour or gifts from any other company with which EBIL has current or prospective business dealings;
3. Being in the position of supervising, reviewing or having any influence on the job evaluation, pay or benefit of his/her immediate family member to derive any benefit out of that position.

## **6. Political Contributions:**

EBIL is committed not to contribute financial or in-kind to political parties, politicians and related institutions in any of the countries. It does not make contributions to political parties, political party officials or candidates for political purpose. However, there could be certain initiatives undertaken by local government bodies / institutions / organizations for the wellbeing of the Society at large. EBIL will evaluate and can consider contributing reasonable amount for such initiative.

Payment or use of corporate assets of any type as payment, directly or indirectly to any person, business, political organization or public official for any unlawful or unauthorized purpose is prohibited.

No Associate of EBIL shall make any political contribution on its behalf, use any EBIL's resources to assist a candidate or elected official in any campaign or coerce or direct another employee to vote a certain way. He / She should never attempt to offer any incentives to public officials in the hopes of influencing the decision of that individual.

### **7. Dealings with Third Parties**

All dealings with Third Parties shall be in a manner that are consistent with the principles as set out in this Policy. EBIL requires all Third Parties to cooperate and ensure compliance with these principles, while directly dealing in a business relationship, with EBIL or its Associates.

In order to maintain the highest standards of integrity, with respect to any dealings with a Third Party, every Associate of EBIL shall ensure the following:

- a) He/ She shall fully document the final approval of the selection of any Third Party
- b) He/ She shall ensure that each Third Party within their work area is fully briefed on this Policy.
- c) He/ She shall ensure that service charges, fees and commissions agreed will be appropriate and justifiable remuneration for legitimate services rendered.

### **8. Facilitation Payments and Kickbacks**

Associate shall not accept facilitation payments or "kickbacks" of any kind. Associate must avoid any activity that might lead to or suggest that a facilitation payment or kickback will be made or accepted by the Company. In case of suspicion or concern, Associate shall report the case to Legal Head of the Company.

### **9. Financial Records and Internal Controls**

The Company and its Associates shall maintain its Financial Records in accordance with good business practice and applicable laws. All payments and accounting practices must be bona fide and in accordance with applicable laws, and anything to the contrary such as falsifications or disguising is strictly prohibited. All relevant financial controls and approval procedures must be followed at all the times.

All accounts, memoranda, invoices and other documents and records relating to dealings with Third Parties should be prepared and maintained with strict accuracy and completeness.

## **10. Reporting Mechanism**

Associates must notify the Legal Head of the Company as early as possible, if they believe or suspect or have reason to believe or suspect that a breach of this Policy has occurred or may occur in near future. The reporting of illegal conduct shall be made in writing, e.g. by letter, fax or e-mail.

The Associate's reporting shall include the following information:

- i) The name of the entity by which /person by whom the act of bribery or corruption or the potential act of bribery or corruption is done or is likely to be done.
- ii) A description of the facts of the case, in as much details as possible.
- iii) Any evidence, documents or files supporting the complaint / allegation.
- iv) Whether EBIL might contact the Associate if it has any further queries and, if so, how.
- v) Whether the Associate wish his report to be treated in confidence

Associates are encouraged to raise concerns /complaints about any issue or suspicion of malpractice at the earliest possible stage. If the Associate is unsure whether the particular act is bribery or corruption, he/ she should raise the matter to the Legal Head of the Company.

The Reporting under the Policy shall be made to the Legal Head at the following address:

Mr. Shirish Dabir

AVP- HR, Legal & Company Secretary

ELANTAS Beck India Limited

147, Mumbai-Pune Road,

Pimpri, Pune – 411018

Tele: +9120 30610606 (Dir)

+9120 30610800 (Board)

Cell: 9325096001

## **11. Protection**

Associates who refuse to accept or offer a bribe or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. EBIL encourage openness and will support anyone who raises genuine concerns in good faith under this Policy. EBIL is committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corrupt activities or because of reporting their suspicion in good faith that an actual or potential bribery or other corruption offence has taken place or may take place in future. If any Associates believe that he / she has suffered any such treatment, he/ she should inform the Legal Head of the Company immediately.

Provided however, if the Complaint or any allegation made by Associate is proved malicious or with a bad intent, and without proper evidence he will not be eligible for any protection under this Clause rather will

be severely reprimanded & may become liable for a suitable disciplinary action as may be decided against him, including the action contemplated under clause 12 below.

**12. Breach of Policy:**

Any breach of the Policy will be referred to the Legal Head of the Company. If he along with the members of the Management Team are of the opinion that the breach has been committed by any Associate, the Associate will be liable for disciplinary action, which may result in the termination of contractual relationship, apart from other legal obligations derived from the applicable laws.

**13. Training and Communication**

All the employees of the Company will receive anti-corruption training on and as needed basis. The Company shall carry out dissemination of this Policy to new joiners at the time of induction as well as with all existing Associates. The policy will also be available on the intranet of the Company.

**14. Monitoring and Review**

The Legal Head is responsible for implementation of this Policy and for monitoring its use and effectiveness (and dealing with any queries on its interpretation). Management Team is responsible for ensuring that those reporting to them are made aware of and understand this Policy and attend regular training on how to implement and adhere to it. This Policy will form part of the Associate's contract of employment prospective from the date of launching of this Policy and it may be amended at any time by the Company.

The Policy is in addition to and subject to the provisions of various rules and policies introduced by EBIL and ALTANA AG(EBIL's Ultimate Holding Company) including inter alia:

- i) Code of Conduct
- ii) Guiding Principles
- iii) Reporting Mechanism for Compliance Infringement on Compliance Hotline

The Company and those others to whom this policy applies are responsible for the success of this Policy and should ensure that he / she/ it should use the same to disclose and curb any suspected activity or wrong-doing.

This Policy will come in to force with immediate effect.

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