

Policy on Anti-Bribery and Anti- Corruption

Version 2.0

“This Policy is designed to enhance and provide further guidance to the standards of conduct regarding bribery and corruption”

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Version Control

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1. Introduction

Bribery is a serious criminal offence in jurisdictions in which the Company operates. This policy covers relevant provisions *inter-alia* including India (Prevention of Corruption Act, 1988, Indian Penal Code, 1860, etc.), the United Kingdom (UK Bribery Act, 2010), the United States of America (Foreign Corrupt Practices Act, 1977) and other applicable laws where bribery offences can result in the imposition of severe fines and/or custodial sentences, exclusion from tendering for public contracts and severe reputational damage.

The term 'Ecofy' or 'Company' used in this Policy means Ecofy Finance Private Limited (Formerly known as Accretive Cleantech Finance Private Limited).

Consistent with its core values, Ecofy is committed to complying with applicable anti-corruption and sanction laws. Consequently, Ecofy prohibits its personnel, and any other entity or person acting for or on behalf of Ecofy from offering, providing or receiving prohibited gratuities, bribes, gifts, entertainment, facilitating payments, or anything of value to or for the benefit of a government official or any other person contrary to anti-corruption laws or engaging in activities or transactions with sanctioned or blacklisted countries or individual parties contrary to applicable sanction laws or engaging in any corrupt, fraudulent, coercive or collusive practice.

Ecofy takes zero tolerance approach to corruption and is committed to act professionally, fairly and with integrity in all our business dealings and relationships. It is the objective of Ecofy that those it does business with take similar zero tolerance approach to corruption.

Definitions:

Employee includes all directors, officers, employees engaged directly or indirectly, wherever located regardless of grade and position, in terms of all dealings and transactions in all countries where the Company operates.

Third party means any individual or organization which has business dealings with the Company and includes actual and potential business associates, customers, contractors, subcontractors, business partners, suppliers, distributors, business contacts, agents, technical and other consultants and government bodies and officials or any other person associated with or acting on behalf of the Company.

A **kickback** is a form of negotiated bribery in which a commission is paid to the bribe-taker as a Quid Pro Quo for services rendered. The remuneration (money, goods or services handed over) is negotiated

ahead of time. The kickback varies from other kinds of bribes in that there is implied collusion between agents of the two parties, rather than one party extorting the bribe from the other. The purpose of kickback is usually to encourage the other party to cooperate in the illegal scheme.

Public or Government Official would include the following:

- i. any person holding a legislative, executive or administrative office of the government, or acting in the official capacity for or on behalf of a legislative, executive, or administrative office of the government, whether appointed or elected, whether permanent or temporary, whether paid or unpaid;
- ii. any person in the service or pay of the government or of a corporation established by or under a central, provincial or state statute, or an authority or a body owned or controlled or aided by the government or a government company or is remunerated by the government by fees or commission for the performance of any public duty;
- iii. any judge, including any person empowered by law to discharge, whether by himself/herself or as a member of any body of persons, any adjudicatory functions;
- iv. any person authorized by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner;
- v. any person who performs a public duty, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country and as applied in the pertinent area of law;
- vi. any elected or appointed officers or employees of public international or multilateral organizations, such as the United Nations; and
- vii. any other person who is considered as public official according to applicable laws and regulations.

2. Purpose

This Policy is designed to enhance and provide further guidance to the standards of conduct regarding bribery and corruption. This Policy outlines acceptable and non-acceptable behaviours to ensure compliance with anti-corruption and sanction laws. This includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts or inducements of any kind to and received from any person, including officials in the private or public sector, customers and suppliers.

3. Scope and Applicability

This Policy is applicable to the Company and all personnel employed by the Company or acting for or on behalf of the Company wherever they are located, including agents, suppliers, consultants, intermediaries and service providers, directors etc. engaged in business on behalf of or in the name of the Company. Moreover, this Policy applies to all transactions and activities engaged in by or on behalf of the Company worldwide. All Ecofy employees are required to act as necessary to safeguard and ensure compliance with this Policy at all times.

The board of directors of the Company ("**Board**") is committed to preventing bribery by people and entities associated with Ecofy and to develop a culture in which bribery is never acceptable. The Board sets the tone and provides leadership and oversight for the development, operation and implementation of this policy.

