



SAEL Industries Limited

Anti-Bribery and Corruption Policy

Version Control History

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Contents

- I. Introduction & Purpose 4
- II. Applicability of the Policy 4
- III. Definitions..... 4
- IV. Roles and Responsibilities..... 8
- V. Forms of Bribery or Corruption that pose the greatest risk and Mitigation policies 9
 - 1. Gifts and Hospitality 10
 - 2. Charitable Contributions/donations..... 10
 - 3. Political contributions/donations 11
 - 4. Facilitation Payments and payments under duress..... 12
 - 5. Compliance requirements of Third-party intermediaries 12
 - 6. Member Due Diligence 16
 - 7. Joint Ventures, Majority and Minority Investments..... 17
 - 8. Financial Controls 18
 - 9. Non-Financial Controls 19
 - 10. Risk Assessment..... 19
- VI. Conflict of Interest 19
- VII. Anti-Bribery and Anti-Corruption training..... 20
- VIII. Reporting and Investigation of Violations 21
- IX. Ethics and Compliance Committee:..... 23
- X. Reporting to Board on Compliance Matters..... 23
- XI. Inspections by Government Officials/Public Officials..... 24
- XII. Document Retention 25
- XIII. Implementation of the Policy & Procedures 25
- XIV. Revision of Policy 26

I. Introduction & Purpose

SAEL Industries Limited (“SAEL” or “The Company” or “We”) is a renewable energy producer in India and is committed to becoming a leading owner and operator of renewable energy.

The Company is committed to conducting its business ethically and in compliance with all applicable domestic and international anti-bribery and anti-corruption laws and regulations (“applicable laws and regulations”). The violation of such laws and regulations carries grave consequences and seriously impacts the reputation and image of the company.

This document describes the Company’s policy of prohibiting Bribery/Corruption and other Improper Payments in the conduct of the Company’s business operations and also establishes processes to ensure compliance with the Anti-Bribery and Anti-Corruption policy (the “Policy”) and applicable laws and regulations.

II. Applicability of the Policy

This Policy applies to SAEL, along with its divisions, subsidiary, and all employees including the board of the company and any representatives or a person who act on behalf of the company. The persons or entities acting on behalf of SAEL, including without limitation its sales consultants/agents/representatives, are hereinafter referred to as “Company Representatives”. Accordingly, the Policy prohibits anyone acting on behalf of SAEL, directly or indirectly, from making or receiving an “Improper Payment.”

Compliance with this Policy and applicable laws is a condition of continued employment or association with SAEL and violations will not be accepted – any alleged breach will be investigated, and Disciplinary Action shall be taken as appropriate. Failure of Members of SAEL to comply with this Policy may expose the Company to substantial risk and could jeopardize its operations and reputation.

Questions about the Policy or its applicability to a particular circumstance shall be directed to the Compliance Officer. This policy is subject to no waivers or exceptions on providing or receiving a corrupt payment, notwithstanding competitive or commercial demands, industry customs, or other exigencies. Non-awareness of this policy shall not be an excuse for misrepresentation.

Please be aware that violations of certain Anti-corruption Laws may subject the individual Company Personnel to both criminal penalties, including prison sentences, and civil liability.

The guidelines in this ABAC Policy should be read in conjunction with:

- Code of Conduct (COC),
- Any guidance published pursuant to this ABAC Policy,
- Any other relevant policies as may be implemented in the Company from time to time

III. Definitions

Affiliate – Affiliate refers to the relationship between two or more entities, where one entity owns or controls the other. The term “Affiliate” in this Policy refers to affiliates, their subsidiaries, and joint ventures of the Company.

Anticorruption Laws – “Anti-Corruption Laws” shall mean the Applicable Laws that prohibit the corrupt payment, offer, promise, or authorization of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any Government Official/ Public Official, commercial entity, or any other Person to obtain an improper business advantage, including, without limitation the (Indian) Prevention of Corruption Act of 1988 as amended from time to time, the U.S. Foreign Corrupt Practices Act of 1977, as amended from time to time, the U.K. Bribery Act 2010, the Norwegian Penal Code, substantive provisions of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions dated 21 November 1997 and any similar laws or regulations in any other jurisdiction applicable to the Company Group;

Anti-money Laundering Laws - Anti-Money Laundering Laws” shall mean applicable Laws prohibiting Money Laundering, including, without limitation, financial recordkeeping and reporting requirements, such as, without limitation, the Prevention of Money Laundering Act 2002, U.S. Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, the U.S. Currency and Foreign Transaction Reporting Act of 1970, as amended, the U.S. Money Laundering Control Act of 1986, as amended, the UK Proceeds of Crime Act 2002, the UK Terrorism Act 2000, as amended, all anti-Money Laundering-related laws of other jurisdictions where the Company and its subsidiaries conduct business or own Assets, and any related or similar law issued, administered or enforced by any Governmental Authority;

Assets: “Assets” shall mean any assets or properties (including intellectual property) of every kind, nature, character, and description (whether immovable, movable, tangible, intangible, absolute, fixed) as operated, hired, rented, owned or leased by the Company Group from time to time, Company Group’s rights title and interests in such assets and properties, and used in connection with the Business;

Bribery – Bribery is a form of Corruption and is defined as the offering, giving, or receiving of something of value in exchange for an act that is dishonest, illegal, and improper or a breach of trust, designed to influence the recipient in the exercise of his/her duty and to incline him/her to act contrary to the accepted standards of honesty and integrity. Bribery and Corruption may be defined differently under various Anticorruption Laws.

Charitable Contributions: “Charitable Contributions” shall mean any donation, contribution, gift, grant, etc., whether a monetary Contribution or in-kind Donation to any civic, charitable or community entity or for regional religious purpose where the Company’s offices or operations are located at no charge for the purpose of supporting needy individuals or groups, providing an immediate benefit directly to Members of the community, or for providing a benefit or better services to the community.

Charitable Organization: It shall mean any entity registered under the laws of its domicile as a non-profit organization or a non-governmental association, e.g., under India’s Income Tax Act 1961, Foreign Contribution (Contribution) Regulation Act (1976), the Societies Registration Act (1860), or the United States Internal Revenue Code Section 501(c)(3).

