

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

## **I. OBJECTIVE**

- a. RITES Limited (“the Company”) is committed to conducting its business ethically and in compliance with all applicable laws of land and regulations.
- b. This Policy emphasizes the company’s tolerance and determination to prevent bribery and corruption. It establishes the principles with respect to applicable Anti-Bribery and Anti-Corruption laws.
- c. The purpose of the Anti-Bribery and Anti-Corruption Policy (“ABAC Policy”) for the Company is to ensure that appropriate anti-bribery and anti-corruption framework is in place to avoid any violations of applicable laws and regulations and to prevent bribery / corruption-related activities.
- d. It guides us to act professionally, fairly and with utmost integrity in all our business dealings and relationship wherever we operate.

## **II. SCOPE AND APPLICABILITY**

The principles set forth in this policy are applicable to all individuals or organisation working all the levels and grades, including senior managers, officers, directors, employees, consultants, contractors/vendors, trainees, service providers, seconded staff and agency staff, actual and potential clients or any other person associated with the Company. (all of the aforesaid being collectively referred to as “Associate(s)”)

It is therefore, the responsibility of Associates to follow and adhere to all elements described in the Policy.

## **III. POLICY STATEMENT**

- a. The Company does not tolerate bribery, corruption and/or any other form of improper payments / dealing in the conduct of business operations.
- b. The Company conducts its business lawfully and ethically and expects everyone associated with it to conduct its business with

integrity regardless of the existence of any local customs or traditions that may question integrity.

- c. Any violation of this ABAC Policy by Associates will be regarded as a serious matter and shall result in necessary action.
- d. If any Associates suspects or becomes aware of any potential bribery/corruption involving the Company, it is the duty of that person to report their suspicion or awareness to the Company at [vigilance@rites.com](mailto:vigilance@rites.com).

#### **IV. DEFINITIONS**

##### **a. Bribery**

A bribe is the offering, promising, giving, accepting, or soliciting, payment, reward, or other advantage directly or indirectly, to any person or entity as a means to unduly influence the actions of another person or an effort to obtain or retain business or improper advantage or to gain any commercial, contractual, regulatory or personal advantage.

##### **b. Corruption**

Corruption includes wrongdoing on the part of authority, or those in power, through means which are illegitimate, or incompatible with ethical standards. It is usually designed to obtain financial benefits or other personal gains.

##### **c. Facilitation Payments or Kickbacks**

Facilitation payments are unofficial payments made to secure or expedite a government official's routine action.

Kickbacks are typically payments made in return for a business favour or advantage.

##### **d. Gifts and Hospitality**

A gift is anything of value and would encompass any gratuitous monetary or non-monetary benefit. It includes tangible items such as cash, precious metals and stones, jewellery, art, and any of their equivalents, and intangible items such as discounts, services, loans, favours, special privileges, advantages, benefits, and rights that are not available to the general public.

Hospitality generally includes refreshments, meals, travel and accommodation. Entertainment generally includes vacation, trips, use of recreational facilities, ticket or pass for plays/concerts/sports events. Hospitality and entertainment may also qualify as a gift unless they fall within reasonable bounds of value and occurrence.

## **V. GENERAL PRINCIPLES**

### **a. Risk Assessment**

- Bribery and corruption risks may vary due to various factors therefore, a comprehensive risk-based approach shall be taken to build the required safeguards including a review of external factors (like industry, geographic footprint, regulatory landscape, etc.) and internal factors (like policies, procedures, training programs, analysis of data etc).

### **b. Gifts and Hospitality**

- Gifts and hospitality may be acceptable as long as it is reasonable, appropriate, modest, and bona fide corporate hospitality, and if its purpose is to improve the company image, present our products and services, or establish cordial relations.
- No officials shall accept or solicit any personal benefit from any person in the course of the Company's business or employment in a manner that might compromise or appear to compromise their objective assessment relating to such business or employment.

### **c. Political, Community or Charitable Contributions and Donations**

- No official is allowed to make political contributions from the funds, properties or other resources of the Company except political contributions approved by the Board in compliance with applicable law and regulations.
- As part of Corporate Social Responsibility (CSR) activities, or otherwise, the Company may support or provide CSR funds to implementing agencies as provided in the CSR Policy and in compliance with the applicable laws.

