



HIGHWAY CONCESSIONS ONE PRIVATE LIMITED

ANTI BRIBERY AND CORRUPTION POLICY

(Approved by the Board of Directors vide its resolution dated May 19, 2023)

Company	Highway Concessions One Private Limited
Policy:	Anti Bribery and Corruption Policy
Effective From:	May 19, 2023
Version:	1.1
Applicability:	All Employees and Third Parties
Created By:	Legal Team
Approved By:	Board of Directors

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1. Background

- 1.1. For the purpose of the Anti Bribery and Corruption Policy (the “**Policy**”), Highway Concessions One Private Limited and its affiliates, subsidiaries, or entities managed by Highway Concessions One Private Limited (herein after referred as “**HCI**” or “**the Company**”) are committed towards the prevention, deterrence and detection of fraud, Bribery and any other corrupt business practices. This Policy strictly prohibits Employees from engaging in Bribery or Corruption, including to/ from officials in the private sector.
- 1.2. This Policy shall be adopted by all entities managed by Highway Concessions One Private Limited. However, the formation and functioning of committees mentioned in the Policy are centralized and managed by Highway Concessions One Private Limited.
- 1.3. The Policy sets out guidelines in relation to HCI’s long-standing commitment to combat Bribery and Corruption and to conduct the Company’s business in an honest and ethical manner.
- 1.4. All Employees and Third parties are strictly prohibited from inducing anyone unlawfully for the benefit of the Company, including offering, paying, promising to pay, accepting, soliciting, or authorizing the payment of anything of value, to/ or from any individual or entity or Government Officials, in order to secure an improper advantage or induce conduct that amounts to a breach of official duty or trust.
- 1.5. The Policy sets out the responsibility of the Company’s stakeholders to comply with laws against Bribery and Corruption and provides guidance on how to deal with such issues. The Policy consists of a series of procedures to give effect to the objective of the Company, which clearly sets out the Company’s ‘Zero Tolerance’ approach towards Bribery and Corruption.

2. Scope and Applicability

- 2.1. Given the sensitivity of dealing with Government institutions and as a part of the Company’s commitment to maintaining a high standard of business conduct, direct or indirect involvement in acceptance or payment of Bribes or use of Company funds or assets for any other illegal, improper, or unethical purpose is unacceptable and prohibited. This commitment must be reflected in every aspect of business.
- 2.2. As a part of commitment, Company makes clear that they will strictly comply with all applicable laws on anti-corruption, which include but are not limited to the U.S. Foreign Corrupt Practices Act, the United Kingdom Bribery Act, anti-bribery legislation enacted by each signing country in accordance with the Organization for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the Indian Penal Code, the Indian Prevention of Corruption Act, 1988, the Indian Companies Act, 2013, the Prevention of Money-Laundering Act, 2002, Lok Ayukta Acts of Various states, the Central Vigilance Commission Act, 2003, and all other applicable anti-corruption laws and regulations, each as amended from time to time (collectively, the “**Anti-Corruption Laws**”).
- 2.3. It is the Company’s policy to comply in all aspects with trade sanctions and export control laws and regulations of the United States, European Union (EU) and all the relevant jurisdictions where the Company conducts its operations.
- 2.4. In case any provisions set forth in this Policy are found to be conflicting with any applicable laws and/or statutory provisions, the latter would have an overriding effect on the provisions of this Policy.
- 2.5. This Policy must be read in conjunction with applicable laws and regulations, and all other relevant Company policies and procedures, including but not limited to the Code of Conduct, the Vigil Mechanism Policy, the Gifts and Hospitality Policy, the Conflict of Interest Policy, Third-Party Code of Conduct, the Corporate Social Responsibility Policy and any other applicable policies of the Company.
- 2.6. The Company prohibits anyone acting on its behalf, including Employees and Third Parties, directly or indirectly, from making or receiving Improper Payments such as:
 - 2.6.1. Payments, direct or indirect, (other than those expressly required to be made and codified under applicable law or regulation) in order to secure licenses, permits, renewals, and any other required approvals or clearances in order to operate in a country, state or other jurisdiction;
 - 2.6.2. Payments to influence any act or decision of a Government Official or individual in the private sector in his or her official capacity; and

