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## **Anti-Bribery & Anti-Corruption (ABAC) Policy**

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<b>Reviewed by</b>	Company Secretary, Group Legal Head, CHRO
<b>Approved by (To be approved by Group CEO)</b>	Signature:  Date:

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## 1. INTRODUCTION

This Anti-Bribery and Anti-Corruption Policy (the '**Policy**' or '**ABAC Policy**') provides a framework for ensuring compliance with legislation governing bribery and corruption globally.

**Refex Group of Companies** (which shall mean and include its holding company, subsidiaries, affiliates, and associate companies collectively referred to as "**Refex**", practices a zero-tolerance approach to Bribery and corruption. Refex is committed to act with integrity. As part of this commitment, any form of Bribery and corruption is not acceptable. We prefer foregoing business opportunities rather than paying a bribe or engaging in corrupt practices.

In each of the jurisdictions where we operate, Stakeholders are expected to follow the ABAC Policy or the applicable laws around Bribery and corruption, whichever is stricter. No Stakeholder can waive compliance with the Policy.

This Policy should be read in conjunction with the company's **Code of Conduct**.

**The Compliance Officer for this Policy is the Company Secretary/Chief Financial Officer of the company.**

## 2. PURPOSE / OBJECTIVE OF THE POLICY

The purpose of this Policy is to set out the responsibilities of Stakeholders and provide guidance on dealings that could pose a threat of Bribery and corruption, with government and non-government organizations and individuals.

We are committed to act professionally and fairly in all our business dealings and in implementing effective systems to counter Bribery and corruption in any form.

The Policy provides necessary information and guidance on how to recognize and deal with Bribery and corruption issues. The purpose of this Policy is to establish clear rules to ensure compliance with all applicable anti-bribery and anti-corruption laws.

## 3. SCOPE:

This Policy applies to all Stakeholders, or any other person associated with Refex who may act on behalf of Refex.

The principles set forth in this Policy are applicable to all Associates and Business Partners associated with Refex. It is therefore, the responsibility of all Associates and Business Partners to follow and adhere to all elements described in this Policy.

In countries where there are more stringent applicable laws, regulations or industry codes, Refex requires compliance with the most restrictive requirement and the principles set out in this Policy shall stand superseded in those specific countries.



This Policy sets out the minimum standard that must be followed at all times. Wherever any local laws or regulations are stricter than this Policy, such laws or regulations shall take precedence over this Policy.

#### 4. DEFINITIONS:

- i. **Associates** stands as a collective term for all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, volunteers, service providers, seconded staff, casual workers and agency staff, agents, or any other person associated with Refex, wherever located.
- ii. **Business Partner** is a collective term used for consultants, vendors, contractors, agents, intermediaries, manufacturers etc. and Associates of such third parties with whom Refex enters into a contract(s).
- iii. **Bribe/ Bribery:** means the offering, promising, giving, receiving, soliciting or accepting of a financial or other advantages, or any other thing of value, with the intention of influencing or rewarding the behavior of a person in a position of trust to perform a public, commercial or legal function to obtain or retain a commercial advantage. Bribes are payments made in the form of money or anything of value in return for a business favor or advantage.

For e.g., Gifts taken or received to unfairly influence a business outcome, facilitation payments made for facilitating the performance of a routine governmental action etc.

- (a) A **bribe** is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or business or personal advantage.
  - (b) An **inducement** is something which helps to bring about an action or desired result.
  - (c) A business **advantage** means that Refex is placed in a better position (financially, economically, or reputationally, or in any other way which is beneficial) either than its competitors or than it would otherwise have been had the bribery or corruption not taken place.
- iv. **Kickbacks** are payment of any portion of a contract made to employees of another contracting party or the utilization of other techniques, such as subcontracts, purchase orders or consulting agreements, to channel payment to public officials, political parties, party officials or political candidates, to employees of another contracting party, or their relatives or business associates.
- v. **Extortion** means to directly or indirectly demand or accept a bribe, facilitation payment or kickback.
- vi. **Facilitation Payments:** Facilitation payments are unofficial payments made to secure or expedite a routine government action by a Government Official. These include small payments made, directly or indirectly, to Government Officials for the purpose of expediting or securing routine, non-discretionary government action, such as securing a business permit or license, customs invoice or visa, or providing services like police protection.
- vii. **Family Member:** A spouse, parent, sibling, grandparent, child, grandchild, mother or father-in-law, domestic partner, or other family member who lives with you or who is otherwise financially dependent on you, or on whom you are financially dependent.

