

**ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

Author of the Policy	Human Resources Department
Vetted by	Chief People Officer
Approver of the Policy	Board
Details of the Approval of Board	Board approval: January 09, 2025
Applicability	All employees/Directors/Consultants/Interns/Vendors
Policy Amendments	Board
Reference	The Prevention of Corruption (Amendment) Act, 2018, US Foreign Corrupt Practices Act, 1977 (FCPA), the United Kingdom Bribery Act 2010 and other related laws
Date of Policy	January 09, 2025



## Introduction

This anti-bribery and anti-corruption policy ("**Policy**") is aimed in combating the bribery and corruption practices within Veritas Finance Limited ("**Company**"). The Company has zero tolerance for bribery and corruption activities. We are committed to acting professionally, fairly, and with integrity in all business dealings and relationships. The Company is committed to implementing and enforcing systems that ensure bribery is prevented.

The Company will constantly uphold all laws relating to anti-bribery and corruption and any stakeholder, if discovered of bribery and corruption shall be punishable as decided by the whistleblower depending on the violation. The Policy prohibits offering, promising, giving or authorizing others to give anything in excess of a certain value, either directly or indirectly, to any person or entity, thereby setting out Company's standards on bribery and other forms of unlawful payments and provides guidance on combating corruption and to conduct all of our business in an honest and ethical manner.

This policy also aims to guide employees to act professionally, fairly and with utmost integrity in all their business dealings and relationships, wherever they operate.

## Scope

This Policy shall apply to employees including directors, officers, shareholders of the Company and all appointed third-party representatives of Company such as agents, consultants, others working on behalf of the Company irrespective of their location, function or grade.

## Definitions

- a) **Bribery** is the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage so as to induce or influence an action or decision.  
Any inducement, reward, or object/item of value offered to another individual in order to gain commercial, contractual, regulatory, or personal advantage is the offer of undue reward by or to any person in a public sector, private employee, colleague or representative of another organization in order to influence his / her behaviour in office and to induce them to act in contravention of rules and regulations, ethics, trust and integrity.
- b) **Corruption** is the abuse of entrusted power for private gain and typically involves Bribery.
- c) **Facilitation Payment** means payments to induce government officials to perform routine functions they are otherwise obligated to perform, as bribes.

- d) **Government Official** is broadly defined and includes (a) officials and employees; and (b) any person acting in an official capacity for or on behalf of: any government, governmental agency or instrumentality, or any public international organization; any company that is controlled by a government or governmental agency (notwithstanding that the company may be publicly listed); and o any political party, party official or political candidate
- e) **Corrupt Practice** means the promising, offering, giving, making, authorising, insisting on, receiving, accepting or soliciting, directly or indirectly, of any illegal or undue payment, bribe, kick-back, or advantage of any nature, to or by any person, with the intention to, or the knowledge that such payment or advantage may, directly or indirectly influence, whether as inducement or reward, the actions or decisions of any person, including causing any person to refrain from any action or decision; or any action or omission which is prohibited in any applicable jurisdiction by law or regulation relating to bribery or corruption.
- f) **Fraudulent Practice** means any action or omission including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial benefit or to avoid an obligation.
- g) **Illicit Origin** means any origin which is illicit, criminal or fraudulent, including without limitation, corruption, terrorist financing, and tax evasion.
- i) **Money Laundering Activities** means the process of moving funds of Illicit Origin through a cycle of transformation to create the end appearance of legitimately earned funds. The process of moving funds consists of providing, receiving or assisting in transfer of funds.
- j) **Obstructive Practice** means deliberately destroying, falsifying, altering or concealing evidence material to the assessment or the making of false statements to those performing the assessment, in order to materially impede an assessment of allegations of a Corrupt Practice, Fraudulent Practice, Money Laundering Activities, or Terrorist Financing and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the assessment or from pursuing the assessment; or acts intended to materially impede the exercise of the Company's access to contractually required information in connection with an assessment of allegations of a Corrupt Practice, Fraudulent Practice, Money Laundering Activities, or Terrorist Financing.
- k) **Sanctionable Practice** means any business activity or transaction with any entity, individual or country which at or during the time of such business activity or transaction is included on the lists of sanctioned entities, individuals or countries published and updated from time to time by the Reserve

bank of India (RBI), Office of Foreign Assets Control of the US Department of Treasury (OFAC), the European Union or the United Nations.