- The Company may make donations but only if they are ethical and in compliance with this policy, applicable laws. No donation should be made which may or may be perceived to breach applicable laws or any other section of this policy. All donations must be approved by the Competent Authority and the Company shall keep accurate records of all donations.

d. Facilitation Payments or Kickbacks

- All Facilitation Payments and kickbacks are corrupt payments, and any such payment in the course of the Company's business is strictly forbidden.
- Facilitation payments are typically involved in obtaining non-discretionary permits, licenses or other official documents, expediting lawful customs clearances, obtaining the issuance of entry or exit visas, providing police protection, whether or not such actions are connected to the award of new business or the continuation of existing business.

e. Use of Associates Services

- Associates can put the Company at risk if they do not follow ethical business practices. For that reason, the Company shall ensure the implementation of appropriate steps to address any identified risks and compliance with applicable anti-corruption laws.
- All dealings with suppliers, contractors, service providers, intermediaries, consultants, advisors and other Associates shall be carried out with the highest standards of integrity and in compliance with all relevant and applicable laws and regulations. All officials shall follow the Company's processes and adhere to the system of internal controls.
- Appropriate due diligence shall be conducted prior to engaging the Associates to ensure adherence with these compliance provisions.

f. Training and Communication

- To ensure that all officials are completely familiar with provisions of this policy and applicable anti-corruption laws. The Company

shall provide training and resources as appropriate, to all officials.

- Dissemination of this policy for new employees shall be carried out at the time of induction. This policy will also be shared with all existing Associates.
- Training and awareness sessions shall be made available in relation to this ABAC Policy, obligations of Officials, company procedures and measures. The details of the Company's whistleblowing procedures will be disseminated throughout the Company on a regular basis.
- The Company may also extend training programs to Associates if it is envisaged that the work profile allocated/awarded to them carries significant risk as per this ABAC Policy.

g. Books, Records and Internal Controls

- The Company is required to keep accurate books and records and maintain internal controls to prevent and detect potential violations of this policy or applicable laws. The Company has appropriate controls to ensure that diligence is conducted, transactions properly approved, the documentation received to support expenses, and interactions handled as required by our policies.
- Officials are required to maintain all financial records and have appropriate internal controls in place which will evidence the business reason for making payments to or receiving payments from Associates.

## **VI. GOVERNANCE**

a. Audit Committee / Board of Directors

- The Audit Committee/ Board of Directors of the Company ("Board") shall have oversight of governance and compliance with this ABAC Policy.
- Aggravated cases of breach of this ABAC Policy shall be escalated to the Audit Committee or Board. The Audit Committee / Board will monitor the effectiveness and review the

implementation of this ABAC Policy, considering its suitability, adequacy and effectiveness.

- The Company shall, from time to time, designate an employee of adequate seniority, competence and independence as the Officer to ensure compliance with the provisions of this ABAC Policy and the same shall be notified to the Associates.
- Every query or concern raised in relation to any suspected violation of this ABAC Policy shall be reviewed / investigated by the designated officer. Any action required to be undertaken shall be taken by the designated officer in accordance with this ABAC Policy.
- The designated officer should ensure that regular and relevant on-going training and awareness sessions are made available to Officials/Associates in relation to this ABAC Policy.

## **VII. REPORTING MECHANISM**

All Officials/Associates who are or become aware of or suspect any violation of this policy are under obligation to report the designated officer.

## **VIII. PROTECTION**

- a. Those Officials/Associates who refuses to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible retaliation. The Company encourages openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.
- b. The Company is committed to ensuring that no one suffers any detrimental treatment due to refusing to take part in bribery or corruption activities, or because of reporting concerns under this policy in good faith.

## **IX. PENALTIES / DISCIPLINARY ACTION FOR NON-COMPLIANCE**

Non-Compliance with provisions of this ABAC Policy by an Officials will be regarded as a serious matter and shall result in disciplinary action as per Rules.

## **X. POTENTIAL RISK SCENERIOS: “RED FLAGS”**

The following is the inclusive list of possible “Red Flags” that may arise during the course of business and that the Officials should be careful about:

1. An Associate engages in, or has been accused of engaging in, improper business practices;
2. An Associate has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with government officials;
3. An Associate insists on receiving a commission or fee payment before committing to sign up to a contract, or carrying out a government function or process for the company.
4. An Associate requests payment in cash and/or refuses to sign a formal agreement, or to provide an invoice or receipt for a payment made;
5. An Associate requests that payment is made to a country or geographic location different from where the Associates resides or conducts business;
6. An Associate requests an unexpected additional fee or commission to "facilitate" a service, or a fee that is not published;
7. An Associate demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
8. An Associate requests that a payment is made to "overlook" potential legal violations;
9. An Associate insists on the use of side letters or refuses to put terms agreed in writing;
10. An Associate requests or requires the use of an intermediary, consultant, distributor or supplier that is not typically used by or known to the company;
11. An Associates is offered an unusually generous gift.