4. Applicable Provisions

Company is subject to various domestic and globally applicable anti-bribery and anti-corruption laws such as the Prevention of Corruption Act, 1988, (India). In addition to the Prevention of Corruption Act, 1988, inter alia the following laws in India also presently apply to offences relating to or resulting in corruption and bribery and resolutions available in case of occurrence of corruption or bribery: (i) Bharatiya Nyaya Sanhita (BNS), 2024 (formerly known as Indian Penal Code, 1860); (ii) Prevention of Money Laundering, 2002; (iii) Central Vigilance Commission Act, 2003; (iv) Lokpal and Lok Ayukta Acts of various states, (v) The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015.

5. Compliance

For the purposes of this Policy, “Compliance Officer” will be such person as may be appointed by the Board of Directors, from time to time, as Compliance Officer, and shall be assisted in the application and monitoring of this Policy by other employees of the compliance team of the Company. The Board shall nominate any other person in the Company to act as the Compliance Officer for the purpose of this Policy during the absence of the Compliance Officer.

The Compliance Officer shall be vested with senior responsibility for oversight and implementation of this Policy, including the development and implementation of effective safeguards, practices and procedures to conform with this Policy. Such measures will include:

- The designation of Compliance Officer with relevant knowledge and authority, independent of business functions, responsibility and oversight of day-to-day matters.
- The development of anti-corruption and sanctions diligence procedures, where such procedures are “gate-checking” requirements for potential transactions and include restricted party screening, anti-corruption checklists, and mechanisms for heightened compliance review.
- The establishment of processes to obtain third-party compliance representations, warranties, and certifications in transactions.
- The creation and maintenance of written policies and procedures which memorialize at a minimum: corporate commitment to compliance; current organizational positions and responsibilities related to compliance; requirements for training; internal audit and risk assessment procedures to regularly monitor the compliance with applicable laws by all personnel employed by, or acting on behalf of, the Company; policies regarding disciplinary action; methodology for documenting the due diligence, compliance determinations, internal reporting, and company actions regarding anti-corruption and sanctions concerns consistent with record-keeping requirements under applicable law; and the development of other procedures necessary to ensure that this Policy is fully implemented and effective in assuring compliance with applicable anti-corruption and sanctions laws at all times.
- The ongoing provision of training and guidance to personnel and agents as necessary to ensure that they have an appropriate understanding and awareness of restrictions on sanctionable practice and related compliance mandates.

Other designated management officials of the Company are required to take actions necessary to distribute this Policy and inform personnel who report to them regarding sanctionable practice and their related compliance obligations. It is the responsibility of each of Company employee, to at all times, abide by all applicable laws and regulations and this Policy. Lack of knowledge about applicable rules and regulations is never an excuse and each Company employee must keep themselves updated with and act according to:

- the requirements in this Policy

- all relevant local rules and legislation of the place where Company employee conducts business
- other business practices that may be applicable, such as trade associations' ethical codes and international conventions

All Company employees must comply with the overriding local law position and ensure that it is not violated.

6. Penalties For Non-Compliance

Violation of this Policy and/or violation of anti-corruption and sanctions laws can result in administrative, civil and criminal investigations and prosecution that could lead to the imposition of severe penalties (including imprisonment and fines) on the Company and any person involved in related activities. Violation of relevant sanctions laws could also result in severe and damaging limitations on the Company's ability to engage in international commerce, access to international capital markets, foreign commercial and qualification for government contracts. In addition, violation of anti-corruption or sanctions laws could significantly damage the Company's public image, reputation, business relationships and market position. Such actions can also impact Company employees as many of the laws include criminal sanctions which means imprisonment and fines are a real possibility, not only for the senior management team of Company but also for the individuals involved in or with knowledge of the corruption, no matter what level they are at.

Company employees must consequently always exercise good judgment and never put themselves or others into a position of being under undue influence or even the suspicion thereof. All Company employees are individually expected and responsible to do their part to ensure that the Company complies with these laws at all times and to safeguard the Company against related risks. Failure to comply with applicable anti-corruption and sanctions laws or the specific requirements of this Policy constitutes potential grounds for disciplinary action by the Company up to and including possible termination of employment.

7. What Is Corruption?

For the purpose of this Policy, "corruption" means any act intended to result in the misuse of entrusted responsibility and/or authority for improper personal or corporate gain, including bribery, kickbacks, conflicts of interest and misuse of company assets.

For the purpose of this Policy, "bribery" means promising, offering or giving, receiving or soliciting an undue advantage to a person or entity, either directly or through an intermediary, by use of improper

means, in order that the person or entity should perform, or refrain from performing, an act in breach of their business or public duties. This is regardless of whether the activity is linked to past, present or future business transactions.