Chief Legal and Compliance Officer – Chief Legal and Compliance Officer (herein referred as “Compliance Officer”) would be responsible for effective implementation of this Policy.

Company Representatives – Company Representatives are the persons or entities acting on behalf of SAEL, including without limitation its sales consultants/agents/representatives.

Company – SAEL Industries Limited

Company Group - “Company Group” shall mean the Company and its Subsidiaries (current and future) other than the Carve Out Entity, and any reference to “members of the Company Group” shall mean a reference collectively to each of the Company and Subsidiaries at such point of time.

Conflict of Interest: Situation where business, financial, family, political or personal interests could interfere with the judgment of persons in carrying out their duties for the organization.

Confidential information: Confidential Information refers to information that is accessible only to those authorized to have access. Confidential information includes but is not limited to any information concerning the company’s decisions, operations, data, procedures, plans, earnings, income, financial or business forecasts, proposed acquisitions, client or vendor lists, all customer or vendor records, all customer information, processes, technologies, methods, trade secrets, strategies, administration etc. that should not be disclosed to anyone other than those authorized to have access.

Corruption - Corruption is the abuse of entrusted power for private benefit or gain. Corruption occurs in many forms and at various levels. Contrary to popular belief, Corruption is not limited to mere Bribery but covers other acts such as embezzlement, fraud, preferential treatment (nepotism) and the like.

Also, it means any of the following:

- (a) giving, offering or promising any Person, directly or indirectly, an improper advantage, financial or otherwise (including money, gifts, favours or other benefits), in connection with the Person's conduct of a position, an office or performance of an assignment, function or activity; or
- (b) requesting, receiving or accepting an offer, for oneself or others, of an improper advantage, financial or otherwise (including money, gifts, favours or other benefits), in connection with a Person's conduct of a position, an office or performance of an assignment, function or activity; or
- (c) any Facilitation Payments or Trading in Influence.

Ethics and Compliance Committee – The “Ethics and Compliance Committee” includes Members as nominated by the Board of Directors of the Company from time to time.

Facilitation Payment – “Facilitation Payments” means any improper payment intended to facilitate, expedite, or secure the performance of a routine action, or any action to which one has legal or other entitlement.

Gifts - A Gift refers to anything of economic value. It also includes Gifts of Money which encompass any benefit of a nature comparable to a monetary gift, for example, checks, shares, bonds, crypto

currencies, or credit notes for a monetary amount, as well as vouchers for goods that can be redeemed in cash.

Government Official/ Public Official (“GO” or “PO”) – The term “Government Official/ Public Official” is broadly defined, and includes employees of any branch of central, state, local or foreign government, including persons holding a legislative, administrative or judicial position, tax officials and government inspectors; employees or officers of state-owned or state-controlled commercial enterprises including public sector banks; police officers or members of the armed forces of any country; candidates for public office; political parties and officials of political parties; or employees or officers of international organizations such as the World Bank.

Further, the term Governmental authority shall mean to the extent competent and having the legal authority: (i) the government of any nation or any province, state or any other political subdivision thereof; (ii) any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to the government, including any governmental authority, agency, department, body, commission or instrumentality; (iii) any court, quasi-judicial, tribunal or arbitrator having jurisdiction over the matter in question; and (iv) any securities exchange or body or authority regulating the securities markets, in each case to whose jurisdiction the Parties are subject.

This definition also includes family members and business associates of any of the foregoing GOs or POs. Notwithstanding the generality of the foregoing, the term “Government Official or Public Official” used herein, is deemed to include and not limit the definition of the term “public servant” as set forth in Section 2 (c) of the PCA, 1988 and thus includes without limitation any person in the service or pay of the Government or remunerated by the Government by fees or commission for the performance of any public duty; any person in the service or pay of a local authority; any arbitrator or other person to whom any cause or matter has been referred for decision or report by a court of justice or by a competent public authority; any person who holds an office by virtue of which he/she is authorized or required to perform any public duty; any person who is an office-bearer or an employee of an educational, scientific, social, cultural or other institution, in whatever manner established, receiving or having received any financial assistance from the federal/central government or any state government, or local or other public authority etc.

Hospitality – Hospitality is given or received to initiate, cement or develop relationships. It includes meals, entertainment, social or sports events. It requires the receiver to be physically available; if not, the expenditure occurred will be construed as gift.

Improper Payments - Improper Payment means receiving or paying a bribe or giving, offering, or promising to give money or anything else of value to any person, including any Government Official/ Public Official (as defined above) or members of the medical profession, in order to improperly influence any act or decision of a person, or to otherwise gain an improper benefit for the Company.

Kickback – A Kickback is the payment to a recipient as compensation or reward for providing favorable treatment or services to another party. A Kickback in the form of money, Gifts, credit, or anything of value may be viewed as a corrupt practice that interferes with a Member's or official's ability to make unbiased decisions.

Management: The term ‘Management’ in this Policy refers to top management (including Managing Director, Chief Executive Officer and Chief Financial Officer) and functional heads.

Member – The term ‘Member’ in this Policy refers to Directors, Officers, and Employees of the Company, and any representatives or a person who act on behalf of the company, including Company Representatives.

Politically Exposed Persons (PEP): A Politically exposed Person for the purpose of this policy includes:

- Director with a state-owned entity or entity indirectly owned by a government body/ministry
- Minister of State/Department (including secretary to ministers)
- Civil Services Officers (including Indian Administrative Service, Indian Police Service, Indian Revenue Service, Indian Foreign Service, or similar bureaucrats)
- Affiliation with a political party
- Immediate family member (parents, spouse, and children) of a known PEP
- Business relationship with a known PEP

Related Party - “Related Party” shall have the meaning ascribed to it under the Act; provided, however: (a) those third party entities which are primarily engaged in private equity or mezzanine financing or venture capital including an investment fund or company or special purpose vehicle which has made any financial investment in the Company Group or their Affiliates shall not be a Related Party of the Company Group and / or the Existing Shareholders for the purposes of the Transaction Documents; (b) the Company and the members of the Company Group shall not be Related Parties for the purposes of the Transaction Documents; and (c) the members of the Company Group shall not be a Related Party of each other for the purposes of the Transaction Documents;

Third Party Intermediary (“TPI”): It means a service provider, consultant, distributor, contractor, Vendor, supplier, or other third party, whether an individual or an entity, who is employed on a contract basis, or retained to assist the Company in any function of the business that requires or involves interaction with any government entity in any of the countries in which the Company operates.

