

**ANTI BRIBERY  
AND  
ANTI CORRUPTION POLICY**

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

### **1. Objective and Purpose**

- 1.1 Sprng Energy Private Ltd. and its group companies (including subsidiaries and Arinsun Clean Energy P Ltd, the associate company), hereinafter referred to as “**Sprng**”, are committed to the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices.
- 1.2 Sprng is committed to conduct all of its business activities with honesty, integrity and the highest possible moral and ethical standards and vigorously enforce effective systems to counter bribery and corruption in all its business practices and dealings, wherever it operates throughout the world.
- 1.3 Sprng’s objective has been to improve integrity levels within the organization and also take steps to prevent bribery and corruption at all levels.
- 1.4 The Indian Parliament has on July 26, 2018 passed the Prevention of Corruption Act (Amendment) Act, 2018 (the “**2018 Amendment**”), amending the Prevention of Corruption Act, 1988 (the “**PCA**”). The PCA is the primary legislation on corruption and bribery involving public officials in India. The 2018 Amendment has overhauled the charging sections of the PCA and has:
  - (a) Included a distinct offence dealing with the supply side of bribery. The giving or promising to give an undue advantage (which includes any kind of gratification) other than legal remuneration to a public servant with the intention of inducing or rewarding a public servant for the improper performance of any public function is an offence. It is immaterial, whether the offer or promise is ultimately accepted by such public servant.
  - (b) Limited the immunity and protection received by bribe givers under the unamended PCA from prosecution if they reported the acceptance of a bribe by a public servant or became a witness in the prosecution of a bribery offence.
  - (c) Increased the burden on bribe givers to report occurrence of an offence and those seeking any immunity, need to prove that they were “compelled” to provide an undue advantage (such as a bribe) to a public servant and need to report the provision of the undue advantage to enforcement or investigating agencies within a period of seven days.
- 1.5 Designated Persons need to understand that their integrity and discipline is critical for Sprng to ensure compliance with applicable law relating to bribery and corruption and violations can result in not just Sprng, but also its parent company(ies) being held vicariously liable under the PCA for the acts and omissions of any Designated Person.
- 1.6 Sprng is under a duty to embrace robust Anti-Corruption and Anti-Bribery policy to ensure compliance with applicable law and educate the Designated Person about the need for compliance with such policy.
- 1.7 The purpose of this Anti-Bribery and Anti-corruption Policy (hereinafter referred to as “**ABC Policy**”) is to
  - (a) Make all Designated Persons understand acts and omissions, which constitute “bribery” and “corruption” under the ABC Policy;
  - (b) Identify questionable transactions which are prohibited under the ABC Policy;

- (c) Set out the expected behavior, response and conduct by Designated Persons to prevent Sprng's involvement in any act(s) and omission(s) of bribery and/or corruption;
- (d) Set out steps for recording, complying and adopting the procedures set out under the ABC Policy.

## **2. Scope and applicability**

- 2.1 The ABC Policy applies to all individuals working for or acting on behalf of Sprng, at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with Sprng (collectively referred to as the "**Designated Persons**" in the ABC Policy) .
- 2.2 In this ABC Policy, "Third Party(ies)" means any individual or organization, who / which come into contact with Sprng or transact with Sprng and also includes actual and potential clients, suppliers, business contacts, consultants, intermediaries, representatives, subcontractors, agents, advisers, joint ventures and government & public bodies (including their advisers, representatives and officials, politicians and political parties).
- 2.3 The Designated Persons have responsibility to comply with the ABC Policy and ensure that Sprng's efforts to combat the anti-corruption and anti-bribery risks and threats under the ABC Policy are strengthened.
- 2.4 All Designated Persons should be aware that violations of the ABC Policy may subject, not just the concerned person but also Sprng to both criminal penalties, sentences and civil liabilities.
- 2.5 The ABC Policy constitutes a minimum standard and must be complied with in any country in which Sprng does business even where the ABC Policy is stringent than the anti-bribery laws that are applicable in that jurisdiction. However, when applicable anti-bribery laws are stringent than the ABC Policy, such laws must be complied with, in addition.