**viii. Government Official:** Government Official refers to any 'public servant' as defined under the Indian Prevention of Corruption Act, 1988, including *inter alia* the following:

- an officer, employee, agent, or other individual, regardless of rank or title, acting in an official capacity for or on behalf of central government, state government, local authority or establishments under the control of such government (including any official adviser to the government), its departments, agencies, or instrumentalities, including government- or state-owned or controlled entities (e.g., national oil company, state-run utility, public hospital, sovereign wealth fund);
- any judge, including any person empowered by law to discharge, whether by himself or as a member of any body of persons, any adjudicatory functions or any person authorized by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commission appointed by such court;
- Any other person holding an office by virtue of which he is authorized or required to perform any public duty;
- an officer, employee, agent or other individual, regardless of rank or title, acting in an official capacity for or on behalf of a public international organization (e.g., the World Bank or the United Nations);
- any political party, officer, employee, or agent of a political party, or party official; or
- any candidate for political office.

**ix. Stakeholders:** shall mean to include but not limited to individuals, directors, employees working at all levels and grades (whether permanent, fixed term or temporary), consultants, contractors, trainees, seconded staff, casual workers and agency staff, interns, agents, business partners, vendors, service providers, suppliers, contractual staff, apprentices, direct selling agents, and any other person / entity acting for and on behalf of Refex.

## **5. POLICY FRAMEWORK**

### **5.1. Bribes**

- i. Refex prohibits all forms of Bribery and corruption practices involving, but not limited to, a Government Official or a person employed/associated with private sector or a company.
- ii. Refex conducts its business lawfully and ethically and expects every Stakeholder to conduct its business with integrity.
- iii. Refex prohibits the making or accepting of Facilitation Payments of any kind for any favours to facilitate or expedite official business or work.

## 5.2. Gifts, hospitality and entertainment

- i. No gifts including cash gifts, hospitality or entertainment may be offered or provided in exchange for any favour (or promise of any favour) for or benefit to Refex under any circumstances to any Government Official or any private person.
- ii. However, Refex acknowledges that exchange of nominal gifts or souvenirs of a nominal value (e.g., bouquets, pens, calendars, diaries etc.) which are customarily given on special events/ occasions and are infrequent in nature.

In any case, such gifts shall not be lavish or in the form of cash or cash equivalents, and any such instances and offers or receipt (whether accepted or not by any person directly or indirectly) should be immediately reported to the Head-Human Resources.

All persons need to exercise sound judgment in identifying inappropriate, frequent or material gifts and shall avoid the same to maintain integrity and independence.

- iii. Reasonable and appropriate hospitality is not prohibited, if the person offering it is in attendance.

However, it shall be strictly limited to meals as may be offered (to and/ or received) and only if it is reasonable and justifiable in all circumstances, taking into account reason and nature, appropriate type and value, given at an appropriate time and not made with the intention of influencing or to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits.

- iv. While conducting business abroad, employees are advised to seek legal advice or guidance of the Head Compliance or Head ESG, before giving or accepting gifts, as the giving or acceptance of gifts may be construed to be unlawful under the local laws.
- v. The giving or receipt of gifts by a person is not prohibited, if:
  - a. It complies with this Policy and all applicable anti-bribery and anti-corruption laws;
  - b. There is a legitimate business purpose to support gifts related expenses that are not given or received in return for a favour / favourable treatment or to refrain from doing something disadvantageous to Refex;
  - c. Considering, the reason and nature of the gift, it is of an appropriate type and value and given at an appropriate time; and
  - d. Gifts are not offered to or accepted from politicians or political parties or Government Officials.



### 5.3. Stakeholders

- i. As may be applicable, a Stakeholder appointed to act on behalf of Refex must be selected on the basis of their commercial and technical expertise and Refex's need for the products or services .

No person or entity may be appointed on the basis of a relationship with a Government Official, government department or business associate, or because of a family connection or friendship. Prior to entering into a relationship, Refex requires its employees to conduct appropriate due diligence in accordance with its procedures to ensure that such a Stakeholder is a legitimate service provider and to identify circumstances suggesting that such Stakeholder has not engaged or may not be engaging in illegal or unethical conduct.

Any red flags discovered prior to commencement or during the course of the business relationship must be reported to Head-Human Resources for further investigation. Should any employee / person discover any illegal or unethical conduct by such Stakeholder, he / she should report this to the Head-Human Resources at the earliest.

- ii. Refex has zero tolerance for any conduct by any external entity in contravention of this Policy or any anti-bribery and anti-corruption law.

Refex and its employees may be subject to civil and / or criminal liability if such Stakeholders, including contractors, suppliers, distributors, joint venture partners and other business partners, engage in any activity violating this Policy or any anti-bribery and anti-corruption law.

- iii. As may be applicable, a Stakeholder, at the start of any relationship with Refex is required to be in compliance with the applicable anti-bribery and anti-corruption laws and shall comply with this Policy.