- 2.6.3. Payments inducing a Government Official to use his or her influence with a Government or Government instrumentality to affect or influence any act or decision of a Government or instrumentality.
- 2.7. The areas of business where Bribery and Corruption can most often occur include:
 - 2.7.1. Gifts, entertainment and hospitality
 - 2.7.2. Facilitation payments
 - 2.7.3. Business relationships
 - 2.7.4. Political, community and charitable contributions
 - 2.7.5. Employment opportunities

3. Definitions

- 3.1. **“Bribe”** is an inducement, payment reward or undue advantage promised, offered or provided to any individual to gain an improper commercial, contractual, regulatory, personal or business advantage. It may take the form of cash or cash equivalents, gifts, entertainment, hospitality, , confidential information, employment, charitable donations or reimbursement of travel expenses.
- 3.2. **“Bribery”** is the offering, promising, giving, accepting, or soliciting something of value in exchange for an act which is dishonest, illegal, and improper or a breach of trust, designed to influence the recipient in the exercise of their duty and to incline them to act contrary to accepted standards of honesty and integrity, to avail improper business advantage. Bribery includes advantages provided directly, as well as indirectly through an intermediary.
- 3.3. **“Concession Agreement”** shall mean the agreement between the concessionaire and the applicable statutory body defining the obligations for the design, engineering, finance, procurement, construction, operations and maintenance of the respective projects.
- 3.4. **“Conflict of Interest”** means and includes any interest (monetary or non-monetary) that the Employee appears to have during the employment / association with the Company on account of the Company either undertaking or not undertaking, a business transaction, relationship, or an activity and such Employee is in a position to derive a personal benefit for himself or for a Relative or any entity in which the Employee or his or her Relative, as the case may be, has any interest. *Refer to the “Conflict of Interest Policy” for additional details.*
- 3.5. **“Corruption”** includes abuse of power or any other wrongdoing by an individual in a position of power through immoral or illegitimate practices.
- 3.6. **“Disciplinary Action”** means any action that can be taken during or after the completion of internal inquiry or investigation proceedings, including but not limited to the termination or suspension of employment/ contract at the Company’s discretion, or any other appropriate action (including blacklisting a vendor) considering the gravity of the matter.
- 3.7. **“Ethics and Compliance Committee”** shall mean the defined term in the Ethics and Compliance Committee Charter.
- 3.8. **“Ethics Compliance Officer”** shall mean the Ethics Compliance Officer appointed as per Ethics and Compliance Committee Charter.
- 3.9. **“Employees”** refers to all employees of the Company including the Board of Directors, senior management, Function/Department heads, full-time and part-time employees, and employees on contractual assignments, such as temporary workers.
- 3.10. **“Facilitation Payments”** (sometimes known as "grease payments") shall mean any payment that is not officially required or sanctioned but made to a Public Official to secure or expedite routine Governmental action (for example, to expedite customs clearances; to obtain permits, licenses, or other official documents to qualify a person to do business in a foreign country).
- 3.11. **“Government”** includes (i) national, regional, local or foreign government, or any government departments, ministries, or agencies exercising administrative, legislative, judicial, regulatory, or taxing functions of government (such as the Ministry of Road Transport and Highways), (ii) companies under government ownership or control, state-owned enterprises or public sector companies (such as National Highway Authority of India and

the National Highways and Infrastructure Development Corporation Limited), (iii) any political party, and (iv) public international organizations.