This includes third parties whose primary function is to obtain business or promote the distribution, marketing or sales of its products and services, facilitate performance of contractual obligations, or obtaining licenses, permits, and similar authorizations for the purchase of land, construction and or commissioning of new projects.

Vendor – The term “Vendor” in this Policy refers to an entity or individual that has a business arrangement or renders services to the Company. Vendor may include entities or individuals or any third parties the Company and Members deal with or does business with such as consultants, contractors, suppliers, sales agents, regulatory consultants, service providers, import and export companies, government and public bodies, Charitable Contributions, etc.

IV. Roles and Responsibilities

The Company has designated a Chief Legal and Compliance Officer (“Compliance Officer”) who is part of the Top Management and Ethics and Compliance Committee responsible for overseeing and managing regulatory compliance issues within an organization.

The Compliance Officer regularly and systematically reviews and evaluates the effectiveness of the Compliance System and reports all matters to the Ethics and Compliance Committee (“ECC”, sub-committee of the Board of Directors) of the Company on a periodic basis (i.e., quarterly). Compliance Officer has overall responsibility for the program, processes and procedures supported by all other departments in the Company to ensure that the Company is not exposed to the risk of Corruption.

Compliance Officer along with the Ethics and Compliance Committee is responsible for giving advice on the interpretation and application of this policy, supporting training and education, and responding to reported concerns. In the event that an allegation is made against a Member for potential violation of these procedures, it is the Compliance Officer’s responsibility to investigate the allegation and bring it to a reasonable conclusion in accordance with the process described in sections below.

The Compliance Officer fulfils the following functions:

- Presents quarterly report to the ECC on the most relevant matters regarding SAEL’s Anti-Bribery and Anti-Corruption Policy.
- Reports Compliance Cases that involve Managing Directors/ Board members/ Business Unit Heads, have impact on financial statements, and/or reputational damage, to the ECC, as soon as the basic facts are clear.
- Ensures that this Anti-Bribery and Anti-Corruption Policy is updated based on relevant changes within relevant applicable laws and regulations, internal processes, and tools.
- Oversees and coordinates the implementation of the Anti-Bribery and Anti-Corruption policy including the Code of Conduct, Gifts and Hospitality policy, Whistleblower policy and any other policy stated in this document including any applicable updates and modifications which are proposed to the ECC and Board of Directors review and approval.
- Monitors the implementation of the Anti-Bribery and Anti-Corruption policy in SAEL’s divisions and its subsidiary companies.

With the goal of ensuring the maximum efficacy of their activities, the Compliance Officer will have free access to all documentation of SAEL that may be considered necessary. Due to this fact, any person responsible for any given area or department must provide the Compliance Officer with information that is requested.

V. Forms of Bribery or Corruption that pose the greatest risk and Mitigation policies

The following processes have been put in place from the Compliance Department in order to ensure that the Anti-Corruption measures are fully unambiguous:

1. Gifts and Hospitality
2. Charitable Contributions/donations
3. Political contributions/donations
4. Facilitation Payments and payments under duress
5. Compliance requirements of third parties including Third party intermediaries
6. Member Due diligence
7. Joint Ventures, Majority and Minority Investments
8. Financial Controls
9. Non-Financial Controls
10. Risk Assessment

1. Gifts and Hospitality

- a. **For Government/ Public Officials:** Any expenditure for anything of value to be provided to any Government/ Public Official must be approved in advance and in writing by the Compliance Officer and the Chief Financial Officer (“CFO”).
- In all cases, expenditures must be reasonable and directly related to a legitimate business purpose.
 - If the facts and circumstances indicate that a specific expenditure (or combination of expenditures) could be construed as a prohibited payment or would create an appearance of impropriety, the expenditures shall be prohibited.
 - Further, interactions with Government/ Public officials who are involved in the decision of significance (that will impact) to the Company can create the appearance of impropriety. No Gifts/ Hospitality shall be offered to such officials until the threat of such appearance of impropriety ends (i.e., the relevant decisions have been taken and no other decision of significance is pending with the concerned official). Thereafter, if the Company desires to extend such Hospitality, then its Representatives must notify/obtain prior written approval from the Compliance Officer for any benefit provided to such officials above INR 2000.
 - All expenses regarding Gifts and Hospitality must be allocated to the corresponding accounts. The Company will be required to maintain a log of activities and record such transactions in a specific General Ledger. Such expenses shall be periodically audited to verify the authenticity of such transactions.
- b. **For Private Sector:**
- Providing Gifts or Hospitality to private sector individuals is subject to fewer restrictions. However, it may not be for the purpose of obtaining preferential treatment in competition with other companies or other inappropriate advantages and must not create the appearance of bad faith or impropriety.
 - In case of benefits offered or granted jointly with third parties, the overall situation including the benefits offered or granted/financed by the third parties shall be assessed.

It is imperative to note that giving or receiving Gifts & Hospitalities to influence the performance of a person’s function, office or assignment is against the law in both the private and government sector.

2. Charitable Contributions/donations

The Company endeavors to be a positive contributor to the development of the community and in this endeavor, it sponsors various community development programs and makes Charitable Contributions. In this document we will summarize policies related to Charitable Contributions other than Company’s Corporate Social Responsibility (CSR) activity of the Company.

Charitable Contributions can be a form of Bribery when they are given in exchange for favorable governmental action, especially when the contribution is requested by a politician with power to influence the Company’s business. This includes cash contributions or contributions in kind, even when the recipient of the contribution is a real charity.