### 5.4. Charitable Donations

- i. Refex may make charitable donations that are legal and ethical under local laws and practices. It ensures that the charity or support is for a legitimate cause and such donations are not being used as a channel for Bribery.
- ii. Any Stakeholder may also, in their personal capacity, make donations that are legal and ethical under local laws and practices. However, it must be ensured that charitable contributions are not used as a scheme to conceal Bribery.

## 5.5. Political Contributions

Refex does not make contributions to any political party or politician. Stakeholders must not use Refex's name or trademark for political activities of any kind or provide money or other forms of support to political parties on behalf of Refex.

## 6. RESTRICTIVE PRACTICES

An illustrative list of acts / practices that are restricted / prohibited under this Policy shall include but not be limited to:

- i. Dishonest misappropriation of property / money, criminal breach of trust and cheating, as defined under Indian Penal Code 1860 ("IPC") and other penal provisions applicable globally;
- ii. Receiving or giving a bribe;
- iii. Acceptance / giving of gifts over and above the extent and the manner as allowed in this Policy;
- iv. Gifts on behalf of Refex, its employees and other Stakeholders in the form of cash or kind, in any currency;
- v. Charity or sponsorship in order to obtain commercial advantages;
- vi. Participation / contribution in / to political activities;
- vii. Payment of any costs for Government Officials and their relatives (or in their interests);
- viii. Any other unethical act or omission; and
- ix. To use partners, agents, joint ventures, intermediaries, or other persons for any actions that are contrary to the principles and requirements of the Policy or the rules of the applicable anti-bribery and anti-corruption law.

## 7. RECORD KEEPING AND INTERNAL CONTROLS

- i. Refex shall keep books, records and accounts in reasonable detail that accurately and fairly reflect all transactions and disposition of Refex assets.
- ii. Refex shall maintain internal controls to prevent and detect potential violations of this Policy or of applicable laws. All Persons must completely and accurately document the amount of all transactions, including payments made on behalf of or expenses incurred by Refex.
- iii. Records and documents generated in connection with the principles set forth in this Policy, including, but not limited to, any diligence files and contracting documents, must be maintained and stored.



- iv. Any violation of this Policy, may result in initiating legal action / disciplinary action against any individual involved in any such prohibited act under this Policy which can lead to severe civil and criminal penalties; therefore, it is vital to not only understand and appreciate the importance of this Policy but comply with it.

## 8. **REPORTING VIOLATIONS**

- i. All Stakeholders are encouraged to raise concerns about any issue or suspicion of non-compliance with this Policy. If they are unsure whether a particular act constitutes Bribery or corruption, they should immediately contact the concerned Business Head or Regional Business Head or Functional Head or Head-Human Resources.
- ii. If any Associate becomes aware that Business Partner is engaged in Bribery or corruption, that Associate should immediately report his/her concern following the procedure set out in the company's "**Whistle-Blower Policy**".
- i. Reflex aims to encourage genuine reporting of non-compliance and will support anyone who raises concerns in good faith under this Policy.
- ii. Reflex endeavours that no one suffers any detrimental treatment as a result of refusing to take part in Bribery or corruption, or because of reporting in good faith their suspicion of an actual or potential Bribery or other corruption- related offence.
- iii. Reflex will investigate all allegations relating to corruption and Bribery and take legal or disciplinary action as may be deemed appropriate. All reports under this Policy would receive confidential treatment and Reflex would protect the identity of any person who reports a suspected violation. Reflex will prefer that persons identify themselves to facilitate the investigation of any report. However, in case the concerned person wishes to report anonymously, he/she may do so. Reflex will also use its best efforts to protect the identity of the person about or against whom an allegation is brought, unless and until it is determined that a violation has occurred.
- vi. Any use of the reporting procedures in bad faith or in a false or frivolous manner will be considered a violation of the code of conduct, and the reporter may be subject to disciplinary action, up to and including termination.

## 9. **TRAINING & COMMUNICATION:**

Reflex ensures that it has adequate procedures to combat threats relating to Bribery and corruption. Accordingly, Reflex provides appropriate training for its employees on prevalent anti-bribery & anti-corruption laws, their role and importance; in order to be in conformance with legal requirements and be in compliance thereof.

## 10. **AMENDMENTS:**

This Policy shall be reviewed by the Audit Committee and recommended to the Board of Directors, as and when considered necessary as per statutory and business requirements of the company. The company

reserves its rights to alter, modify, add, delete or amend any of the provisions of this Policy.

# 11. DISCLOSURES:

A copy of the Policy including amendments thereto shall be hosted on the website of the company at [www.refex.co.in](http://www.refex.co.in) and its weblink may be provided in the annual report.

# 12. VERSION HISTORY:

Version No	Revision No	Description of Addition/Modification/Deletion	Revision Date
01	00	Introduced for Refex Group Entities	1 <sup>st</sup> Nov 2022

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**Disclaimer:** Provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications, etc. on the subject as may be issued by relevant statutory authorities, from time to time. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.