Bribery may not always be in the form of cash payments and may take many other forms including but not limited to direct or indirect forms. Bribery includes the provision or receipt of:

- cash or other forms of payment to secure a contract or obtain a license;
- facilitation payments;
- gifts or entertainment intended to influence the recipient to undertake a particular course of action;
- donations with an ulterior motive; or
- payment of travel expenses or accommodation for a customer or official when there is no justifiable underlying business purpose for such travel or accommodation.
- sexual or other favours;
- inside information; or
- abuse of function.

8. Areas With Exposure of Corruption

The following areas are identified as potential risk areas for corruption and include “**Standards of Conduct**” that are intended as principles and guidance to assist in identifying and dealing with situations of potential corruption:

i. Business Representatives

Company does business with a number of consultants, vendors, contractors, experts, agents and service partners (“**Business Representatives**”) in different parts of the world. Business Representatives are responsible to conduct business according to this Policy in the same manner as Company employees, as Company may find itself liable for their actions.

Standards of Conduct:

- It is never appropriate for a Business Representative to carry out an act on Company’s behalf that would be a breach of this Policy if done by Company directly. Authorizing, encouraging or knowingly allowing (which includes having a reasonable suspicion of their intention) any third party to pay or receive bribe or engage in other sanctionable practice on Company’s behalf would tantamount to a serious violation of this Policy and applicable anti-corruption and sanction laws.
- All Company employees who are involved in any aspect of the relationship with a Business Representative shall make disclosure of such relationship to the Company before appointment of such Business Representative.

- An evaluation of the Business Representative must be performed prior to any appointment. The general principle is to perform background check, research and interviews to ensure that the Business Representative will behave in a manner consistent with this Policy. The research shall include any potential conflicts of interest and any prior or current administrative, civil or governmental proceedings against such Business Representative. Until the due diligence review and risk assessment is complete and final internal approvals are received for on boarding of the Business Representative, the Business Representative would be instructed not to undertake any work on behalf of the Company.
- All Business Representatives appointed must be appointed pursuant to a written contract on the terms and conditions in the best interest of the Company.
- Compensation paid to a Business Representative must be appropriate, reasonable and justifiable in return for legitimate services according to the written agreement. Compensation will only be paid following receipt of a valid invoice and to its registered place of business/ company within its country of residence. No side agreements of any kind will be accepted. No requests made for over-invoicing, or that all or a portion of the commission be paid in a third-party country, to a third party, in cash or otherwise untraceable funds, or by other irregular methods will be accepted.

ii. Gifts, Hospitality, Travel and Expenses

Exchanges of reasonable and courtesy business gifts and hospitality as part of business practices are allowed if they are transparent, proportionate, reasonable and of a bona fide nature, unless the action violates applicable laws. They should be modest in nature and value and not exceed any amounts specified by relevant local law or other local practices. However, particular care and caution should be taken in dealing with public or government officials and employees.

General Standards of Conduct:

All Company employees are prohibited from receiving, offering or providing gifts and hospitalities whenever they can be perceived to affect the outcome of a business transaction or potentially expose our business to undue influence.

The policy recommends that all employees assess the intention behind any gift or hospitality given or received. Gifts or Hospitality, with the intention of improperly influencing one's decision-making ability or making the recipient feel unduly obligated in any way, shall never be offered or received.

It shall not be acceptable for any employee to:

- accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them.
- accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with an expectation that a business advantage will be provided by us in return
- threaten or retaliate against another employee who has refused to commit a bribery offense or who has raised concerns under this Policy
- engage in any activity that might lead to a breach of this Policy.

Gifts

Gifts typically include low value items given professionally without any expectation of compensation or value in return.

Standards of Conduct:

- A gift should be of modest value and must never leave the recipient into a position of obligation. Common and acceptable gifts include company promotional items.
- A gift shall never consist of money, loans or anything else that can be exchanged to a monetary value.
- Gifts from service providers or other third parties should whenever possible be respectfully declined. In those instances when this is not possible (e.g. mailed items or in specific countries or cultures), the gifts must be put into a common display or raffled (with the proceeds going to charity) or donated to charity.
- Gifts should be directly related to legitimate activity of Ecofy, for example presentation or completion of business project(s), successful execution of a contract, common / local festivals or holidays such as National Day, Independence Day, New Year, Christmas, Diwali, Thanksgiving Day, International Women's Days, anniversaries, birthdays, retirements, ceremonial presentations etc. Specifically, employees may offer gifts to suppliers, customers or other business associates for legitimate business purposes such as building goodwill and strengthening working relationships. Such a gift should be approved by the head of department with adequate business justification, be recorded in the gift register to be maintained by the relevant department for such time as may be necessary under applicable legislations.