Before making any Charitable Contributions, Company Personnel must take into consideration the following points:

- All requests need to be in writing documenting the nature, purpose, value, and recipient of the Charitable Contribution.
- If the Charitable Contribution is valued at less than INR 3 lakhs, the Member requesting the Charitable Contribution must obtain the prior written approval of the respective Department head, the Compliance Officer and CEO. If the Charitable Contribution is valued at INR 3 lakhs or more, additionally, prior written approval from the Ethics and Compliance Committee should be obtained.
- Before making the contribution, the Compliance Officer must consider that adequate due diligence be conducted on the entity receiving the donation and its key personnel to ensure that Company is not exposed to any risk. At the minimum, this process must include a background check on the entity and the key individuals and their relationships with government entities and officials, Politically Exposed Persons (“PEP”), if any. The process must also attempt to establish the organization’s track record and reputation.
- All contributions will be made directly by the Company and not by Company personnel in his/ her individual capacity.
- Ensure that the payment is permitted by applicable laws and regulations.
- Avoid making contributions to entities with which the Company does business or those affiliated with the Company’s customer or regulators immediately before, during or immediately after contract negotiations.
- No contributions will be made in cash. For donations/ contributions to be made in cash, the necessary approval should be taken in advance from the CEO/ Compliance Officer/ Board of Directors of the Company.
- All contributions will be evidenced by a receipt/acknowledgement that should be documented and maintained on record.

3. Political contributions/donations

The Company shall remain politically neutral. The companies of the Group, either directly or through intermediaries, are strictly prohibited from directly or indirectly making donations or contributions whether in cash or kind to political parties, including federations, coalitions, candidates, and groups of electors, even in the form of loans or advances.

However, it may be permissible to make donations directly to a government agency (rather than to an individual Government Official/ Public Official) such as Prime Minister Cares Fund, Prime Minister National Relief Fund, Chief Minister Relief Fund etc. as part of a charitable effort or to promote goodwill. The Company shall ensure that these donations are not used as a vehicle for Bribery. The Company shall disclose all donations made to such Government agencies to Board of Directors and ensure that all such transactions are legal and ethical under local laws and practices.

While the Members may voluntarily participate in political activities as individual citizens, they shall use their own personal funds and resources. The Members engaged in political activities must make disclosures to the Human Resources department with details of their political

affiliations and activities. They must make it abundantly clear that their views, ideas etc. are their own and should not be construed to be endorsed by the Company.

The Human Resources Department must submit these disclosures to the Compliance Officer/Ethics and Compliance Committee of the Company.

In situations where the Company deems that it is pertinent to make such contribution, prior written approval of the CEO and Ethics and Compliance Committee should be obtained. This contribution will further require ratification by the Board of Directors.

4. Facilitation Payments and payments under duress

Facilitation Payments are a form of Bribery made for the purpose of expediting or facilitating the performance of a public official for a routine governmental action, and not to obtain or retain business or any improper business advantage. The Company prohibits all its Company Personnel and Company Representatives from making any Facilitation Payments directly or indirectly on behalf of the Company.

However, a “situation under duress” is a situation in which Members have no alternative but to make an unjustified payment to protect themselves or others against the threat of death, injury, or loss of personal liberty.

Unjustified payments under duress will not be punished with Disciplinary Action however it is very important that these situations are reported as soon as possible to the Compliance Officer.

5. Compliance requirements of Third-party intermediaries

Third Party Intermediary (“TPI” or “Intermediary”) means a service provider, agent, consultant, distributor, contractor, Vendor, supplier, or other third party, whether an individual or an entity, who is employed on a contract basis, or retained to assist the Company in any function of the business that requires or involves interaction with any government entity, Government Official/ Public Official in any of the countries in which the Company operates.

The Company recognizes that there are circumstances in which relationships with TPI’s will be required or prudent from a commercial perspective during different stages of the operation:

- Brokers/ Agents
- Foreign/ International business associates
- Any other third party who interacts with Government Official/ Public Official on behalf of SAEL

However, public Corruption often occurs when companies use TPI’s to obtain business, licenses or permits, regulatory approvals from the government authorities on their behalf. The Company can face liability under anti-corruption laws based on Improper Payments made by its subsidiaries, joint venture, special purpose vehicles or other service provider, agents, consultant, distributor, contractor, Vendor, supplier, or other third party, whether an individual or an entity, on the Company’s behalf, regardless of whether the Company had any knowledge of the Improper Payments.

For that reason, the Company must deal with only such TPIs who are prepared to apply the same standards of business conduct as the Company does itself. In those circumstances where third-party relationships are required, the Company must choose its TPIs very carefully.

Prior to entering into an agreement with any such TPI, appropriate due diligence must be performed on the TPI. In the absence of compliance with all the third-party due diligence procedures detailed below, the Finance team should not make any payment to the TPI.

Identification of TPI:

Each department/ project site/ business unit must identify such TPIs for their operations. Once the department/ project site/ business unit identifies a potential TPI, the department must provide the intermediary with the due diligence questionnaire for completion.

The due diligence questionnaire requires the intermediary to provide detailed information regarding its business background and capabilities. It is the responsibility of the respective department to obtain a complete questionnaire and provide the completed questionnaire to Compliance Officer.

After receiving the completed questionnaire, the Compliance Officer should ensure that the due diligence is completed within 30 days. The due diligence must take place before the intermediary is retained and must be updated when extending or renewing an intermediary's contract. In case of an emergency, where an intermediary commences the work prior to completion of the due diligence and approval by Compliance Officer, department/ project site/ business head should provide reasons in writing.

The interim appointment agreement/ letter issued to such intermediaries should contain the following language: "The terms and conditions set out in this letter are in all respects subject to the satisfactory completion of due diligence evaluation procedures"

In case such intermediary continues to work even after 30 days, without due diligence, the matter shall be reported by the department/ project site/ business head without fail to CEO, CFO and Compliance Officer.

As a policy, no department/ project site/ business unit shall take any further action with respect to an applicant intermediary until Compliance Officer has provided the respective department/ project site/ business unit with the results of the due diligence and whether the intermediary, in his/her opinion, should be accepted or rejected based on the factual data made available to him. In case of rejection by Compliance Officer, the matter shall be informed to CFO and CEO of the Company.

TPI Due Diligence:

Prior to conducting due diligence, a detailed due diligence questionnaire must be completed for all existing and new intermediaries identified. Due diligence is the process of identifying facts about the Company and its promoters who may expose the Company to a risk and involves collecting substantial information about intermediaries.

Due diligence will seek to identify sanctioned parties, state-owned companies, Government Official/ Public Official, and other “politically-exposed persons” (“PEP”) or entities. Additionally, the public domain/ media review will seek to identify potentially adverse information with respect to allegations of Corruption, collusion, other illegal activities, or other matters that have a significant impact on reputation.