- l) **Terrorist Financing** means financing terrorists, terrorist acts and terrorist organisations.
- m) **Objectionable Practice** means any Corrupt Practice, Fraudulent Practice, Money Laundering Activities, Obstructive Practice, Sanctionable Practice or Terrorist Financing.

### **Prohibited Acts at the Company**

- Offering or suggesting a bribe, or authorize the offer or suggestion of a bribe;
  - Paying bribes;
  - Soliciting or accepting a bribe to influence a decision, to obtain unauthorized access to confidential information, or to commit or omit to do an act, irrespective of a similar outcome without the bribe;
  - Making Facilitation Payment i.e., typically small, unofficial payments made to secure or expedite a routine action (e.g., the issuance of licenses, registering property under rental agreement etc.) by an official, also known as "speed payments / speed money").
- Employees must contact the Chief Compliance Officer, Ms. D. Kanchana Srikanth, prior to making any Facilitation Payment unless an employee's health or safety would be threatened by a delay in making the facilitation payment. Any such payments must be accurately recorded in the books and records.
- Using another party to conduct any of the above;
  - Appointing vendors or suppliers that have not committed to adherence with all applicable laws and regulation, specifically with respect to bribery and corruption;
  - Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption.

### **Check for appropriate business conduct**

This Policy and various guidelines may not be exhaustive and therefore a few questions have been listed down to provide some guidance for making decisions towards appropriate business conduct.

- Check whether your action is legal, right and honest
- Check whether the action is consistent with the terms and spirit of this policy and our values as a business?
- Check whether your action creates an obligation or justify your supervisor and to your family and whether it will defame if exposed

### **Charitable donations**

The Company will ensure that all charitable donations made are legal and ethical and are made with the approval of the whistleblower committee or through the corporate social responsibility (“**CSR**”) activities of the Company

Any charitable donation must always be made directly to a recognized charitable organization and not via another party or individual.

**Political donations**

The Company will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates.

**Offers of employment**

Care must be taken when providing work experience or employment to people that are connected to, or are relatives of, senior public officials. Although it is not prohibited to employ such staff it is important to avoid any perception that any hiring is for an improper purpose. Where such a hiring is being considered, approval from respective function and Chief People Officer to be obtained.

**Gifts and Hospitality**

A “gift” means anything of value, including but not limited to meals, lodging, loans, cash, discounts on any product or service, services, prizes, products, tickets, gift certificates, gift cards, etc. Gifts to any family member or relative including but not limited to payments to a family member or relative or employment of a family member or relative are deemed Gifts receive by the employee. Exchange of gifts with people with whom we do business is a part of normal business relationships. However, if such exchange of gifts or different types of favours are frequent and of substantial value, then it shall create the appearance of a kind of bribery or can create conflict of interest.

- Where it is inappropriate to decline the offer of a gift, the gift may be accepted so long the value of the gift is not more that Rs.1000 (Rupees One Thousand Only) and it is declared to the whistleblower committee and the committee will assess the circumstance.
- Where it is business practice, gifts given and received should always be disclosed to the whistleblower committee
- Any gifts which received can be sent to the admin department which will take the appropriate decision for due return of the gift or for due disposal of the gift and donation of the proceeds to charity.
- If you have any uncertainty whether a gift is an employment gift, you must assume that it is, and provide notification to your reporting manger/head of department. For example, if a vendor who is also a personal friend gives you a birthday present, you must report it as an Employment Gift to your supervisor and the Head of Department
- It is important to avoid even the appearance of impropriety. Consequently, every transaction that you personally engage in with a vendor, competitor, business partner or customer should be

considered and evaluated as an employment gift even if you believe the transaction involved fair and full consideration between the parties. For example, if a vendor provides employment to a family member, the amount of compensation and a description of the employment relationship must be provided.