Hospitality

Hospitality typically includes meals and/or entertainment (e.g. music-, sports- or theatre events) when a company intends to initiate or develop its business relationships with existing or prospective customers and business partners.

Standards of Conduct:

- For hospitality to be permitted, it must always be in connection with a justifiable business meeting where the business content is predominant.
- Hospitality requires that the host be present and that the hospitality is fairly provided and modest in value.
- Hospitality must never be perceived as excessive or luxury and must never leave the recipient into a position of obligation.
- Hospitality must not be offered on an overly frequent basis.
- Entertainment that can be viewed as excessive in the context of the business occasion, and "Adult" entertainment or any sort of event involving nudity or lewd behaviour; is never appropriate.

Travel

Standards of Conduct:

- Infrequently, it may be appropriate for customers, suppliers, business associates or to pay for travel-related expenses for employees. As these situations are rare, offers to pay for travel and/or related expenses from third parties must be reviewed and approved by the reporting manager.
- In reviewing the travel request, the reporting manager should consider a number of factors, including whether:
 - a) the primary purpose of the travel is business-related;
 - b) the class of travel is appropriate in the business context;
 - c) the itinerary minimizes side trips and avoids tourist or vacation destinations.
- Employees and Directors of Company should not approve trips that appear to be provided in exchange for business or improper advantage.

iii. Dealing with Government Officials

Ecofy has a zero-tolerance policy towards bribery and corruption. Employees should be especially careful while dealing with government officials and should never offer, promise, or make a corrupt payment to a government official for the purpose of obtaining or retaining business or to secure some other improper advantage.

Business transactions and dealing with government officials and with government-controlled entities are always considered high risk. Any form of cash or cash equivalent, favors like bribe, kickbacks, facilitation payments, fast track payments, side payments, special commissions, gifts, travel & entertainment, personal services, internship/ job to a child of government official or honors/ awards, or political/ charitable contributions are not permitted by the Company.

Laws of most nations prohibit giving anything of value to government officials in order to obtain or retain business or to secure some other improper advantage, it is important that employees take special care when offering gifts to government officials and ensure that gifts to these individuals cannot be construed as bribes.

The Company allows routine business courtesies (which are also provided to its employees during normal course) to government officials on exceptional basis (like working lunch/dinner in the office premises) which is also provided to its employees and business partners.

Standard of Conduct while dealing with Government Officials:

- No employee may give a Gift to or entertain a government official without with the prior approval of his Head of Department & the Compliance Officer (as defined hereinafter). All such approvals must be taken in advance and must be in writing.
- Occasionally, giving a gift (such as a ceremonial or gift with Ecofy logo) to a government official may be appropriate to strengthen working relationships. In such cases, giving a gift to a government official is permitted only if:
 - It is consistent with accepted business practice;
 - The gift is of nominal value (e.g., calendar, pen, diary, books, small plants, an article of clothing etc.).
 - Gifts not containing the Ecofy logo or worth more than the nominal value may only be given with prior written approval of the Head of Department and the Compliance Officer, as an exception only during common / local festivals or holidays such as National Day, Independence Day, New Year, Christmas, Diwali, Thanksgiving Day, International Women's Days, retirements, ceremonial presentations etc.
- The gift or entertainment could not be perceived as a bribe, does not make the recipient feel obligated, or make it difficult for the recipient to make a fair decision.
- Public disclosure of the gift or entertainment would not embarrass the Company.
- Cash or its equivalent and extensive gifts to government officials are considered unacceptable.

Hospitality & Entertainment to Government Officials

Just like giving gifts to Government officials, offering entertainment and hospitality to government clients also has the potential to be seen as a bribe. As a result, employees must use care when entertaining government officials. Ecofy recognizes that there are situations in which entertaining government officials may be appropriate, such as providing a meal after a tour to a project site/ portfolio company and business lunch. However, it is permitted only if the hospitality/ entertainment:

- Is not cash or cash equivalents, extravagant or lavish; and
- Is duly approved by head of department and disclosed.

These guidelines apply to situations in which the Employee is present. Tickets to sporting or cultural events provided by the Company to Government Officials at which the Employees are not present is strictly prohibited.

