



Tata BlueScope Steel Pvt Ltd

Anti Bribery-Anti Corruption Policy

Ver 1.1

Ethics Office
July 01, 2022

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Summary of Changes Made to The Policy Document

Version No.	Version Date	Prepared By	Reviewed By	Approved by	Affected Section & Description of Change
1.0	2 nd July 2017	Nayana Rokade	Ravi Suryavanshi	Riten Choudhury	• Document created
1.1	13 th June 2022	Nayana Rokade	-	Anoop Kumar Trivedi	• Policy updated in line with model policy of Tata group

Purpose

- The purpose of this Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") is to outline guiding principles and adequate procedures in order to prevent our Company's involvement in any activity relating to bribery, facilitation payments, or corruption, even where the involvement may be unintentional. It requires employees, directors, officers of the Company and third parties subject to this ABAC Policy to
 - recognize questionable transactions, behaviour or conduct;
 - be alert to warning signs in relation to bribery and corruption;
 - report actual or suspected violations of this ABAC Policy;
 - report any evidence that an agreement or arrangement with a third party lacks business integrity;
 - report any direct or indirect approach that involves any activity relating to bribery or corruption;
 - co-operate with any investigation or audit activities relating to matters covered by this ABAC Policy; and
 - otherwise fully comply with and follow procedures set in place to deal with such behaviour or conduct.

Scope and Applicability

- This ABAC Policy is applicable to our Company and all activities undertaken for or by the Company directly or indirectly. Our Company shall recommend adoption of this ABAC Policy to the Boards of its subsidiaries and associates.
- This ABAC Policy is applicable to all individuals working at all levels and grades, including directors, senior managers, officers, other employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, interns, seconded staff, casual workers and agency staff, agents, or any other person associated with our Company; and such other persons, including those acting on behalf of our Company, as designated by the Compliance Officer (as defined below) from time to time, (all of the aforesaid being collectively referred to as "TBSPL Personnel").
- This ABAC Policy requires TBSPL Personnel to recognize questionable transactions, behaviour or conduct, and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct.

4. This policy sets out the minimum standards to assist TBSPL Personnel to set up adequate procedures in order to ensure the prevention, deterrence and detection of bribery and other corrupt business practices in the conduct of the operations and business activities, directly or indirectly through a third party, to or from any individual, or associates, officials in the private or public sector, government officials, agents customers and suppliers.
5. These could include improper payments, gifts or inducements of any kind to obtain or retain business, or to secure improper business advantages, licenses or permits.

Policy Statement

1. The Company does not tolerate bribery or corruption in any form or manner. The Company is committed to implementing and enforcing adequate procedures to prevent, deter, detect, and counter bribery and corruption in any form or manner.
2. As a part of this commitment, offering, promising to offer, or accepting bribes, directly or indirectly, and being involved in corruption is prohibited. This commitment shall reflect in every aspect of our business.
3. The Company and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits which are intended to or perceived to obtain business or uncompetitive favours for the conduct of its business and shall participate in efforts to eliminate such forms of an "illicit payment", bribery, fraud and corruption.
4. TBSPL CoC 2015 and this ABAC Policy prohibits TBSPL Personnel from giving bribes not only to any public/government official but also to any private individual. Bribery in any form will not be tolerated.
5. Our Company is committed to maintaining detailed and accurate books of account of all transactions, which will aid in detection of bribery or corruption.
6. Our Company is committed to acting professionally, fairly and with integrity in all its business dealings and relationships wherever it operates, and to implementing and enforcing effective systems to counter bribery. This includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts or inducements of any kind to or from any person, including officials in the private or public sector, customers and suppliers. Our Company is equally committed to the prevention, deterrence and detection of bribery and other corrupt business practices.
7. The guidelines in this ABAC Policy supplement the Tata BlueScope Steel Code of Conduct 2015 ("TBSPL CoC 2015") and should be read in conjunction with:
 - TBSPL CoC 2015;
 - the Whistle blower Policy;
 - any guidance published pursuant to this policy or TBSPL CoC 2015; and
 - any other relevant policies as may be implemented from time to time.
8. Bribery and corruption can take many forms including cash or gifts to an individual or family members or associates, inflated commissions, fake consultancy agreements, unauthorized rebates, non-monetary favours

and false political or charitable donations. These actions may be undertaken directly or through a third party for the benefit of the individual or any of its family members.

