



Anti-bribery **and Anti-corruption Policy**



POLICY SUMMARY

LSKB Aluminium Foils Private Limited (hereinafter referred to as “**The Company**”) has a number of fundamental principles and values which it believes are the foundation of sound and fair business practice and as such are important to uphold. One such principle is a zero-tolerance position in relation to bribery, wherever and in whatever form that may be encountered. This document is intended to clearly state the standards and principles required to uphold these values and to ensure conformance to legal requirements. The Bribery Act, which came into force in July 2011 replaced common law offences relating to bribery and increased the maximum penalty for bribery from seven to ten years imprisonment, with an unlimited fine. It also made it illegal to give, promise or accept bribes at home and abroad. The only defence for companies is to prove they had put in place "adequate procedures" designed to prevent bribery.

The Company is committed to taking all practical steps to prevent bribery whether perpetrated by staff, students, contractors, suppliers, agents, other organisations and institutions, or members of the public.

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1. INTRODUCTION

- 1.1 Bribery can be defined broadly as the receiving or offering/giving of any benefit (in cash or in kind) by or to any public servant or office holder or to a director or employee of a private company in order to induce that person to give improper assistance in breach of their duty to the government or company which has employed or appointed them.
- 1.2 Management and the Board are committed to investigating all cases of suspected bribery. Any member of staff, regardless of their position or seniority, against whom prima facie evidence of bribery is found,



will be subject to disciplinary procedures that may result in dismissal. The Company may normally involve the Police and may seek redress via civil proceedings.

- 1.3 All managers have a responsibility for maintaining documented control systems and must be seen to be setting an example by complying fully with all procedures, regulations, and controls. The effectiveness of controls will be subject to regular review by our internal auditors.
- 1.4 Confidential mechanisms have been established to allow staff to report suspected bribery
- 1.5 All allegations will be investigated. If this initial investigation suggests there is a case for further investigation, the HR, and the Chairman of the Fraud Investigation and Anti-corruption Committee will be immediately informed. The Fraud Investigation and Anti-corruption Committee in consultation with the HR and the Chairman of the Fraud Investigation and Anti-corruption Committee will then decide who is best placed to undertake the further investigation and, if appropriate, will inform the Police if criminal activity is suspected to have taken place. The Chairman of the Audit & Compliance Committee will be notified prior to any Police involvement.
- 1.6 Any allegations of bribery made against staff will be investigated in accordance with the Staff Disciplinary and Dismissal Policy and Procedure. Such action may be considered not only against those found to have perpetrated bribery, but also against staff whose negligence may have facilitated it.

2. LEGAL & REGULATORY FRAMEWORK

Bribery is a criminal offence. The Bribery Act 2010 provides for four bribery offences:

- Bribing—the offering, promising, or giving of an advantage.
- Being bribed—requesting, agreeing to receive, or accepting an advantage.
- Bribing a foreign public official.
- The "corporate offence", where a commercial organisation fails to prevent persons performing services on its behalf from committing bribery.

A "Senior Officer" may also face personal criminal liability if found to have consented to, or connived with, any of the first three offences.

The Penalties If found guilty the penalties for companies, Senior Officers, employees, or associated parties, are severe: with up to 10 year's imprisonment for individuals and unlimited fines for companies.



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Criminal Offence (as defined in IPC)

- i.** It is a criminal offence to:
 - a. Offer a bribe;
 - b. Accept a bribe;
 - c. Fail to prevent a bribe (only applies to commercial organizations)

- ii.** Staffs, ad-hoc staff, advisers, consultants, suppliers, partners and any individuals acting on behalf of the Company should be made aware that if they are found guilty by a court of committing bribery, embezzlement or fraudulence an individual could face prosecution as per the norms of IPC (Indian Penal Code).

3. WHO THE POLICY COVERS

This policy applies to all Board Members and all staff.

4. What the Policy Covers

The policy covers any act of bribery, as defined in Section 2 above. This will include for example:

- Giving or receiving inappropriate gifts and hospitalities.
- Accepting personal payments from suppliers, directly or indirectly, which may influence your business decisions
- Awarding a contract to a supplier in return for a discount on a personal contract.
- Accepting payments from students to increase their grades
- Accepting an invitation to a sporting event from a bidder two weeks before finalizing a tender exercise
- Overseas agents requesting larger commission payments to enable them to pay “sweeteners” to prospective new customers. The above list is not exhaustive but is provided as a guide.

5. GIFTS & HOSPITALITIES

The Company has a policy on gifts and hospitality for two principal reasons. The first is it is important that governors and members of staff show the highest standards of probity in their dealings with others and that their conduct in such dealings is fair, impartial, and transparent. The second is because of the requirements of the Bribery Act 2010. There is no inconsistency between what would in any event be expected of governors and members of staff and the requirements of the Act. Consequently, this policy has been formulated principally having regard to the provisions of the Act.



5.1 RECEIVING GIFTS OR HOSPITALITY

- 5.1.1 It is totally unacceptable for a gift, or hospitality, to be received if it is suspected that it has been offered with a view to influencing the conduct of the recipient in favor of the person or company offering the gift or hospitality, however modest the gift or hospitality, and whatever the nature of the gift, whether of property or of services.
- 5.1.2 However, the giving of hospitality, often in the form of food or drink to be consumed at an event or a business meeting, and the giving of promotional items, usually bearing the logo of the giver, are facts of life and give rise to no difficulty if kept within reasonable bounds.
- 5.1.3 Hospitality offered for enjoyment outside some organised event or business meeting should always be refused, as should any gift intended only for the recipient, rather than the Company, which is of other than minimal value.
- 5.1.4 Excessively frequent business meetings, with hospitality paid for by an actual or prospective supplier of goods or services should be reported to the Secretary & Clerk for guidance as quickly as possible.
- 5.1.5 If a gift is offered to an individual in the course of performing duties for the Company and it is feared that rejection will cause offence, it may be possible for the gift to be accepted by the individual but only after consultation with the Secretary & Clerk.
- 5.1.6 It is never permissible to offer anything, whether a gift or hospitality, to an actual or potential supplier of goods or services with a view to influencing the person or company to which the offer is made in favour of the Company.
- 5.1.7 Excessive generosity may be misconstrued as an attempt to influence the beneficiary of the generosity in favour of the Company.
- 5.1.8 As part of its ordinary marketing activities, the Company provides promotional items which may be distributed simply to draw attention to its existence or particular features of it. However, nothing should be provided to anyone which would not be made available, on request, to anyone who wanted it.