- Gifts to any family member are deemed gifts received by them, the employee. Gifts to any person or entity at their or for their benefit are also deemed gifts received by them.

### **Gifts vs Bribery**

The exchange of Gifts must be conducted in a way that there is no appearance of bribery. Gifts should not be given or received either to obtain favours/preferential treatment or in return for favours/preferential treatment.

No gifts are acceptable to be offered or received which might violate the ethical values of the giver's/recipient's company such as discrimination based on race, religion or culture.

Only gifts which have been approved by your immediate superior may be retained by the person to whom they have been given.

Inappropriate Gifts - Other types of favours, gifts and entertainment are un acceptable. Employees (which term, as a reminder, includes family members and others as described above) may never engage in the following activities in connection with their work at the Company.

- Offer or accept cash or cash equivalents, including but not limited to stock or other securities and gift certificates, gift cards or discount cards (even if only redeemable for merchandise);
- Offer to accept favours, gifts or entertainment that would be illegal, including but not limited to, bribes, kickbacks and similar matters;
- Offer, accept or request anything as part of an agreement to do anything in return for favours, gifts or entertainment.

### **Policy Administration**

#### **Training**

All Employees working in areas seen as susceptible to bribery and corruption risk, are to receive appropriate training, including refresher training, relating to this Policy and related policies and procedures periodically. All newly hired employees shall receive such training as part of their induction. The Head of Human Resources shall be responsible for imparting such training.

#### **Monitoring and Oversight**

Chief People Officer of the Company shall monitor, review and at least annually report on the effectiveness of and adherence to this Policy, and the steps taken to implement it to the audit committee of the Board.

#### **Auditing**

Internal and external auditors will include an assessment of the implementation of this Policy.

### **Third Parties**

The Company's zero-tolerance approach to bribery and corruption shall, wherever relevant, be communicated to all third parties at the outset of the Company's business relationship with them and as appropriate thereafter. Wherever possible, all such third parties shall also be sent a copy of this Policy at the outset of the said business relationship and periodically throughout the term of the relationship.

### **Review**

The Policy shall be reviewed annually by the Board of Directors or more frequently as may be required.

### **Internal Record Keeping**

The Company shall make and keep books, records, and accounts that conform to the highest professional standards of accuracy and consistency and that, in reasonable detail, accurately and fairly reflect the Company's transactions. Financial records evident for all business gifts made and received will be maintained by the employee and submitted to the whistleblower committee.

A Declaration, written or email record of the amount and reason for hospitality or gifts accepted and given shall be approved and reviewed by the management of the whistleblower committee.

### **Reporting of Breach**

Employees are required to report known or suspected violation of the Policy at the earliest possible stage. The Vigil Mechanism and Whistle-blower Policy of Veritas provides a mechanism for its Employees to raise concerns on any financial irregularities, or violations of policies or law, etc.

#### **Whistleblower Committee:**

Committee Members:

1. D. Arulmany- MD & CEO
2. J. Prakash Rayen- ED & Chief People Officer

**Contact email:** [whistleblower@veritasfin.in](mailto:whistleblower@veritasfin.in)

### **Consequences of Breach**

- Failure to comply with this policy or any misrepresentation, violation may be grounds for disciplinary action, as considered appropriate, including termination of employees as per Ethics and Code Of Conduct Policy. In respect of vendors, in addition to termination of services, penalties may be applied. Non awareness of this policy shall not be an excuse for misrepresentation.
- Bribery is a criminal offence. The defaulting person will be accountable whether she/he pays a bribe herself/himself or authorizes, assists, or conspires with someone else to violate this Policy or an anti-corruption/anti-bribery law. Such cases will be referred by the Company to the law enforcement agencies and no support will be rendered by the Company to the concerned employee or vendor.



**Communication:**

The Company will communicate to its employees and vendors regarding the implementation of this Policy by publishing on its website about this Policy and the principles and practical procedures herein.