9. It is illegal and immoral to, directly or indirectly, offer or receive a bribe, involvement in any activity relating to bribery, facilitation payments, or corruption, even where the involvement may be unintentional.
10. Different jurisdictions adopt different yardsticks to determine whether or not a particular act or omission is an offence and prescribe different standards for adequate internal financial and accounting controls, records and reporting.
11. This ABAC Policy constitutes a minimum standard that must be complied with in all countries of the Company's business and operations. These minimum standards are applicable to the Company even when this ABAC Policy is stricter than the anti-bribery and anti-corruption laws that are applicable in any country - including both applicable local laws and laws with extra-territorial application. However, when the applicable anti-bribery and anti-corruption laws are stricter than this ABAC Policy, such laws must be complied with.
12. TBSPL Personnel have a responsibility to comply with this ABAC Policy and ensure that our Company's procedures and measures to combat bribery and corruption risks and threats are upheld and strengthened. If in doubt whether an act would breach this ABAC Policy, the TBSPL Personnel must take a step back and ask oneself the following on a contemplated action:
 - What is the intent – is it to build a relationship or is it something else?
 - How would it look if these details were on the social media/public domain?
 - What if the situation were reversed – would there be a double standard?
13. Whenever faced with a doubt on the applicability of this ABAC Policy, or if an act could be perceived to be a breach of this ABAC Policy, TBSPL Personnel should consult the Ethics Counsellor (EC) or the Compliance Officer (CO). If the EC or CO find themselves conflicted, they should seek guidance from the Managing Director.
14. While an exhaustive list cannot be provided, set out below are indicative questionable transactions or situations that TBSPL Personnel should be careful about - which, when appearing together or individually, should raise a 'red flag':
 - i) A contract requires the use of a third-party consultant dealing on behalf of TSL with Government agencies;
 - ii) 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;
 - iii) 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;
 - iv) Transactions involving unusual payment patterns or financial arrangements. Accordingly, a request to pay unusually high commissions is a warning sign of possible corruption. A request to deposit commissions in multiple bank accounts, perhaps in offshore banks, also justifies additional scrutiny;

- v) Transactions for which invoices are processed but deliverables are not as per contract or service level agreements.
 - vi) Transactions without approval of appropriate authority.
 - vii) A potential counterparty who refuses to accept an ABAC or anti-money laundering clause in the proposed contract;
 - viii) Based on pre-acquisition / counterparty due diligence, it becomes apparent that the potential counterparty has a reputation for offering bribes or violating other laws or indulging in unusual structured transactions;
 - ix) Inflated pay-outs to, or questionable role in the project of potential counterparty or its affiliate;
 - x) A proposed counterparty resists or fails to provide details of parentage or has undisclosed principals, associates or subcontractors with whom it splits fees;
 - xi) A proposed counterparty refuses access to its books and records when requested under the proposed contract.
15. Because no code of conduct or policy can cover every possible situation, our Company relies on the TBSPPL Personnel to use good judgment and to speak up when they have either questions or concerns.

Definitions

1. Bribery

Bribery includes the offer, promise, giving, demand or acceptance of an undue advantage as an inducement for an action which is illegal, unethical or a breach of trust. Bribes often involve payments (or promises of payments) but may also include anything of value - providing lavish/inappropriate gifts, hospitality and entertainment, inside information, or sexual or other favours; offering employment to a relative; underwriting travel expenses; abuse of function; or other significant favours. Bribery includes advantages provided directly, as well as indirectly through an intermediary. Bribery also includes any attempt to do any of the foregoing.

In the Indian context, the ingredients of an act of bribery under the PCA are:

- a) Any person who gives or promises to give an undue advantage to another person or persons with intention to induce a public servant to perform improperly a public duty
- b) Any person who gives or promises to give an undue advantage to another person or persons to reward such public servant for the improper performance of public duty.

Violators of the PCA shall be subject to fines and/or imprisonment. Liability could also be attributed to a company, if an employee/agent acted within the scope of employment, to obtain benefit for such a company.

Improper Performance could lead to accusations of criminal breach of trust, which is an offence under the Indian Penal Code (IPC). The IPC also penalises abetment as an offence. Under the IPC any person who intentionally aids,

by any act or illegal omission, the doing of a thing, or engages with a person/ persons in a conspiracy for the doing of a thing, is guilty of the offence of abetment. Additionally, a person could also be prosecuted for offenses of cheating and/or criminal breach of trust under the IPC.

2. Corruption

Corruption includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards, such as misuse of public office or power for private gain or misuse of private power in relation to business outside the realm of government.