The Compliance Officer may conduct internet-based research and may use the following sources for conducting due diligence:

- Watchout Investors.
- Ministry of Corporate Affairs.
- Securities and Exchange Board of India.
- Court nic.
- Credit Information Bureau of India Limited.
- Central Board of Excise and Customs websites,
- ISI Emerging Markets.
- Other similar global media sources, including, but not limited to, India media sources.

The Compliance Officer, in consultation with CEO and CFO, may appoint a service provider to conduct the due diligence review for intermediaries. The Service Provider may be an internal group, an external firm, or outside counsel etc. and will conduct the risk-based due diligence as per instructions from the Compliance Officer of the Company.

Prior to getting the detailed due diligence conducted, Compliance Officer must satisfy themselves on the following:

- Ensure that all relevant details sought in the questionnaire has been duly provided by the Vendor
- Understand the business rationale for including the third party in the transaction and assess if it is being involved to provide for any Improper Payments
- Understand the role of and need for the third party and ensure that the contract terms specifically describe the services to be performed.
- Confirm and document that the third party is actually performing the work for which it is being paid and that its compensation commensurate with the work being provided.

The due diligence procedures could include, but is not limited to the following:

- Review information for corporate registry and business directory information on the prospective intermediary, to help establish existence, operations, and place(s) of business.
- Understand the qualifications (if relevant) and associations of its third-party partners, including its business reputation, and relationship, if any, with Government Official/ Public Official / PEPs.
- Whether the Vendor has the experience and resources needed to conduct the business for which it is being contracted.

- Identify any adverse reputational information from global media and the Internet to identify allegations or findings with respect to Corruption, fraud, misconduct, or other business issues.
- Review information on shareholders, owners, and directors as well as their related corporate interests and gather background information on key members of management/owners, including adverse information, litigation, and sanctions screening and if appropriate, on-site visits.
- Retrieve corporate filings, annual filings, licenses, and retrieval of civil and criminal litigation filings, as permissible in the relevant jurisdiction.
- Review of bankruptcies, judgments, and liens, as available in the relevant jurisdiction.

Due Diligence Reports:

The Compliance Officer or such service provider/ consulting firm appointed will provide a written report of the screening results explaining its findings and the reasons for any concerns raised, including any negative information or red flags upon receipt of the due diligence conducted. The report will also include any inconsistencies between the information submitted in the due diligence questionnaire and information discovered in the diligence process. It is responsibility of the Compliance Officer to review and assess the screening results provided by such third party/ consulting firm.

Following analysis of the screening results the Compliance Officer will take one of the following actions:

- a. Report to the respective department that no negative information was found and approve the intermediary; or
- b. Report to the respective department that negative information was found, and Reject the Intermediary for appointment, or
- c. Approve the intermediary and provide written explanation for the reasons for acceptance of intermediary, subject to ratification of such appointment by the Ethics Committee in their next meeting.

Contracts/ agreements with TPis:

All contracts, without exception, must be written detailing the scope of work, legally vetted and executed with the TPI:

- informing it of the Company's anti-corruption policies and committing it not to engage in any corrupt practice and other form of economic crimes;
- permitting the Company to request an audit of the Third Party's books and accounting records by an independent auditor to verify compliance with these Rules;
- adding a provision allowing it to suspend or terminate the relationship, if it has a unilateral good faith concern that the party has acted in violation of applicable anti-corruption law; and

- providing that the Third Party's remuneration shall not be paid in cash and shall only be paid in (i) the country of incorporation of the Third Party, (ii) the country where its headquarters are located, (iii) its country of residence or (iv) the country where the mission is executed.

In case a TPI refuses to sign-off on the anti-corruption verbiage or recommends changes, the TPI should not be appointed or retained to work with the Company. In case the TPI requests for some minor changes in the anti-corruption verbiage, Compliance Officer can agree to the same in consultation with the CFO and CEO.

Disclosures:

All TPIs, regardless of tenure, must provide a signed declaration to the Company acknowledging that they have read and understood the Company's anti-bribery & Corruption policy.

Confirmation on ABAC compliance from TPIs:

Each TPI will certify annually that it understands and has complied with the anti-bribery and Corruption laws including FCPA, Indian anti-corruption laws, and other applicable jurisdictions in all activities undertaken on behalf of the Company. The certification shall be obtained prior to completion of 12 months from the date the intermediary was approved by the Compliance Officer or at the time of renewal of contract, whichever is earlier.

The respective department for each TPI will be responsible for obtaining the annual certifications.

The original executed certification will be delivered to Legal department and will be retained with the TPI's executed agreement.

A copy of the certification will be delivered to Compliance Officer to be retained with the diligence documents related to that TPI.

Database for rejected intermediaries:

The Compliance Officer or a selected third-party provider shall maintain an internal database of rejected intermediaries. Once an intermediary has been rejected, the Compliance Officer or a selected third-party shall provide the rejected intermediary name, address, and other relevant information to Legal and the Finance Department so that the TPI cannot be accepted as a supplier or to immediately block any transactions with the TPI.

6. Member Due Diligence

Prior to hiring a senior management level member (i.e., Vice-President and above), the Human Resource Team shall request the Compliance Officer to initiate the process of Member due diligence on the prospective Member.

Based on the scope of work and responsibilities for the proposed Member, the Compliance Officer should get appropriate due diligence conducted on the prospective Member.

When undertaking due diligence on persons prior to appointing them as personnel, the organization, depending on the persons' proposed functions and corresponding Bribery risk, can take actions such as:

- To identify any relationships between the prospective Members and Government Official/ Public Official and entities and other "politically-exposed persons" ("PEP").
- Media/database review to identify potentially adverse information with respect to allegations of Corruption, collusion, other illegal activities, sanction lists or other matters that have a significant impact on reputation.
- Taking reasonable steps to verify that prospective personnel's qualifications are accurate;
- Taking reasonable steps to obtain satisfactory references from prospective personnel's previous employers;
- Verifying that the purpose of offering employment to prospective personnel is not to secure improper favorable treatment for the organization;

The Compliance Officer, in consultation with CEO and CFO, may appoint a service provider to conduct the due diligence review for prospective Members. The Service Provider may be an internal group, an external firm, or outside counsel etc. and will conduct the risk-based due diligence as per instructions from the Compliance Officer of the Company.