- 3.12. **“Improper Payments”** is defined as any payments constituting the receipt or payment of Bribes or giving, offering, authorizing or promising to give money, toll fee exemptions not in line with the standard operating process of the Company, or anything else of value to any person, including any Government Official, in order to improperly influence any act or decision of a person, or to otherwise gain an improper benefit for the company.
- 3.13. **“Public / Government Official”** includes all Government employees. The term includes not only individuals such as elected officials, concession authorities and Government procurement officials, but also the employees of state-owned enterprises and public sector companies.
- 3.14. **“Relative”** includes all relationships such as parents, spouse or spousal equivalent, children, their spouses and siblings and their spouses or any other close family or dependents.
- 3.15. **“Third Party”** or **“Third Parties”** includes business associates, advisors, individuals/entities providing contract management services, asset management services, partners (including joint venture partners), agents, intermediaries, representatives, suppliers, contractors, subcontractors, third party service providers, consultants, and any other individual or entity that performs services for or on behalf of the Company.

4. **Ethics and Compliance Committee**

- 4.1. The Ethics and Compliance Committee has general responsibility for ensuring the Company’s compliance with this Policy including monitoring and review of this Policy, its principle and practical procedures.

Refer to the “Ethics and Compliance Committee Charter” for additional details.

5. **Gifts, Entertainment and Hospitality**

- 5.1. Gifts, Entertainment and Hospitality are acceptable if they are reasonable, modest, and bona fide, consistent with local customs and practice and in compliance with Anti-Corruption Laws and the Gifts and Hospitality Policy of the Company. Employees must be mindful of not offering or receiving gifts or hospitality that may be perceived as Bribes. Note that this policy applies to gifts, entertainment and hospitality provided by the Company and/or individuals as well as such items received by the Company and/or Employees or Third Parties, on behalf of the Company.
- 5.2. Employees shall not give, directly or indirectly, any gift or hospitality, to a person, groups or organization in the course of performing their official duties which may affect the functioning of their office or influence their actions in favour of the company or act as an inducement to get or retain the business.
- 5.3. Further, Employees shall not accept directly or indirectly, any gift or hospitality, from any person, groups or organization in the course of performing their duties to the Company, or to gain an unfair advantage.
- 5.4. All gifts/hospitality provided to any Government Officials should be pre-approved or ratified by the Ethics and Compliance Committee.
- 5.5. All gifts provided by or received by Employees (directly or indirectly) with a financial value exceeding the approval threshold mentioned in the Gifts and Hospitality Policy, shall be pre-approved or ratified by the Ethics and Compliance Committee and a detailed business rationale should be provided.

Please refer to the “Gifts and Hospitality Policy” for additional rules and limits related to gifts and hospitality.

6. **Facilitation Payments**

- 6.1. Employees shall not make, directly or indirectly, any facilitation payments. Although certain countries may have a practice of ‘facilitation payments’, such payments are prohibited under Indian anti-corruption laws and the Company does not partake in any of these, nor does it allow Third Parties acting on their behalf to make any such payments.

7. Political and Charitable Contributions

- 7.1. Employees shall not make any political contributions or political donations on the Company's behalf, whether in cash or kind, such as direct provision of cash contributions to political campaigns, the provision of material resources or services including personnel or labour, donations to political action groups or non-governmental organizations with a political agenda, funding of or purchase of seats at fund raisers or parties.
- 7.2. Employees of the Company may make political contributions or political donations in their personal capacity provided that this does not give rise to any actual or perceived Conflict of Interest or appearance of impropriety for the Company and is not made to, or could appear to be made to, obtain or retain business or an improper business advantage for the Company
- 7.3. Charitable contributions made by the Company to community projects or charities need to be made in compliance with applicable laws, this Policy, the Corporate Social Responsibility Policy and all other relevant policies and procedures of the company.
- 7.4. The Company must in all circumstances avoid charitable contributions or sponsorships that might be a disguised mechanism for Bribery or Corruption.