3. Public Official (Government Official or Public Servant) / Foreign Public Official

A "Public Official" would include the following:

- a) 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;
- b) 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;
- c) 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;
- d) any person authorised by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner;
- e) 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;
- f) any elected or appointed officers or employees of public international or multilateral organizations, such as the United Nations; and
- g) any other person who is considered as public official according to applicable laws and regulations.

"State" means all levels and subdivisions of governments (i.e., local, regional, or national and administrative, legislative, or executive).

4. Foreign public official

A "Foreign Public Official" broadly includes the "Public Officials" mentioned above who are not under the domestic jurisdiction (country of operation of the Company). The definition of "Foreign Public Official" is subject to the definition prevalent in local regulation applicable.

Under non-Indian anti-bribery and anti-corruption laws, what constitutes a "foreign official" or "foreign public official"

is interpreted broadly and includes officials from all branches of government, as well as public international organizations, regardless of whether the official is a paid or unpaid employee. The term also includes political parties, party officials, and candidates for public office. Further it includes employees or agents of state-owned or state-controlled enterprises and means any person acting in an official capacity on behalf of any government department, agency, instrumentality, or corporation, family members of the official, as well as a political party official or any candidate for political office.

5. Facilitation payment or kickbacks

"Facilitation Payments" are unofficial payments made to public officials in order to secure or expedite the performance/non-performance of a routine or necessary action. They are sometimes referred to as 'speed' money or 'grease' payments or 'good-will money'. The payer of the facilitation payment usually already has a legal or other entitlement to the relevant action. "Kickbacks" are typically payments made in return for a business favour or advantage.

6. Third party

The term "third party" includes any individual or organization, who/which comes into contact with the Company or transacts with the Company, and also includes actual and potential clients, vendors, consultants, retainers, agents, advisors, distributors, business associates, partners (including academic institutions), contractors, suppliers or service providers who work for and on behalf of the company.

7. Improper performance

Breach of an expectation that a person will act in good faith, impartially or in accordance with a position of trust amounts to improper performance. This would also include obtaining, agreeing to receive, accepting, or attempting to obtain, an undue advantage for acts to be performed properly.

8. Relevant Regulations

Company upholds all laws relevant to countering bribery and corruption as applicable for the conduct of its business across all the jurisdictions in which it operates including India (Prevention of Corruption (Amendment) Act 2018), the United Kingdom (UK Bribery Act, 2010), and the United States of America (Foreign Corrupt Practices Act, 1977). Different statutes adopt different yardsticks to determine whether a particular act or omission is an offence thereunder. The list and key aspects of "Relevant Regulations" are provided in Annexure A.

Compliance Officer (CO)

The Company shall, from time to time, designate an employee of adequate seniority, competence and independence as the Compliance Officer (CO) to ensure compliance with the provisions of this ABAC Policy ("CO") and the same shall be notified to TBSPL Personnel.

The **Company Secretary** has been designated as the CO.

All reports, complaints, doubts or concerns in relation to matters covered by this ABAC Policy should be raised by the relevant TBSPL Personnel to the CO or EC. Every query or concern raised by any TBSPL Personnel in relation to any suspected violation of this ABAC Policy shall be investigated by the CO.

All queries, concerns or complaints received by the CO dealing with a bribery or corruption issue should be reported to the Ethics committee. Any action required to be undertaken under this ABAC Policy shall be taken by the Ethics Committee. EC shall submit quarterly compliance reports to the Managing Director. Aggravated cases of breach of this ABAC Policy shall be escalated to the Board of Directors of the Company ("Board").

Areas of Concern- Where Corruption Risk is Highest

1. Corruption can take place in many types of activities. It is usually designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behaviour – they could be in the form of money, a privilege, an object of value, an advantage, or merely a promise to influence a person in an official or public capacity. Usually, two people are involved and both would benefit. Examples of a bribe include offering or receiving of cash in the form of a kickback, loan, fee or reward, or giving of aid, donations, or voting designed to exert improper influence.
2. The areas of business where corruption, including bribery, can most often occur include:
 - a) Gifts, Entertainment and Hospitality;
 - b) Facilitation Payments;
 - c) Procurement Process;
 - d) Political, Community or Charitable Contributions;
 - e) Improper Performance of Duties;
 - f) Favours Regarding Recruitment Opportunities.

General Principles

A. Risk Assessment

- i. Bribery and corruption risks may vary due to various factors therefore, a risk-based approach shall be taken to build required safeguards.
- ii. A risk assessment shall be conducted to identify risk profile of the Company related to bribery and corruption. This shall include review of external factors (like industry, geographic footprint, regulatory landscape, etc.) and internal factors (like policies, procedures, training program, analysis of data etc).