Personnel dealing with Government must ensure that Entertainment and Hospitality:

- is for a legitimate business purpose;
- is permitted under the law of the local jurisdiction; and
- is reasonable in value not extravagant or lavish.

Ecofy does not allow providing any travel-related services to the public or government officials unless required by law. Ecofy will not approve travel expenses for family members of government officials and will never approve trips that appear to be provided to obtain or retain business or secure an improper advantage.

Employees should talk to the Compliance Officer when in doubt as to whether an event, location or expenditure is appropriate.

However, the travel arrangements can be done keeping in mind the following measures:

- Travel arrangements i.e. taxi/cab should be booked by Company's approved vendors and the services should be same as provided to the employee and should not be different or one of kind.
- Travel arrangements should be done only in exceptional circumstances and any provision, including exception, should be approved by the Head of Department and should be recorded in the gift register to be maintained by the relevant department.
- The purpose of the travel must be business-related.

iv. Charitable Donations/Political Contribution/ Sponsorships

Charitable Donations:

Charitable support and donations are acceptable and are encouraged whether of in kind services, knowledge, time or direct financial contributions. However, employees must be careful to ensure that the charitable donations are not used as a scheme to conceal bribery. Company only makes charitable donations which are legal and ethical as per local laws and practices.

No charitable donations/ Political Contribution/ Sponsorships must be offered or made without prior approval of Compliance Officer/Chief Executive Officer of the Company.

Standard of Conduct

- Charitable support and donations are acceptable and are encouraged whether in kind of services, knowledge, time or direct financial contributions. However, company must be careful to ensure that the Charitable Donations are not used as a scheme to conceal bribery.
- Company only makes Charitable Donations which are legal and ethical as per local laws.
- Employees should not offer or make a Donation/Sponsorship to any organization which is in legal or financial conflict with Company, or which does not share our approach towards ethical standards.
- Use of an intermediary to offer or make any Donation/Sponsorship between
- Company and a charity is strictly prohibited.
- Due Diligence on the Beneficiaries: A due diligence check must be conducted on the beneficiaries, which involves a process of research, meetings and interviews to understand and analyse the possible circumstances and its effect on company as a whole.

POLITICAL CONTRIBUTIONS:

"Political Contribution" is any monetary or in-kind contribution to a federal, state, or local candidate, incumbent officeholder, political party, political action committee, organization, including not for profit organisation/ tax-exempt organization created primarily to influence the selection, nomination, election, appointment or defeat of candidates to federal, state or local public office, transition or inaugural committee, independent expenditure committee or similar organization made: (a) for the purpose of influencing any state, country or local election for political office or ballot initiative; or (b) to pay debt incurred in connection with any an election or ballot initiative.

The Company upholds its commitment to not support any specific political party or have any political affiliation. No political contributions shall be made on behalf of the Company either directly or indirectly to any political party or for any political purpose without the prior approval of the Board of Directors. No employee shall use his job title or Company affiliation in connection with political activities.

- Company values the right and responsibility of its employees / to participate in the political process. Such participation is entirely a matter of personal choice as private citizens and is voluntary. Such Political Contributions should not be in the name of Ecofy or have any conflict or business relationship with company. Personal political activities must not suggest company's support and must not use Company resources. Employees shall avoid any interest/situation which may impact Company's reputation.
- When engaging in personal political activities such as volunteering for a campaign, participating in get-out-the-vote or voter registration activities, or other activities that do not include fundraising or solicitations, Employees shall not do so using Company resources or during normal business hours. Such activities must not suggest Company's support in any manner. Company's resources or facilities such as offices, conference rooms, title, personnel, computers, email, photocopiers, telephones and the like shall not be used in personal political activities, fundraising or political purposes.
- If an Employee inadvertently uses Company's resources in connection with a political campaign, the Employee must contact the Compliance Officer and provide reimbursement to Company. Reimbursement must be equal to the fair market value of the item or service provided to the campaign. The Compliance Officer will determine fair market value for reimbursement purpose and such a decision will be final and binding.
- Employees must not make or commit to Political Contributions on behalf of Company, and the Company will not reimburse or otherwise compensate an Employee for his or her personal Political Contributions or political activities. Employees must not use their position to coerce or pressurize other employees to make contributions to or support or oppose any political candidates, elections, or ballot initiatives.
- Employees must seek prior written approval from the Compliance Officer before nominating self or seeking to be elected or appointed on any government office, including representation on any government agency or instrumentality such as boards, commissions, agencies and councils.