The Company should identify and evaluate the risk of internal and external conflicts of interest. It shall clearly inform all personnel of their duty to report any actual or potential conflict of interest such as family, financial or other connection directly or indirectly related to their line of work.

Temporary staff or workers:

In some cases, temporary staff or workers may be provided to the Company for day-to-day operations. In such a case, the organization should determine whether the Bribery risk posed by those temporary staff or workers (if any) is adequately dealt with by treating the temporary staff or workers as its own personnel for training and control purposes, or whether to impose appropriate controls through the Company Representatives which provides the temporary staff or workers.

7. Joint Ventures, Majority and Minority Investments

When acquiring or divesting a Company, a part of a Company or an interest in a Company, the potential compliance risks for SAEL must be evaluated and mitigated through appropriate measures. This applies also to measures taken in preparation – for example, in the case of carve-outs. Therefore, prior to every investment and divestment decision, an assessment of compliance-related risks - referred to as a Due Diligence - must be conducted.

Subject of a Due Diligence is the contracting party and the Company or part of a Company that is to be (partially) acquired or divested. The Due Diligence should focus on risks in the areas of:

- Anti-bribery /anti-corruption,
- antitrust law / competition law,
- anti-money laundering,

- data privacy / protection,
- sanctions and export control,
- human rights.

In addition, the following topics are part of the overall M&A Due Diligence questionnaire:

- indications of criminal or administrative offences or
- criminal investigations or
- monetary fine proceedings against the contracting party, its shareholders, the Company, its management, or against any Members with a key role in the transaction, and
- all the foregoing in respect of the Company's business activities, as well as on breaches of recordkeeping obligations.

8. Financial Controls

Company Personnel must follow all applicable standards, principles, laws, regulations, and Company practices for accounting and financial reporting. In particular, Company Personnel must be timely, complete, and accurate when preparing all required reports and records. All Company Personnel must obtain all required approvals in accordance with the accounting policy/ manual, and the Travel Policy before providing any gift, entertainment, or travel.

Prior to paying or authorizing a payment, Company Personnel shall ensure that no part of such payment is to be made for any purpose other than is fully and accurately described in the Company's books and records. All Gifts, entertainment, or travel provided to a Government Official/ Public Official must be reported.

No undisclosed or unrecorded accounts of the Company are to be established for any purpose, and false or artificial entries are not to be made in the books and records of the Company for any reason whatsoever. Finally, personal funds must not be used to accomplish what is otherwise prohibited by this Policy, the accounting policy/ manual, and the Travel Policy or any of the Company's other policies.

The Finance Department of the Company shall maintain accounting procedures, financial reporting and controls, and the Internal Audit Department shall design an internal audit program for the Company. Monitoring and auditing systems are in place to detect violations of Company policy and of applicable laws.

In particular, the Company will monitor and review, through periodic risk assessments/ compliance audits business expenditures, the records of Company Personnel who have discretionary authority over Company assets, who are likely to come into contact with Government Official/ Public Official, or who submit financial data that affects Company financial statements or reports. Such reviews may be conducted by an external independent firm that the Company may deploy for this purpose.

If, at any time, a Company Personnel has information or knowledge of any unrecorded or mischaracterized asset or fund, such information must be reported directly to the Compliance

Officer or in accordance with the procedures set out in the Company's Whistle blower/ Ethics and Compliance Committee Policy.

9. Non-Financial Controls

Non-financial controls are the management systems and processes implemented by the organization to help it ensure that the procurement, operational, commercial, and other non-financial aspects of its activities are being properly managed. Non-financial controls to reduce bribery and corruption-risk could include:

- Requiring the signatures of at least two persons on contracts, and on documents which change the terms of a contract, or which approve work undertaken or supplies provided under the contract;
- Compliance Officer's oversight on potentially high corruption-risk transactions;
- Protecting the integrity of tenders and other price-sensitive information by restricting access to appropriate people.
- Ensure that Company's hiring practices are consistent with the anti-corruption laws

10. Risk Assessment

The Company will carry out periodic Compliance risk assessments to consider changes in the market, the Company's business, and the locations in which it operates. Such assessment shall be initiated by the Compliance Officer of the Company. Compliance risk assessment, broadly defined, encompasses the variety of mechanisms that enterprises use to estimate the likelihood of particular forms of Corruption within the enterprise and in external interactions, and the effect such Corruption might have.

Effective Compliance Risk Assessment shall be performed on an annual basis so that changes and new information can be properly assessed. There also may be triggering events such as entry into new markets, significant reorganizations, mergers, and acquisitions that will create opportunities for refreshing the risk assessment. Compliance Officer of the Company should be responsible for performing the risk assessment and reporting periodically to Ethics Committee/ those charged with governance on the status and results of the compliance risk assessment as well as on the implementation of any resulting risk mitigation action plans.

The risk mitigation plans are to be finalized and implemented in the relevant processes. The Compliance Risk Assessments of subsequent years shall verify the effectiveness of the mitigation measures implemented in the previous year.

The organization shall retain documented information that demonstrates that the assessment has been conducted and used to design or improve the anti-corruption risk.

VI. Conflict of Interest

Members must seek to avoid any relationship, influence or activity that will impair, or appear to impair, their ability to do their job or make fair and objective decisions when performing their job, or that is not in the best interests of the Company. This shall, for example, include any business transaction with a

related party or any entity with an affiliation, whether direct or indirect, to a related party. Where such a situation cannot be avoided, Members must:

- report the situation promptly to their immediate reporting managers and Compliance Officer before entering into any business transaction;
- take steps to remove or mitigate the Conflict of Interest; and
- carry out any Conflict-of-Interest resolution or termination activities their reporting manager recommends; and complete a Conflict-of-Interest report

VII. Anti-Bribery and Anti-Corruption training

The policy requires all Company personnel depending on their job scope, to undergo the Company's anti-bribery and Corruption training courses, which will be rolled out by the Company from time to time. The courses may be conducted on-line or in-person and will be administered by the Company's Compliance and Ethics Department/ Human Resources. The Company will roll out similar trainings for high risk third parties from time to time.

Notification for these trainings will be sent via email that they are required to take the courses. Those required to take such course/s must do so within the notified timeframe and repeat the courses as and when required.