- iii. Based on the risk profile identified necessary steps for its mitigation shall be taken. The risk assessment process shall be undertaken once every three years or earlier in case of a major change in factors impacting the risk e.g. nature of business, new regulation, etc.

B. Gifts, Entertainment and Hospitality

- i. 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, stones, jewellery, art, and any of their equivalents, but also intangible items such as discounts, services, loans, favours, special privileges, advantages, benefits and rights that are not available to the general public.
- ii. 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.
- iii. Under no circumstances should any TBSPL Personnel ever offer or solicit a gift or hospitality from any person or company that is doing, or seeks to do, business with the Company. Offering gifts in order to win or keep business is not only unethical, but in many cases, illegal.
- iv. Gifts, entertainment, and hospitality may be acceptable if they are reasonable, proportionate, made in good faith and in compliance with the Company's policies, inclusive of Clause 5 of the TBSPL CoC 2015, our Company's Gifts & Hospitality Policy and various advisories issued from time to time under the foregoing. Any doubts in this regard should be clarified with the EC or the CO.
- v. Note that this ABAC Policy is applicable whether a TBSPL Personnel is personally offered a gift, or if a gift is offered for the benefit of a specific group or department at the Company (including as a prize to be distributed at a party or event). All gifts received should be promptly reported to the EC or CO if they are not in the ordinary course of business, in compliance with all policies issued by the Company and as per applicable law. Gifts of cash or cash equivalents must never be accepted.
- vi. A TBSPL Personnel may give a modest gift to a government or other public official only when it is appropriate, allowed by local law, and in accordance with our Company's Gifts and Hospitality Policy.
- vii. TBSPL Personnel are prohibited from offering gifts or granting favours outside the ordinary course of business to current or prospective customers, their employees or agents or any person (including but not limited to Government Officials) with whom the company or its business associates have a contractual relationship or intend to negotiate an agreement which is not in compliance with the Company's Gift and Hospitality Policy. No TBSPL Personnel should accept or solicit any personal benefit from anyone in the course of business in a manner that might compromise or appear to compromise their objective assessment.
- viii. The Company recognises that in certain countries the giving and receipt of gifts and/or hospitality is an important part of doing business, however, irrespective of local customs, excessive or inappropriate levels of hospitality or value of gifts could be bribes if given or received in order to

improperly influence behaviours.

- ix. It is responsibility of the TBSPL Personnel to determine whether the level of gift or hospitality is appropriate. As a general guide, the giving or receiving of gifts or hospitality may be acceptable if it meets the following requirements:
 - a) It is not received or offered in cash or cash equivalent.
 - b) The purpose and supporting details can be documented in a clear and identifiable manner so that any third party can easily understand it.
 - c) It is consistent with our ABAC policy.
 - d) It does not violate Prevention of Corruption Act, 1988 and Prevention of Corruption (Amendment) Act, 2018.
 - e) It is of nominal value (as defined in the Gift & Hospitality policy) and is not designed to influence the judgment or encumber the independence of the person receiving it.
 - f) It is authorized and approved by an appropriate authority within TBSPL.
- x. In addition to the above, each TBSPL Personnel is required to be in compliance with the specific guidelines set out in the Company's Gifts and Hospitality Policy, including in relation to maximum values permitted.

C. Compelled to give Undue Advantage

- i. While the Company remains committed to its policy prohibiting bribe or facilitation payment, it recognises that there may be exceptional circumstances in which any TBSPL Personnel's or third party's health and safety is compromised due to such demands by an individual or authority.
- ii. For such exceptional circumstances, TBSPL Personnel must consult either their Reporting Manager or EC or CO before conceding to the demand of bribe or facilitation payment. Any payment made under such exceptional circumstances must be reported formally to the EC and CO within 24 hours with complete details regarding the same.
- iii. The Legal Head shall report the matter to the relevant law enforcement authority or regulatory body within a period of seven days from the date of receipt of such matter.

D. Facilitation Payments or Kickbacks

- i. All Facilitation Payments and kickbacks are corrupt payments, and any such payment in the course of our Company's business is strictly forbidden.
- ii. Facilitation Payments are often 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. Procurement Process

- i. TBSPL Personnel must follow our Company's processes and adhere to the system of internal controls around supplier selection including required due diligences, delegation of powers and the sanction request mechanism.
- ii. Supplier selection should never be based on receipt of a gift, hospitality or payment. When supplier selection is a formal, structured invitation for the supply of products or services (often called a 'tender'), it is most important we maintain documentation supporting our internal controls.
- iii. TBSPL Personnel must familiarise themselves with our Company's procurement processes and must adhere to the same.