SPONSORSHIPS:

Sponsorships are closely allied to the various types of community/business activities undertaken by our Company. These could range from sponsoring educational scholarships to local sports teams. Any sponsorship must be for genuine business or charitable objectives without any element of quid pro quo. Any such sponsorship must be transparent, duly approved, properly documented, and duly reported.

v. Facilitation Payments

A facilitation payment is a token unofficial payment made to secure or expedite a routine service or other necessary action to which the payer of the facilitation payment has legal or other right to receive. The key element of facilitation payment is that the service which the payment relates to must be something to which the payer would be entitled to receive with or without the payment. Such an unofficial payment is made with the intention of expediting an administrative process and is considered as bribe. It is clarified that this does not include legally required administrative fees for expedited services.

Company's policy is that facilitation payments are not permitted.

Standards of Conduct:

- Company employees may not directly or indirectly make a facilitation payment and accordingly facilitation payments made by an individual and included in an expense report will not be reimbursed by Company.
- Company recognizes that in some exceptional instances payments may be demanded under threat of violence, personal harm or imprisonment. In the event any payment is made under duress or asked for, this must be documented and reported to your line manager.

vi. Merger, Acquisitions and Joint Ventures

When undertaking any merger, acquisition or joint venture, Company must ensure that the due diligence process carried out will identify if the target company presents any actual or potential risks in relation to anti-corruption and sanction laws.

Standards of Conduct:

The anti-corruption due diligence shall include any actual or perceived potential conflicts of interest, the reputation and past conduct of the target company (involvement in any sanctionable practice), details of the target company's anti-corruption policy/ program and any prior, current or threatened administrative, civil or governmental proceedings.

vii. HIRING AND RECRUITMENT:

Hiring and recruitment functions need to be designed to find, attract, and employ the right people to create a workforce that is able to meet the Company's business goals now and in the future. Hiring candidates must be strictly based on merit and must meet business requirements.

Standards of Conduct:

- The candidate should not be hired based only on the recommendations or influence of any other , employee, business partner or for pleasing any government official.
- Hiring any former government official and / or their immediate family member, requires the approval of the Compliance Officer and the Managing Director/ CEO of the relevant entity, with a clear business justification and the position should not have been created as a special position to influence or gain business/ advantage.
- Once approval is granted, due diligence and background checks must be conducted inter alia for corrupt practices prior to making an offer of employment.

9. HIGH-RISK TRANSACTIONS

Any transaction that is perceived to have high exposure to bribery and corruption are termed as high-risk transactions. Some of such transactions include:

- Exposure to a particular sector is more vulnerable to bribery and corruption, instances like real estate, pharmaceuticals, telecommunications, defence & arms, oil & gas.
- Transactions that require interaction with government officials for permits, licenses etc.
- Business that require high level of involvement of Business Representatives, third party intermediaries, consultants, service providers etc.
- Business in countries which are high in corruption index
- Political donations/sponsorships
- High value transactions
- Petty cash transactions

Risk assessment of a transaction should be done on the basis of its exposure to potential bribery and corruption activities. Adequate measures proportionate to the risk perceived should be in place to prevent and detect any unethical acts of bribery and corruption in such areas. Do reach out to the Compliance Officer in case of any doubt.

10. RECORD-KEEPING

Company shall keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties. These records must be maintained in a reasonably detailed manner and must appropriately reflect transactions made in accordance with applicable laws and regulations.

Company shall ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our expenses policy.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, service providers and business contacts shall be prepared and maintained with strict accuracy and completeness. No accounts shall be kept "off-book" to facilitate or conceal improper payments. There must be no false, misleading, duplicate or artificial entries in the records for any reason.

11. GUIDANCE AND REPORTING

This Policy is intended to ensure that Company employees are aware of relevant anti-corruption and sanctions laws and regulations affecting the Company's business. The Compliance Officer will be a resource for further guidance on this Policy and anti-corruption and sanctions laws in general. The Company may provide training to personnel in positions most affected by this Policy and related concerns.

The anti-corruption and sanctions laws that can affect the Company's business are complex

subject to change over time. Company employees should not self-advise on any matters of interpretation of these laws. Rather, Company employees are required to request guidance on questions of interpretation or application of such laws either through their immediate supervisor or by directly contacting the Compliance Officer.

Company employees are responsible for understanding and complying with applicable anti-corruption and sanctions laws within the scope of their employment with the Company. Company employees have an obligation to make clear to all consultants, agents, service providers etc. that they are required to comply with this Policy, and that sanctions and termination of the relationship may be a result in the event of any violation.