Failure to do so without justification will be viewed very seriously by the Company and could result in suspension and/or termination of employment/ contract/ and/or representation of SAEL.

1. ANNUAL TRAINING

Annual training is required for all Company personnel in Departments that either interact directly with customers, Government Official/ Public Official and Entities or engage TPIs that do so or are ex-government employees. All relevant Company personnel will receive on-line or in-person trainings

In addition, training is also required for all Company personnel that provide accounting, administrative or other support to those Departments which engage with Government Official/ Public Official and entities.

2. ON-BOARD TRAINING

All New Members in the Company shall be provided with ABAC training by the Company's Compliance and Ethics Department/ Human Resources as part of their on-boarding process.

3. TRAINING CERTIFICATIONS

Each attendee should be provided with and sign a certification that states that the Member understood the training and understands his or her obligation to abide by the Company's Policy, Procedures, and applicable laws. Each attendee shall also attest to whether they have abided to all the anti-bribery and anti-corruption policies and procedures set in place by the Company.

4. TRAINING RECORDS

For each training session conducted, the Compliance Officer will maintain a record of the training that includes the following:

- a description of the nature and the purpose of the training,
- the name of the person conducting the training,
- a list of attendees, and
- a copy of the materials used.

These training records shall be retained by the HR Department.

VIII. Reporting and Investigation of Violations

REPORTING OF VIOLATIONS:

Every Member and Vendor is encouraged to raise concerns about any Bribery issue or suspicion of malpractice or any case of corrupt practice or any breach of this Policy or Anticorruption Laws 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 CCO. Any concerns or matter of internal investigations should be kept confidential and not be made known to an external party or unrelated other internal parties. Concerns/queries should be addressed through the following modes:

- Email – XXXXXXXX (access of e-mail to be with Compliance Officer and the Chairman of the Board)
- Dropbox/ Letter – SAEL Industries Limited, [Address] (the key of the drop box to be in custody of Compliance Officer only)
- Whistleblowing mailbox (if available)

Violations or suspected violations can also be reported by contacting the Compliance Officer or reporting as per the procedures set out in the Company's Whistleblower Policy. Reports may also be made anonymously. Whistleblower Policy is explained in the Code of Conduct document of the Company.

Those who refuse to accept or offer a bribe or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. We are 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 the future. If any Member believes that he / she has suffered any such treatment, he / she should inform at XXXXXX immediately. However, if the Ethics Committee is of the view that the complaint was frivolous in nature or not in good faith with ulterior motives – appropriate action will be taken as per the Disciplinary measures of the Company.

All complaints received will be kept confidential and will be shared strictly on a 'need to know' basis. Any Member may choose to disclose his/her identity in the complaint. Anonymous sources may provide information that is as valuable to the organization as information from open sources. Anonymous notifications shall therefore be investigated as extensively as possible. However, it may become challenging for the Company to follow up anonymous reports. Members and Vendors are therefore encouraged to provide the Company with contact information when reporting.

The Company will not take any adverse action against anyone for providing truthful information relating to a violation of law or Company policy, and the Company will not tolerate any retaliation against persons asking questions or making good faith reports of possible violations of this Policy. Anyone who retaliates

or attempts to retaliate will be disciplined. Any person who believes he or she has been retaliated against should immediately follow the instructions in the Company's Whistleblower Policy.

All investigations shall follow principles of natural justice and shall ensure that the person under investigation is provided with an opportunity to make his/her case before the investigation team.

INVESTIGATIONS OVER POLICY VIOLATION:

1. Enquiry or investigation of the reported concern for potential violation of this ABAC Policy shall be conducted by or with oversight of the Compliance Officer. The objective of such enquiry or investigation would be to determine the facts.
2. All Members and third parties including the Designated Person shall co-operate with the investigation team and promptly respond to all requests for information.
3. All investigations shall follow principles of natural justice and shall ensure that the relevant Designated Person(s) are provided with an opportunity to make their case before the investigation team.
4. Experts with the right knowledge and skills may be appointed to investigate the reported concern.
5. The investigation process and the report should be kept confidential and shall be shared only with such persons who have a "need to know" under applicable law.
6. In undertaking the investigation and any follow up action, the Company needs to consider following relevant factors:
 - Applicable laws;
 - The safety of personnel and personally identifiable information;
 - Potential criminal, civil and administrative liability, financial loss and reputational damage for the organization and individuals; and
 - Keeping the issue and investigation confidential (unless details are sought by a regulator)
7. The Company needs to review its anti-corruption procedures to examine whether the issue arose because of some inadequacy in its procedures and, if so, it should take immediate and appropriate steps to improve its procedures.

DISCIPLINARY ACTION ON NON-COMPLIANCE:

SAEL's ABAC Policy shall be promoted and enforced consistently amongst Members with clear and consistent disciplinary consequences to anyone who violates the Policy. The Company reserve the right to terminate a contractual relationship with any Stakeholder if they breach this Policy. Failure to ensure compliance with this ABAC Policy could lead to serious consequences for Members, including but not limited to:

- a. Dismissal/ termination of employment
- b. Termination of business relationship
- c. Reputational damage
- d. Reporting to regulatory authorities
- e. Conviction of offender under the applicable laws and regulations
- f. Personal criminal liability including fines and/ or imprisonment

IX. Ethics and Compliance Committee:

The Ethics and Compliance Committee shall provide assistance to the Company's management to enable the Company to continue to operate according to the highest ethical business standards and in accordance with applicable laws and regulations.

Composition:

An Ethics and Compliance Committee shall be formed as a permanent Sub-Committee of the Board of Directors. The Ethics and Compliance Committee shall consist of the following Members:

- a. Chief Financial Officer
- b. Compliance Legal and Compliance Officer ("Compliance Officer")
- c. Head of Human Resource
- d. Independent Director (who shall also be the Chairman of the Committee)

The Company secretary shall act as the secretary of the Ethics and Compliance Committee.