F. Interaction with Customers

- i. The Company sells its products either directly to customers or through distributors. Where a TBSPL Personnel is responsible for relationships with customers or distributors, she/he may entertain customers or distributors for bona-fide purposes only in accordance with our Company's Gifts & Hospitality Policy.
- ii. Bribery may also occur on the sales side, for example an employee might accept a bribe to prefer one customer over another, again with potentially damaging consequences for relationships with other customers, as well as the legal consequences to our Company.
- iii. In the normal course of business, discounts and rebates are offered to customers in both the private and public sectors. While this is common industry practice, the wide variety of arrangements and the relative complexity of some of them creates a degree of risk that such arrangements could be used to disguise improper inducements to individual customer representatives (for example, selective dissemination of the fact that free products are being provided), and consequently great care needs to be exercised in the deployment of such arrangements.

G. Use of Third-Party Agents, Consultants and other Intermediaries

- i. Our Company may be held responsible for bribes paid on its behalf by third parties, with severe and often irreparable consequences, even if our Company did not authorize these payments. Therefore, it is critical that we are careful in the selection of third parties who act on our behalf or with whom we deal or are otherwise associated.
- ii. All dealings with third parties shall be carried out with the highest standards of integrity and in compliance with all relevant laws and regulations. We expect all our third parties to share our values and our ethical standards.
- iii. The engagement process including the final approval of selection of any third party should be fully documented and up to date records maintained.
- iv. TBSPL Personnel must ensure that all third parties with whom they deal are aware of the Company's policies and expectations with respect to bribery and corruption. Due diligence must be carried out on all third parties with whom business is conducted by the Company. The extent of

due diligence should be proportionate to the risk associated with the relevant country and/or activity.

- v. All contracts with third parties must be in writing, on commercial terms and be reviewed by the Company's legal team. Formal commitment (in writing) should be sought from the third party to ensure compliance to the latest version of the TBSPL Code of Conduct. Appropriate anti-bribery and anti-corruption provisions should be incorporated in the contracts in consultation with the EC or CO .
- vi. Payments to all third parties must only be made to the contracting party in its home country, not to an offshore account or entity, other than with the prior written approval of the CO.

H. Government Interaction

- i. Clause 18 of TBSPL CoC 2015 states *"Every employee of the Company shall, in his business conduct, comply with all applicable laws and regulations, both in letter and in spirit, in all the territories in which he operates. If the ethical and professional standards set out in the applicable laws and regulations are below that of the Code then the standards of the Code shall prevail"*.
- ii. Doing business with the government is highly regulated and typically follows stricter rules than those in the commercial marketplace. If you work with government officials or a government-owned (or partially-owned) company, you have a special duty to know and comply with applicable laws and regulations, adhere to the highest standards of integrity and avoid even the appearance of impropriety. Our Company may interact with the government, government officials and government agencies in multiple forms, such as: for seeking statutory or regulatory approvals, as a supplier, as a customer, etc. TBSPL Personnel should always be truthful, accurate, co-operative and courteous while representing our Company before any government, government officials and government agencies.
- iii. Our Company and employees shall not, unless mandated under applicable law and our Company's Corporate Social Responsibility ("CSR") Policy¹, offer or give any company funds or property as donation to any government agency or its representative, directly or through intermediaries. However, in the Indian context for example, donation of our Company's funds or property to the Prime Minister's Relief Fund or donations towards disaster relief may be permitted pursuant to our Company's CSR Policy. The Company shall comply with government procurement regulations and shall be transparent in all its dealings with government agencies.
- iv. Any gifts, hospitality or entertainment with respect to government officials must be in compliance with the Company's Gift and Hospitality Policy.

I. Political Community and Charitable Contributions

- i. Clause 7 of TBSPL CoC 2015 states: *"The Company shall be committed to and support functioning democratic constitutions and governance systems with transparent and fair electoral systems. The Company shall not support directly or indirectly any specific political party or candidate for political office. The Company's conduct shall preclude any activity that could be interpreted as mutual*

dependence / favour with any political body and shall not offer or give any company funds or property as donations, directly or indirectly, to any specific political party, candidate or campaign”.