Any concerns or irregularities witnessed with respect to this policy can be reported to or the Compliance Officer at compliance@ecofy.co.in with cc marked to notices@ecofy.co.in, hr@ecofy.co.in and legal@ecofy.co.in

Reporting of concerns and investigations -If there are potential or actual violation(s) of this policy, the Compliance Officer shall take the following appropriate steps:

Investigation:

- Enquiry or investigation of the reported concern for potential violation of this 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.
- Each employees/managers shall co-operate with the investigation team and promptly respond to all requests for information.
- All investigations shall follow principles of natural justice and shall ensure that the relevant employees/managers(s) are provided with an opportunity to make their case before the investigation team.
- Experts with the right knowledge and skills may be appointed to investigate the reported concern.
- 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 or Company’s standard investigation process.

Illustrative list of Red Flag indicators:

- The business lacks qualifications or resources i.e. the potential business partner does not appear capable of performing the services being offered. Sham service contracts, under which corrupt payments are disguised using a consulting agreement or other arrangement are typical modalities for indulging in bribery or corrupt activities
- Any potential partner who provides guarantees of success or claims to have the ability to obtain licenses or other government approval without providing a description of a legitimate manner by which those goals will be accomplished.
- A potential third party who refuses to accept an ABAC or anti-money laundering clause in the proposed contract
- Based on pre-acquisition due diligence, it becomes apparent that the potential counterparty has a reputation for offering bribes or violating other laws or indulging in unusually structured transactions
- Inflated payouts to, or questionable role in the project of potential counterparty or its affiliate
- A proposed third party resists or fails to provide details of parentage or has undisclosed principals, associates or subcontractors with whom it splits fees

- A third party counterparty refuses access to its books and records where requested under the proposed contract.
- A Public Official suggests, requests, urges, insists, or demands that a particular third party, company, or individual be selected or engaged, particularly if the official has discretionary authority over the business at issue.
- The third party insists on dealing with government officials without the participation of the Company.
- Third party has a reputation for paying bribes, or requiring that bribes be paid to them, or has a reputation for having a "special relationship" with government officials.

A complaint must be detailed in description and must provide the basis of making the assertion therein. Where possible, it should describe:

- Nature of the suspected violation;
- Identities of persons involved in the suspected violation, including abettors;
- Description of documents that relate to the suspected violation;
- Time frame during which the suspected violation occurred;
- Evidence supporting the violations;
- Details of witness(es);
- Any other information that substantiates the complaint.

A complaint may be made anonymously by providing all necessary details as set out above. However, if the anonymous complaints are not supported by relevant evidence and/or information, Company may not be able to conduct investigation in the matter.

Company employees are expected to seek guidance as necessary to understand and comply with these laws from, and to promptly report actual or suspected possible violations of these laws or this Policy to, the Compliance Officer. Company employees also may report related concerns, anonymously, as they may prefer, to the Compliance Officer. The Company prohibits retaliation against any personnel for making a good faith report of actual or suspected violation of this Policy, the Company's Code of Conduct, laws, regulations or other Company policy.

The following communication schedule should be adhered for internal communication:

No.	Communication	Frequency
1	Board / Compliance Officer communicates with employees to remind them of their responsibilities to act ethically, including reminder of the whistle-blower mechanism.	Annually
2	Employees and Directors review and certify Anti-Bribery and Corruption compliance, and, if not in compliance, appropriate remedial action is taken.	Annually
3	Refresh anti-bribery training for individuals including post-training attestations of understanding.	Annually

12. REVIEW OF THE POLICY:

The Compliance Officer shall periodically review this Policy and may update the same in furtherance of any amendments to the applicable law(s) or changes in business environment or to make it more effective, subject to the approval / ratification of the Board of the respective company.

Appendix 1 - Due Diligence Checklist

Particulars	Details
Name/ legal business name	
Contact information	Address Website Email id Telephone
Nature of business/ services provided	
Years in Business/ experience	
Principal Clients/ Customers	
Number of employees	
Principal officers, directors, employees and shareholders	
Do you have any Interaction with Government officials/ agencies (Yes/No). If yes, provide details	
Are any owners, shareholders, or other key personnel (or any affiliated entity) government officials or have connections (family, business, or otherwise) with government officials	
Self-Declaration of potential conflict of interest, political affiliation and disclosure of any immediate family members working with Ecofy	
Known history of bribes / kickbacks, or any allegations thereof	
Mention details of: <ul style="list-style-type: none"> • Disciplinary proceedings by any professional body • bribery related civil or criminal proceedings 	