Responsibilities:

1. Assess the risk of non-compliance with the applicable laws or regulations and of unethical conduct by Company Personnel and Company Representatives.
2. Encourage Members and third party to report violations of ethics related policies and procedures or misconduct through Whistle Blower mechanism.
3. Conduct investigation of any code of conduct violation reported to them or escalated by Compliance Officer. (Where necessary, retain outside experts or legal counsel to assist with investigations)
4. Establish procedures to ensure that alleged ethics violations/ Whistle Blower complaint are appropriately investigated in accordance with applicable laws and regulations and companies' policies and procedures.
5. Review results of investigations regarding alleged ethics violations and determine and implement any new or changed controls to better detect and prevent reoccurrence of similar future violations.
6. Increase Members and third-party awareness of compliance and ethics related policies and procedures through training, dissemination of requirements prescribed by codes of conduct, notification regarding reporting methods available for possible violations and other compliance communications.
7. Monitor developments in applicable legal and regulatory standards, industry practice, and general best practices relating to ethics program.

X. Reporting to Board on Compliance Matters

The Ethics and Compliance Committee of the Company will update the Audit Committee/ Board of Directors on performance of the compliance program on a quarterly basis. The report may include the following Key Performance Indicators of the latest completed quarter:

1. Disciplinary actions on non-compliances:

- The report should describe the alleged ethics violations and the action taken against such violations.

- The Ethics and Compliance Committee shall make whatever recommendations to the Audit Committee/ Board of Directors it deems appropriate in any area within its remit where action or improvement is needed.
 - Minutes of Ethics and Compliance Committee meetings shall be circulated promptly to all Members of the Ethics and Compliance Committee and once agreed, to all Members of the Board.
- 2. Anti-bribery and Corruption risk assessment:**
- Total number of intermediaries identified.
 - List of intermediaries engaged without completion of due diligence assessment and status of subsequent action taken in this regard.
 - Number of due diligence assessments completed and no. of intermediaries approved/rejected with reasons.
 - Potential red flags identified
- 3. Anti-bribery and Corruption policy and procedure compliance:**
- Total business expenditure incurred on Gifts, meals, entertainment, travel & lodging, Charitable Contributions, and donations to Government Official/ Public Official.
 - Reporting any exceptions noted where business expenditure was not approved as per the policies defined in these procedures or expenditure exceeded the sanctioned limits.
- 4. Anti-corruption Training and workshops:**
- Number of training sessions conducted during the latest completed quarter vis-à-vis planned trainings.
 - Number of participants who successfully completed the trainings vis-à-vis no of participants scheduled for such trainings.
 - Number of Members or others who have not completed the training and steps undertaken to ensure that such trainings are completed
- 5. Ethics and Compliance Committee reports (including code of conduct violations reported) and resolutions with respect to anti-corruption incidents or policy violations:**
- The total number and nature of anti-corruption incidents or policy violations reported during the quarter (along with details of amounts involved) directly to the Complaints lodged with Compliance Officer/ Ethics and Compliance Committee or to other senior management.
 - Status of investigation reports of the possible violations.

XI. Inspections by Government Officials/Public Officials

Every time a Government Official/ Public Official arrives at Company premises including project sites, to conduct an inspection, Company personnel should inform the Compliance Officer about the visit and purpose thereof. The following procedures should be followed:

- The Company personnel should direct the Government Official/ Public Official to the Compliance officer or the Project manager or the Operations Manager or to the authorized person (authorized to interact with Government Official/ Public Official on such visits).
- A log must be maintained on site at the Company premises or project sites or corporate office to record the date, name of Government Official/ Public Official, title and his/her Government Entity

and purpose of each visit. This log will be maintained by Site In-charge/ local officer in-charge at site and project sites and Head of HR at Corporate Office.

- If any expenses including any meals, travel or lodging are incurred during the inspection, these expenses must be recorded and must be consistent with this policy.

FINES AND PENALTIES:

In certain circumstances fines and penalties are imposed on the Company by a Government Entity in connection with operations of the Company's project sites, warehouses, if any, and or other facilities for violation of local regulations.

The copy of such notice for fines and penalties should be sent to the Legal department, Compliance Officer and to the Ethics and Compliance Committee. Upon approval from the Legal department and Compliance Officer, fines and penalties shall be paid solely from funds transferred directly to the Government Entity from the Company's corporate office via wire transfer or cheque, and a receipt or other written acknowledgement of the payment shall be obtained from the Government entity. CEO to be informed if any fine/ penalty is over INR 500,000.

A copy of the receipt or other written acknowledgement shall be sent to the Legal department and Compliance Officer for record keeping. Any deviations from the Procedures must be approved in advance and in writing by the Compliance Officer.

XII. Document Retention

Unless Indian law requires a longer period, the Company shall retain all the necessary documents/ records stated in this policy for eight (8) years. The list of documents to be retained should include the following at a minimum:

- Business Expenditure from the date of incurring such expense
- Approvals and records of Gifts, meals and entertainment, and travel and lodging relating to Government Official/ Public Official, donations and similar benefits given and received
- Due diligence carried out on third parties or senior Members
- Compliance risk assessment results
- Incidents of attempted, suspected, or actual Bribery reported and their investigation reports
- Periodic reports of Ethics and Compliance committee
- Policies, procedures, and controls related to ABAC implementation
- Any other records required to implement ABAC policy

XIII. Implementation of the Policy & Procedures

Within a company, compliance begins with the board of directors and senior management setting the proper tone for the rest of the Company. Hence, the Board of Directors and the senior management should play a role in the launching of the program and demonstrate ownership and commitment to the policy "tone from the top".

The Company will inform all existing Company personnel about this policy and their role in the implementation of the policy. They will also give all new Company personnel notice of the policy on

induction to the Company. All Company personnel are required to adhere to and support the implementation of the policy.

This policy will be implemented through the development and maintenance of procedures, using template forms and guidance in the form of trainings, other communications given to Company Personnel on the process.

The Compliance Officer should monitor the policy, its implementation and periodically review the program's suitability, adequacy and effectiveness and implement improvements as appropriate. The Compliance Officer should also periodically update the Ethics and Compliance Committee regarding the policy implementation.

XIV. Revision of Policy

As the Company continues to grow, the need may arise and the Company reserves the right to revise, supplement, or rescind this Policy from time to time as it deems appropriate, at its sole and absolute discretion. Members and relevant Vendors will be notified of such changes as they occur. This Policy has been approved by the Board of the Company. Any revision to this Policy shall be with approval of the Board. The Company reserves the right to vary and/or amend the terms of this ABAC Policy from time to time.