6. WHO IS RESPONSIBLE AND FOR WHAT

The prevention, detection, and reporting of suspected acts of bribery is the responsibility of all employees throughout the Company. Suitable channels of communication by which employees or others can report confidentially any suspicion of bribery are contained in the Policy on Public Interest Disclosure. The prime responsibility for preventing bribery lies with the management and the Board through:

- Identification of risks to which systems and procedures are exposed; the implementation,



documentation and operation of internal controls; establishing an environment that promotes compliance with internal controls;

- Promoting awareness amongst staff; and fostering an 'anti bribery' culture.

However, while managers are responsible for assessing and controlling the level of risk within their areas of authority, it is the responsibility of all staff to be aware of what constitutes bribery and take the necessary steps to minimise the risk to the Company.

7. HOW WE WILL COMBAT BRIBERY (PREVENTION & DETECTION)

Managing the risk of bribery is the same in principle as managing any other risk. It is best approached systematically both at organisational and operational level. Managers should identify risk areas, assess the scale of risk, allocate responsibility for managing specific risks and implement and test controls to minimise the risks. Controls can be preventative and detective.

7.1 Prevention

➤ Internal Controls

Internal controls are the key element in preventing bribery. They should be documented and communicated to all staff and the importance of compliance regularly highlighted to staff. It is the responsibility of management to ensure controls in their areas of responsibility have been documented and communicated. Management should periodically monitor compliance with controls and may also ask the Internal Auditors to test compliance. It should be emphasised that the prime function of an internal audit is to evaluate the effectiveness of the overall framework of internal control, with management being responsible for ensuring the implementation and monitoring of the framework. Common excuses for noncompliance with controls are that they are no longer applicable, insufficient time is available or they are not appropriate. It is important that such comments are reported to senior management so that the need for the controls can be reevaluated.

➤ Staff Training & Recruitment

Staff awareness of policy and procedures is fundamental to the effective operation of systems. Best practice includes:

- instruction and discussion on control and probity issues as part of staff induction;
- formal staff training on operational procedures;
- desktop instructions for specific tasks;
- publication of the **LSKB Aluminium Foils Private Limited** Anti-Bribery Policy; and regular staff notices regarding changes to Policies and Procedures.



LSKB Aluminium Foils Pvt. Ltd.

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Policy Awareness Training to be provided to ensure coverage of 100% of all stakeholders including all employees till 2030.

7.2 Detection

The primary responsibility for detecting instances of bribery lies with the management and the Board through the implementation, documentation, and operation of effective systems of internal control. Our internal auditors, through their evaluation of the control framework also have a role to play in preventing and detecting evidence of bribery, however this is not the main function of internal audit. All staff have a responsibility to be aware of the potential for bribery and take the necessary steps to minimise the risk. Management should ensure staff in their areas of operation are familiar with the common types of bribery. We are not advocating the creation of an overtly suspicious environment, but staff should be alert to the potential for bribery in areas where they operate.

8. WHAT TO DO IF YOU SUSPECT BRIBERY

Staff will often be the first to notice the potential for, or actual, bribery. Staff suspicious of bribery should in the first instance if appropriate report their concerns to their Line Manager. This requirement to alert management is not confined to suspicions about other members of staff, but includes any misgivings staff may have about students, contractors, suppliers, agents etc. If for any reason it is felt reporting in this manner is inappropriate staff may report directly to the Management-Whistleblowing. All actual or suspected incidents should be reported without delay. Staff should not be dissuaded from reporting actual or suspected bribery as all cases will be treated, wherever possible, in the strictest confidence. The Company is fully committed to supporting and protecting staff who raise legitimate concerns and the anonymity of individuals who report any suspicions will be preserved if requested unless this is incompatible with a fair investigation. Provided the allegations have been made lawfully, without malice and in the public interest, the employment position of the person will not be disadvantaged for reasons of making this allegation.

Any action to prevent the reporting or any attempts at intimidation will be treated as a disciplinary matter and may be reported to the Police.

9. HOW WE WILL RESPOND

To ensure compliance with this Policy, the Company may conduct periodic audits of the Company. All employees, directors, officers, and stakeholders are obligated to cooperate with the audit process.

All directors, officers, employees, and stakeholders are obligated to report any violation of this Policy to the Company's legal team. Failure to report such an incident constitutes a violation of this Policy and leads to disciplinary action.



10. REPORTING AND INVESTIGATION

10.1 Reporting:

- Cluster Lead Manufacturing / Cluster HR Head at primary level.
- Director at secondary level

10.2 Investigation:

- Cluster Lead Manufacturing / Cluster HR Head will form a committee to investigate.
- Committee will have the discretion to form an external committee to investigate.

This policy comes in force from the date of approval and shall supersede any such policy or content available before this date in any form.

This policy and its contents shall be reviewed every three years from the date of approval or immediately in the event of any trigger necessitating its review before the scheduled review date.