## **3. Ethics Committee**

- 3.1 An Ethics Committee shall be formed to ensure compliance with the provisions of the ABC Policy.
- 3.2 All queries, concerns or complaints dealing with a bribery or corruption issue should be reported to the Ethics Committee at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com) Any action required to be undertaken under the ABC Policy shall be as per terms and conditions of the ABC Policy.
- 3.3 All queries, concerns or complaints received by the Ethics Committee dealing with a bribery or corruption issue shall be investigated. Aggravated cases of breach of this ABC Policy shall be escalated to the Board of Directors of Sprng ("**Board**") on a case to case basis.
- 3.4 If any Designated Person is faced with a doubt on the applicability of the ABC Policy or its interpretation or is unsure whether a particular act constitutes bribery or corruption or has any other queries or needs any clarification, the person should send its query at to the Ethics Committee at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com)

#### **4. Understanding “Bribery” and “Corruption”**

##### **4.1 Bribery**

- (a) Bribery includes the offer, promise, payment, reward or advantage offered, promised or provided as an inducement to any person directly or indirectly through an intermediary, with an intent to influence behaviour for a gain of any commercial, contractual, regulatory or personal, which is illegal, unethical and a breach of the ABC Policy.
- (b) A bribe may be anything of value and not just money including interalia gifts, inside information, sexual or other favors, corporate hospitality or entertainment, payment or reimbursement of travel expenses, charitable donation or social contribution, abuse of function and can pass directly or through a Third Party, kickback, loan, fee or reward, giving of aid, donation, abuse of function or other significant favors.
- (c) It is illegal to directly or indirectly offer a bribe to any person (including any Public Official) or receive a bribe directly or indirectly. Bribery in any form will not be tolerated by Sprng from Designated Persons.

##### **4.2 Corruption**

4.3 Corruption includes wrongdoing on the part of an authority or those in power through means that are illegitimate, immoral or incompatible with ethical standards. Corruption often results from patronage and is associated with bribery. Corruption can take place in many types of activities. It is usually designed and taken recourse to obtain financial benefits or other personal gains and consideration involves exchange or offer of Gifts, Entertainment and Hospitality, Facilitation payments, contributions/donations, favors regarding recruitment opportunities.

##### **4.4 Public Official**

- (a) A Public Official under the applicable law in India would include (but not be limited to the following: -
  - (i) Any person holding a legislative, executive or administrative office of the government (domestic or foreign), or acting in the official capacity for or on behalf of a legislative, executive, or administrative office of the government (domestic or foreign), whether appointed or elected, whether permanent or temporary, whether paid or unpaid, irrespective of that person’s seniority;
  - (ii) Any person in the service or pay of the government or of a corporation established by or under a central, provincial or state statute, or an authority or a body owned or controlled or aided by the government or a government company or is remunerated by the government by fees or commission for the performance of any public duty;
  - (iii) Any judge, including any person empowered by law to discharge, whether by himself/herself or as a member of any body of persons, any adjudicatory functions;
  - (iv) Any person authorized by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner appointed by such court;

- (v) Any person who performs a public duty, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country and as applied in the pertinent area of law; and
- (vi) Any other person defined as a “public official” under the domestic applicable law.
- (vii) “State” means all levels and subdivisions of governments (i.e., local, regional, or national and administrative, legislative, or executive).

## **5. Gifts and hospitality**

### **5.1 Gift**

- (a) A gift is anything of value and would encompass any gratuitous monetary or non-monetary benefit. It not only 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, special privileges, that are not available to the general public.

5.2 Under no circumstances should any Designated Persons ever solicit a gift from any person or company that is doing, or seeks to do, business with Sprng.

5.3 Designated Persons or members of their immediate families (spouse, mother, father, son, daughter, brother, sister or any of these step or in-law relationships, whether established by blood or marriage including common law marriage) should not provide, solicit or accept favors, gifts or anything of substance to or from competitors, vendors, suppliers, customers or others that do business or are trying to do business with Sprng other than in ordinary course and at arm’s length basis.

5.4 Gifts, entertainment and hospitality are acceptable if they are reasonable and made in good faith and must be:

- (a) Reasonable and justifiable in all the circumstances or in the ordinary course of business or customs or traditions or in accordance with industry / business practices in the region of operations
- (b) Intended to improve the image of Sprng or establish cordial relations.