- ii. TBSPL Personnel are not allowed to make political contributions from the funds, properties or other resources of our Company except political contributions approved by the Board in accordance with the TBSPL CoC and in compliance with applicable law.
- iii. TBSPL Personnel may incur reasonable costs for attendance at an event hosted by a political party only where:
 - a. the event is for briefing purposes or for the purpose of meeting and having dialogue with political figures which contributes to the public debate of policy issues that may affect the Company; and
 - b. such payment is approved by the EC or CO.
- iv. Company may make charitable donations for humanitarian needs and other factors, including emergency situations and disaster relief. Such contributions must be made in compliance with our Company's CSR Policy. However, it is important that we pay special attention when making donations such that they shall be made without demand or expectation, so that our donations would not and could not be considered inducements, as this would be a violation of the anti-corruption laws, the TBSPL CoC and this ABAC Policy. Thus, contributions by the Company to community projects or charities need to be made in good faith and in compliance with our TBSPL CoC, this ABAC Policy and all other relevant policies and procedures.

J. Sponsorships

- i. 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.
- ii. Any sponsorship must be for genuine business or charitable objectives without any element of quid pro quo.
- iii. Any such sponsorship must be transparent, duly approved, properly documented and duly reported as per our Company's CSR Policy.

K. Mergers and Acquisitions

- i. A company that does not perform adequate due diligence regarding compliance with anti-bribery and anti-corruption procedures of the target company prior to a merger or acquisition may face both legal and business risks. Our Company will undertake appropriate and reasonable due diligence on the reputation and integrity of any business in which it makes investments.
- ii. Our Company, when it is acquiring a potential target, will train new employees, re-evaluate third parties under company standards and where appropriate, conduct audits on new business units.

L. Conflicts of Interest

- i. Clause 20 of TBSPL CoC 2015 provides detailed guidance on assessment of potential situations of conflict of interest.
- ii. Any conflict of interest, even if it is perceived or potential, must be reported to the EC or CO, must be in turn reported to the appropriate competent authority as defined in TBSPL CoC 2015, and actioned as per the guidance provided in the TBSPL CoC.

M. Books, Records, and Internal Control Requirements

- i. Accurate and complete recordkeeping is essential to the successful operation of our Company, as well as to our ability to meet our legal and regulatory obligations. Each TBSPL Personnel has a responsibility to be accurate, complete and honest in what he/she reports and records to meet regulatory requirements, as well as in all internal and external documents of our Company, including accounting records, time cards, expense reports, invoices, payroll records, safety records, business records, performance evaluations, etc.
- ii. Expenses must never be hidden or purposefully misclassified. Many serious global bribery and corruption scenarios are found to involve inaccurate record-keeping. To prevent this, international anti-corruption laws generally require detailed and accurate accounting records for transactions, including cash and bank accounts. All TBSPL Personnel must ensure that the Company maintains accurate books, records and financial reporting.
- iii. All business units and entities must maintain an effective system of internal control and monitoring of our transactions. Certain monitoring controls are identified in our policies, specifically regarding approval of travel and entertainment expenses. It is the responsibility of the TBSPL Personnel to be knowledgeable about control procedures and ensure compliance.
- iv. TBSPL Personnel 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 third parties.
- v. All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and maintained with accuracy and completeness. TBSPL Personnel must ensure that we maintain the records we need to meet our legal, tax and regulatory requirements and securely dispose of records that are no longer needed or are beyond the statutory retention period. TBSPL Personnel should take care never to dispose of information that may be relevant to current or threatened litigation or subject to a legal prohibition or stipulation until they are authorized in writing to do so by the relevant department.
- vi. TBSPL Personnel who see or suspect financial misconduct should immediately notify their supervisors and contact the EC or CO.

Responsibilities

a. Audit Committee / Board of Directors

- i. 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 immediately to the Audit Committee or Board.
- ii. The Audit Committee will monitor the effectiveness and review the implementation of this ABAC Policy, considering its suitability, adequacy and effectiveness.

b. Compliance Officer (CO)

- i. CO should ensure that regular and relevant on-going training and awareness sessions are made available to TBSPL Personnel in relation to this ABAC Policy.
- ii. All reports, complaints, doubts or concerns in relation to this ABAC Policy shall be raised to the CO. Any query, concerns or complaint received by any TBSPL Personnel including EC regarding bribery or corruption issue should be promptly reported to the CO.
- iii. Every query or concern raised in relation to any suspected violation of this ABAC Policy shall be reviewed/investigated by the CO. Any action required to be undertaken shall be taken by the CO in accordance with this ABAC Policy.