8. Third Parties

- 8.1. The Company's Third Parties operating in multiple jurisdictions must adhere to the laws applicable to their jurisdictions which include but are not limited to laws on anti-corruption, trade controls, anti-trust, Conflict of Interest, human rights and labour practices, and health, safety and environment.
- 8.2. In line with the Company's governance philosophy, it has adopted a Third Party Code of Conduct and a declaration of compliance must be given by all Third Parties at the time of initiation of their business relationship with the Company. *Refer to the "Third Party Code of Conduct" for additional details.*
- 8.3. The Company is committed to the highest standards of ethics and business practices. In order to consistently maintain these standards, the Company will roll out a defined a risk-based process to conduct due diligence on Third parties. This includes both pre-engagement due diligence of new and refresher due diligence of existing Third Parties. The process is designed to mitigate any risk which may harm the Company with whom it undertakes any transaction as part of its business activities.

9. Economic Sanctions, Anti-Money Laundering Laws and Internal Trade Controls

- 9.1. All Employees and Third Parties must be compliant with Indian laws and laws of other countries relating to economic sanctions and money laundering that are, or may be, of potential relevance including those sanction laws administered, enacted or enforced from time to time by the United States (including without limitation the Department of Treasury, Office of Foreign Assets Control), the United Nations, the EU and enforced by its member states, His Majesty's Treasury or other similar governmental bodies with regulatory authority over the Company.
- 9.2. The Company will not condone the violation of any applicable economic sanctions and all Employees must comply with relevant sanctions with respect to their jurisdictions. Employees involved with engaging or onboarding business partners for the Company must also determine the need for any sanctions screening and ensure that any current or potential business partners are not entities or individuals subject to, or otherwise affiliated with entities or individuals subject to, economic sanctions.

10. Reporting

- 10.1. All Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If an Employee is/ are unsure whether a particular act constitutes Bribery or Corruption, the concerned Employee should raise the matter with his/her immediate supervisor or the Ethics and Compliance Committee (Ethicscommittee@highwayconcessions.com.)

- 10.2. All Employees are encouraged to come forward and have an open and honest discussion with the management regarding any concerns related to compliance with this Policy or applicable rules and regulations. Furthermore, the Company has provided multiple ways in which misconduct can be reported to its management in the Vigil Mechanism Policy and related procedures. **The Company has set up a dedicated hotline for reporting any concern and you should refer to the Vigil Mechanism Policy to get the relevant details.**
- 10.3. The Company will not condone any threats or acts of retaliation against any individuals who raise their concerns in good faith under this Policy and is committed to ensure that no individual suffers any detrimental treatment such as dismissal from employment, Disciplinary Action, threats or other unfavourable treatment connected with raising a concern.
- Refer to the "Vigil Mechanism Policy" for additional details.*
- 10.4. All Employees wilfully ignoring or turning a blind eye to any evidence of Corruption or Bribery within their department and /or around them, will be liable to serious action. Although such conduct may be "passive", i.e., they may not have directly participated in or may not have directly benefited from, the Corruption or Bribery concerned, the wilful blindness to the same can, depending upon the circumstances, be subject to the same Disciplinary Action as an intentional act.

11. Potential penalties and Disciplinary Action

- 11.1. Any violations of this Policy will be taken seriously and failure to adhere to the Policy may result in Disciplinary Action including but not limited to termination of employment, suspension, fines or civil/criminal liabilities.
- 11.2. A well-documented process will be put in place by the Ethics and Compliance Committee to ensure that all matters are appropriately investigated and resolved.

12. Recordkeeping

12.1. Payment Practices and Accounting –

- 12.1.1. Anti-Corruption Laws generally require detailed and accurate accounting records for transactions, including cash and bank accounts and the Company shall ensure that it maintains accurate books, records and financial reporting to avoid any non-compliance.
- 12.1.2. Any off-record payments and any form of fraudulent accounting or falsification of books and records are prohibited. Every Employee has an obligation to report all transactions accurately and ensure no payments are made based on false or fabricated documentation.
- 12.1.3. The Company shall maintain accurate and updated accounting records for all gift expenses, Employee expense reimbursements, hospitality expenses along with supporting documentation and required internal approvals as per defined under Gift and Hospitality Policy and relevant SOPs of the Company.