The points stated above are illustrative in nature and in no way intend to limit the applicability of the ABC Policy.

## **6. Business relationships**

6.1 All dealings with suppliers, agents, contractors, service providers, intermediaries, consultants, and advisors, 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.

6.2 Sprng expects all Third Parties doing business with Sprng to approach issues of bribery and corruption in a manner that is consistent with the principles set out in the ABC Policy. Sprng requires all Third Parties to cooperate and ensure compliance with these standards, to continue the business relationship. In order to maintain the highest standards of integrity, with respect to any dealings with a third party;

- (a) Designated Persons shall ensure that

- (i) Each Third Party within its work area is fully briefed on this Policy and has made a formal commitment in writing to abide by it;
  - (ii) Fees and commissions agreed to be paid to Third Parties are appropriate and justifiable remuneration for legitimate services rendered;
  - (iii) Contractual agreements shall include appropriate wording which makes possible to withdraw from the relationship if any of the Third Parties fail to abide by this Policy in the event of any doubt on the integrity of a third party.
- (b) Appropriate anti-bribery and anti-corruption provisions are incorporated in the contracts in consultation with Sprng's legal team, as well as a clause on termination, if the party fails to abide by the anti-bribery and anti-corruption terms set out in the ABC Policy.

6.3 No Designated Person should provide any information to a vendor to enable the vendor to take advantage in negotiating terms of its relationship with Sprng. The Designated Person shall make sure that all relationship with vendors and suppliers are conducted at arm's length and are based on objective criteria, fairness and the best interest of Sprng.

## **7. Government Interactions, Contributions & Sponsorships**

7.1 Sprng may interact with Public officials and government agencies for seeking statutory or regulatory approvals. Designated Persons should always be truthful, accurate, co-operative and courteous while representing Sprng before any government, government officials and government agencies.

7.2 Designated Persons are not allowed to make political contributions from the funds, properties or other resources of Sprng. Sprng may however make charitable donations for humanitarian needs and other factors, including emergency situations and disaster relief. Such contributions must be made in compliance with its Corporate Social Responsibility Policy and with approval of its Board.

## **8. Willful blindness**

If a Designated Associate willfully ignores or turns a blind eye to any evidence of corruption or bribery within his /her department and/or around him / her, it will also be taken against the Designated Person. Although such conduct may be termed as "passive", i.e. the employee may not have directly participated in or may not have directly benefited from the corruption or bribery concerned, the willful blindness to the same can, depending upon the circumstances, may carry the same disciplinary action as is taken for an active and intentional act.

## **9. Facilitation payment or kickbacks**

9.1 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'. "Kickbacks" are typically payments made in return for a business favour or advantage

9.2 All Facilitation Payments and kickbacks are corrupt payments, and any such payment in the course of Sprng's business is strictly forbidden and Designated Persons need to be keep vigil that no facilitation payments or kickbacks are offered by Sprng.

## **10. Books, Records, And Internal Control Requirements**

- 10.1 Accurate and complete recordkeeping is essential to the successful operation of Sprng, as well as to our ability to meet our legal and regulatory obligations. Each Designated Person has a responsibility to be accurate, complete and honest in what he/she reports to meet regulatory requirements, as well as in all internal and external documents of Sprng.
- 10.2 All Designated Persons must ensure that we maintain accurate books, records and financial reporting.
- 10.3 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 Designated Persons to be knowledgeable about control procedures and ensure compliance.
- 10.4 Designated Persons who see or suspect financial misconduct should notify their Manager/supervisors immediately, and contact the Ethics Committee of Sprng at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com)