c. TBSPL Personnel

- i. TBSPL Personnel should familiarise themselves with this ABAC Policy and other policies, procedures and controls like Gifts and Hospitality through participation in training sessions made available or guidelines issued by the Company from time to time.
- ii. TBSPL Personnel must comply with this ABAC Policy and ensure that our Company's procedures and measures to mitigate ABAC risks are upheld and strengthened. If in doubt whether an act would breach this ABAC Policy, take a step back and ask oneself the following for the contemplated action:
 - What is the intent – will this act be perceived as taking or giving undue advantage?
 - How would it look if these details were on the front page of a major newspaper or social media?
- iii. Whenever faced with a doubt on this ABAC Policy, or about any act that can be perceived to be a potential breach of this ABAC Policy, the Tata [Company name] Personnel shall consult EC or CO.
- iv. TBSPL Personnel are required to ensure that all expense claims relating to hospitality, gifts, charitable donations or payments made to third parties are submitted in accordance with applicable policies and that all such expense claims specifically record or state the reason for such expenditure.
- v. TBSPL Personnel who are in managerial positions shall ensure that their team members are familiar with this ABAC Policy and other related policies herein. They shall guide and ensure that the guidelines in this ABAC Policy are upheld and adhered to by their team members and the third parties working with them.

- vi. It will be the duty of each TBSPL Personnel to report any non-compliance or any Red Flag indicators (Refer Annexure B) noted so that necessary action can be taken by the Company promptly to mitigate the risks and other consequences arising therefrom.
- vii. TBSPL Personnel shall provide full cooperation for any enquiry or investigation conducted or to be conducted by the Company for potential violation of this ABAC Policy.

Communication and Compliance Training

1. It is our commitment to ensure that our Company has adequate procedures to combat ABAC risks and threats. To meet this objective, regular training will be made available to all business units in relation to our ABAC Policy, obligations of TBSPL Personnel, company procedures and measures.
2. TBSPL Personnel must undertake compliance training when it is offered to them. They must not treat these training programs as a 'one-time' event and they are expected to keep themselves up to date by undergoing repeat training at regular intervals or each time a training program is updated.

How to Report Concerns

1. Every TBSPL Personnel is encouraged to report any concerns they have about any bribery issue or suspicion of malpractice or any case of corrupt practice or any breach of this ABAC Policy or applicable ABAC law at the earliest possible stage. If a TBSPL Personnel is unsure whether a particular act constitutes bribery or corruption or if they have any other queries, these must be raised with the respective Head of the Department and in cases of any conflict of interest, directly with the EC or CO.
2. TBSPL Personnel must:
 - a. be alert to warning signs in relation to bribery and corruption;
 - b. report actual or suspected violations of this ABAC Policy;
 - c. report any evidence that an agreement or arrangement with a third party lacks business integrity;
 - d. report any direct or indirect approach that involves any activity relating to bribery or corruption; and
 - e. co-operate with any investigation or audit activities relating to matters covered by this ABAC Policy.

Violations and Penalties

1. Our Company takes the subject of corruption and bribery very seriously. Any violation of this ABAC Policy (including a failure to report a breach, co-operate with audit, or perform adequate due diligence) will be regarded as a serious matter and shall result in disciplinary action, including termination, consistent with applicable law and the employee's terms of employment.