12.2. Internal Controls

- 12.2.1. The Company must maintain an effective system of internal financial controls. As a general rule, the system of internal accounting controls maintained by the Company should ensure the following:
- 12.2.1.1. All transactions taking place during the course of business are executed after obtaining necessary approvals or authorization; and
- 12.2.1.2. Assets of the Company are used for official business purposes only after obtaining necessary approvals or authorization.

12.3. Monitoring of Transactions

- 12.3.1. Periodic review of records of the Company may be undertaken to demonstrate compliance, through a suitably qualified Third Party. The Ethics Compliance Officer would provide oversight of such periodic review. This would include periodic review of the records including Employee reimbursements, gift expenses, travel and entertainment expenses, Third Party contracts and payment and any other data or information which may be relevant and as per the Gift and Hospitality policy implemented by the Company from time to time.

- 12.3.2. All transactions requiring further scrutiny noted during the periodic review of books of account conducted by the Third Party shall be reviewed by the Ethics and Compliance Committee.

12.4. Document Retention

- 12.4.1. All information including documents, data, registers, review reports, and reports of inquiries or investigation, shall be retained by the respective business unit or the Ethics and Compliance Committee for a minimum period of 5 (five) years or such higher number of years as required under the applicable laws, if any.

13. Training

- 13.1. All Employees and Third Parties working with the Company must be aware on the principles of this policy. All Employees will have to participate in mandatory annual trainings on the requirements and obligations of this Policy.
- 13.2. Controls for ensuring training participation of every Employee will be in place including maintenance of attendance records etc. by the Ethics and Compliance Committee. Training requirements will also apply to temporary workers if it is envisaged that the work profile allocated to them carries a significant risk as per the Policy.

14. Communication and Affirmation

- 14.1. The Company will communicate the Policy and its approach for its implementation to all Employees and will publish this Policy on its intranet.
- 14.2. All Employees will sign an annual compliance certification (as prescribed in the section below) confirming that they have received and reviewed this Policy, will abide by the Policy and will not violate any terms of the Policy.
- 14.3. The annual compliance certification should be completed by all Employees upon the communication of this Policy including new Employees as a part of their hiring formalities.

15. Variations to the Policy

- 15.1. This Policy shall be reviewed and updated annually or on an ongoing basis, based on need. The Company reserves its right to amend or modify this Policy in whole or in part, as may be deemed fit, at any time without assigning any reason whatsoever.

Compliance Certification (Applicable to all Employees of the Company)

I have received, read and understand the meaning and scope of Anti-Bribery and Corruption Policy (“Policy”) in detail and have undergone the mandatory training session in this regard. I hereby certify that I complied with the Policy in the last calendar year, and I undertake to respect its requirements in the future.

Signature:

Name:

Designation / Department:

Date:

Annexure A

DOs and DON'Ts

DOs

1. Read and familiarize yourself with this Policy and understand your obligations under this Policy.
2. Ensure to complete the mandatory anti-bribery and anti-corruption compliance trainings.
3. Ensure that Third Parties engaged with the Company have confirmed and signed off on the Third Party Code of Conduct.
4. Ensure to keep accurate and transparent records and adequate supporting documentation for transactions on behalf of the Company.
5. Promptly report actual or suspected instances of breach of this Policy.
6. Prevent and detect any suspicious payments, that may indicate corrupt payments or payments facilitating money laundering.
7. Consult the Ethics Compliance Officer for any clarifications or to agree on appropriate conduct in specific situations.

DON'Ts

1. Do not offer, promise, pay, solicit, authorize or accept anything of value to a Government Official or other Third Party in order to secure an improper business advantage.
2. Do not offer, promise, authorize or make facilitation payments or receive kickbacks of any kind.
3. Do not give or accept, directly or indirectly, any gift, hospitality or entertainment to or from a Government Official or other Third Party in order to influence their actions in favour of the Company or act as an inducement to get or retain the business.
4. Do not make suspicious payments such as, payments in cash or its equivalents, from personal accounts instead of business accounts, financial institutions or Third Parties where there is no business connection, etc.
5. Do not make misleading, false, incomplete or fictitious entries in the Company's books and records.