Enclosures: copy of (i) Certificate of Incorporation, (ii) PAN Card

Appendix 2 - Indicative terms of the contracts with Business Representatives

- Clearly describe the work or services to be performed by the Business Representative and exceptions, if any.
- Acknowledgement from the Business Representative that it has appropriate anti-bribery policies and procedures in place and all employees and representatives of the Business Representative have undertaken to abide by the same (*indicative language set out below*) -
-
*" The Business Representative hereby acknowledges and declares that the Business Representative has framed, adopted and implemented appropriate anti-bribery and anti-corruption policies in the [company/firm] ("**ABC Policies**"; and the employees, consultants, representatives, agents and vendors of the Business Representative have provided a declaration to the Business Representative that they have read and understood the ABC Policies and shall abide by the same while rendering the services, to Ecofy, on behalf of the Business Representative ("**Declaration**";. Further, the Business Representative hereby declares that the Business Representative undertakes training programs for the employees, consultants, representatives, agents and vendors of the Business Representative on a regular basis and obtains the Declaration.*¹¹
- Written undertaking from Business Representatives to comply with anti-bribery policies and legislations (as per Appendix 3).
- Require that all payments will be made directly to the Business Representative i.e. the legal entity of the intermediary, (that is, not to a third party nominee or any other entity), by a cheque or demand draft or bank transfer. No cash transfers will be permitted.
- Business Representative to provide indemnity for damages arising from breach of the agreement by the Business Representative (*indicative language set out below*) -
*"The Business Representative hereby unequivocally, irrevocably and unconditionally undertakes to defend, hold harmless, protect and indemnify and keep indemnified Ecofy, its group companies, their management, directors, employees, consultants, representatives and agents against all claims, liabilities, demands, losses, damages, actions, legal proceedings including any cost and expenses (legal costs and attorney fees) incurred or suffered whether directly or indirectly, by Ecofy, its group companies, their management, directors, employees, consultants, representatives and agents due to breach of representations, warranties, covenants, undertakings and obligations of the Business Representative.*¹¹
- Business Representative should maintain accurate and transparent records.
- Ecofy's right to demand information related to possible bribery by Business Representative. Business Representative will cooperate with all investigations (internal or external) (*indicative language set out below*) -
" The Business Representative hereby undertakes to provide all information, documents and assistance including making itself and all relevant person available for meetings and/or appearances before any regulatory authority, as may be required by Ecofy at all times in respect to the services rendered by the Business Representative.
- Representations with respect to the Business Representative having legal capacity

required authority to enter into a business relationship with Ecofy (*indicative language set out below*) –

The Business Representative hereby represents that the Business Representative has the legal capacity and required corporate powers and authority to enter into this Agreement with Ecofy."

- Representation with respect to there being no legal proceeding and/or contractual obligation which shall have any adverse impact on the obligations undertaken by the Business Representative (*indicative language set out below*) -
" The Business Representative hereby represents that there are no legal proceedings, complaints, inquiry, circumstances and/or any contractual obligations which shall in any manner impact its obligations under this Agreement with Ecofy."
- Disclosures on change of ownership, management, shareholding and business of the Business Representative.
- Immediate termination with penalty, if the Business Representative breaches the Anti-Corruption provisions and is found paying/facilitation payments / bribes (*indicative language set out below*) -
"In the event, the Business Representative is found to be in breach of anti-corruption and anti- bribery conditions set out under the Agreement and/or the applicable laws or there is an anticipated breach in regard to the aforesaid, Ecofy shall have the right to forthwith terminate the Agreement. On termination of the Agreement due to aforesaid breach/anticipated breach, the Business Representative shall be liable to pay penalty as set out under the Agreement and as may be applicable under the applicable laws in addition to other termination obligations set out under the Agreement."

Appendix 3 - Affirmation of Anti-Bribery and Corruption Compliance

I, [Name], [Designation] of [name of Company] have read and understood the Company Anti-Bribery and Anti-Corruption Policy ("**Policy**") and I agree to abide by the Policy.

I agree that I will not offer, promise or make any payment or give anything of value directly or through a third party, to any government official or to any other person / entity, in order to influence or reward an action or decision or to gain an improper advantage.

I understand that failure to comply with the Policy and other anti-corruption laws may result in immediate termination, prosecution, and/or other discipline, with penalties including fines and/or imprisonment.

I agree to report any potential violations to the Compliance Officer

Signature	
Name	
Designation	
Employee Number	
Date	