2. Bribery is a criminal offense. The defaulting TBSPL Personnel will be accountable whether they pay bribe themselves or authorize, assist, or conspire with someone else to violate this ABAC Policy or an anti-corruption/anti-bribery law. Punishments for violating the law are against a defaulting TBSPL Personnel as an individual and may include imprisonment, probation, and significant monetary fines which will not be paid by the Company. For example, punishment under the PCA ranges between 6 months and 5 years, along with a fine. In certain cases of habitual offenders imprisonment could be as high as 7 years. There is no limit on the maximum fine payable.
3. In case of violations of this ABAC policy, the EC or CO shall take appropriate steps such as:
 - a) Assigning an Investigation Team: The EC and CO along with other experts with the right knowledge and objectivity may be appointed to investigate a complaint.
 - b) Conducting an Investigation: Every investigation relating to a suspected violation of this ABAC Policy shall be investigated by the EC and CO together with other members assigned under sub-clause (a) above. The objective of such an investigation would be to determine the facts, through interviews with concerned participants and/or review of documents. Such investigation team will make a written demand for information, records etc. that is reasonably related to the alleged offence, including, without limitation: (a) copies or access to all records relating to the alleged offence (such as telephone records, Internet service records and/or other records stored on computer hard drives or other information storage equipment); and/or (b) a written statement made by the TBSPL Personnel, if any, setting out in detail all of the facts and circumstances of which such a TBSPL Personnel is aware with respect to the alleged offence. Each TBSPL Personnel shall co-operate with the investigation team and promptly respond to all requests for information. It is clarified that the report prepared by the investigations team, shall be kept confidential and shall be shared only with such persons who have a "need to know" under applicable law or Company Policies.
 - c) Corrective Action: If necessary, corrective actions shall be prescribed or suggested to appropriate managers, officers and employees for implementation.
 - d) Penalties: The EC, CO and the Ethics Committee shall, after considering inputs, recommend appropriate disciplinary action, including but not limited to suspension and termination of service of such a defaulting TBSPL Personnel. The CO shall also recommend if the violation is potentially criminal in nature and should be notified to the authorities under applicable law. In the event of criminal or regulatory proceedings, the TBSPL Personnel shall co-operate with relevant authorities. Depending on the nature and scale of default, the CO may also recommend to commence civil and/or criminal proceedings against such a TBSPL Personnel in order to enforce remedies available to our Company under applicable laws.
4. All internal investigations shall follow principles of natural justice and shall ensure that the relevant TBSPL Personnel is provided with an opportunity to make his/her case before the investigation team.
5. Any violation of this ABAC Policy by a TBSPL Personnel will be regarded as a serious matter and shall result in disciplinary action, including but not limited to termination of employment, consistent with applicable law and the employee's terms of employment.
6. Bribery is a criminal offense. TBSPL Personnel will be accountable whether they pay a bribe themselves or if

they authorize, aid, assist, or conspire with someone else in contravention to the anti-bribery and anti-corruption laws. Punishments for violating the law against an individual includes imprisonment, probation, and monetary fines (which will not be paid by the Company). For example, punishment under the PCA ranges between 3 years and 7 years, along with a fine (There is no limit on the maximum fine payable).

General Guidelines

1. This Anti-Bribery and Anti-Corruption (ABAC) Policy is applicable to our Company's India operations. Different countries may have different laws on bribery and corruption and therefore the Company's foreign subsidiaries may adopt policies which are relevant to the jurisdictions in which they operate and as advised and recommended by their respective boards.
2. We uphold all laws relevant to countering bribery and corruption applicable to us in the conduct of our business across all the jurisdictions in which we operate including, wherever applicable, the U.S Foreign Corrupt Practices Act ("FCPA"), the UK Bribery Act ("UKBA"), the Indian Prevention of Corruption (Amendment) Act, 2018 ("PCA"). Different statutes adopt different yardsticks to determine whether or not a particular act or omission is an offence thereunder; thus an act may be an offence under one statute, but not under another. The FCPA makes it a federal crime for companies or individuals to bribe government officials in non-U.S. countries in order to obtain or retain business, or to secure improper business advantages. The FCPA also requires public companies or issuers (U.S. and non-U.S companies that trade securities on a U.S. stock exchange), to keep accurate books and records, and to have an adequate system of internal financial and accounting controls. The UKBA prohibits bribery in both, the public and private sectors. Under the PCA, bribery of government officials and agents, whether directly or indirectly, is strictly prohibited.
3. It would also be pertinent to note the impending amendments introduced upon enactment of the Prevention of Corruption (Amendment) Act 2018 in India which are intended to strengthen the legislative framework of the PCA and include:
 - 'supply' side of bribery (i.e. bribe giving) covered by making it a substantive offence under the PCA;
 - The law covers both direct bribery by a corporation/partnership as well as bribery through a third party; and
 - a company could be held liable under the PCA as an offender if any person 'associated' with the company gives a bribe. However, a company would be able to defend itself by proving that it had in place adequate procedures (such as a robust ABAC program) designed to prevent persons associated with it from undertaking such conduct;
 - every director, manager, secretary or other officer with whose 'consent or connivance' the offence was committed, to be made liable under the PCA.
4. In addition to the PCA, 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) Indian Penal Code, 1860 ("IPC");

- ii) Prevention of Money Laundering, 2002;
- iii) Central Vigilance Commission Act, 2003;
- iv) Lok Ayukta Acts of various states.

Periodic Review and Evaluation

1. Audit Committee will monitor the effectiveness and review the implementation of this ABAC Policy, considering its suitability, adequacy and effectiveness.
2. Company reserves the right to vary and/or amend the terms of this ABAC Policy from time to time.



Anoop Kumar Trivedi

Managing Director