## **11. Responsibilities of Designated Persons and Consequences of Breach of this Policy**

- 11.1 Designated Persons are the pillars of Sprng. Every Designated Person must ensure that he / she has read and understood this policy and shall comply with this Policy. If any Designated Person has any doubts or concerns, he / she should contact his / her Manager and the Ethics Committee of Sprng at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com).
- 11.2 We encourage openness and will support the person who raises genuine concerns in good faith under this Policy. We are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corrupt activities or because of reporting their suspicion in good faith that an actual or potential bribery or other corruption offence has taken place or may take place in the future. If any Designated Person believes that he / she has suffered any such treatment, he / she should inform their Manager or the Ethics Committee of Sprng at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com), immediately.
- 11.3 The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for Sprng or under Sprng's control. Designated Persons are required to avoid any activity that might lead to or suggest a breach of this Policy. Designated Persons must notify his / her Manager and the Ethics Committee of Sprng at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com) as soon as possible, if the Designated Person believes or suspects that a breach of or conflict with this Policy has occurred or may occur in the future.
- 11.4 It is the responsibility of every Designated Person to inform / report it to their respective Managers and the Ethics Committee of Sprng at [ethics@sprngenergy.com](mailto:ethics@sprngenergy.com) as soon as possible, if he/she is offered a bribe by a Third Party or asked to make one, or believes that he/she is a victim of any form of corruption or other unlawful activity. The Designated Person must refuse to accept or make the payment from or to a Third Party, explain our policy against accepting or making such payment and make it clear that the refusal is final and non-negotiable because of Sprng's ABC Policy

- 11.5 Sprng takes the subject of corruption and bribery very seriously. Any Designated Associate who breaches this Policy will face disciplinary action and the violation will be regarded as a serious matter and shall result in disciplinary action under the ABC Policy.
- 11.6 As Bribery is a criminal offense, the defaulting Designated Person will be accountable whether she/he pays a bribe herself/himself or authorizes, assists, or conspires with someone else to violate this ABC Policy or an anti-corruption/anti-bribery law. In case of violations of this ABC policy:
- (a) the Ethics Committee shall take appropriate steps such as conducting an investigation: Every investigation relating to a suspected violation of this ABC Policy shall be investigated. The objective of such an investigation would be to determine the facts, through interviews with concerned participants and/or review of documents.
  - (b) A written demand shall be made for information, records etc. that is reasonably related to the alleged offence, including, without limitation, 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
  - (c) Designated Person shall have a right to file a written statement made setting out in detail all the facts and circumstances of which such a Designated Person is aware with respect to the alleged offence. Each Designated Person shall co-operate with the investigation team and promptly respond to all requests for information.
  - (d) It is clarified that the report prepared by the Ethics Committee, shall be kept confidential and shall be shared only with such persons who have a “need to know” under applicable law or Sprng policies.
  - (e) The Ethics Committee shall, have the discretion to recommend appropriate disciplinary action, including corrective actions (if any), suspension and termination of service of such a defaulting Designated Person.
  - (f) The Ethics Committee shall also recommend if the violation is potentially criminal in nature and should be notified to the authorities. In the event of criminal or regulatory proceedings, the Designated Persons shall co-operate with relevant authorities. \
  - (g) All internal investigations shall follow principles of natural justice and shall ensure that the relevant Designated Person is provided with an opportunity to make his/her case before the investigation team

**12. Who is responsible for implementation of the ABC Policy?**

- 12.1 The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have overall responsibility for ensuring that the ABC Policy is complied with Designated Persons reporting to them at Sprng.
- 12.2 The CEO and CFO shall ensure that managers at all levels take responsibility for ensuring that those reporting to them are aware of and understand this Policy, implement it and adhere to it.
- 12.3 The HR team is responsible for ensuring that copies of the ABC Policy are shared with all existing Designated Persons associated with Sprng on the effective date of this Policy and with the Designated Persons at the time of commencement of their services.
- 12.4 The Company’s zero-tolerance approach to bribery and corruption should be communicated to all agents, suppliers, contractors and business partners at the outset of the Company’s business

relationship with them and as appropriate thereafter. Respective Manager / Department Head, hiring such agents, suppliers, contractors and business partners shall be responsible to share this ABC Policy with them for compliance at their end.

- 12.5 The Ethics Committee shall conduct periodic training for Designated Persons at Sprng to sensitize them with the need for compliance with ABC Policy and keep them updated with recent legal developments on related issues.
- 12.6 Every Designated Person to whom this policy applies is responsible for the success of this Policy and should ensure that he / she should uses it to disclose any suspected activity or wrong-doing.

**13. Waiver and amendment of the ABC Policy**

The Ethics Committee will monitor the effectiveness and review the implementation of this Policy, regularly considering its suitability, adequacy and effectiveness. Any improvements identified will be made as soon as possible. The ABC Policy is subject to modifications and amendments from time to time.