

POLICY NO. HFEG/CORP01

ANTI BRIBERY AND ANTI CORRUPTION
POLICY



HERO FUTURE ENERGIES GLOBAL LTD

ANTI BRIBERY AND ANTI CORRUPTION POLICY

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1.0 THE COMPANY'S COMMITMENT TO PREVENTING BRIBERY

- 1.1** Hero Future Energies Global Limited (the “**Company**” or “**we**”) is committed to carrying out business fairly, honestly and openly wherever we and other members of the Group carry on business in the world. All of our officers and employees are expected to reflect the same culture of professionalism and integrity in their dealings on behalf of the Group, and to assist the Company to implement and enforce systems to prevent bribery and corruption across the Group’s business.
- 1.2** We have a zero-tolerance approach towards bribery and corruption and expect all staff and anyone else acting on behalf of the Group to comply with all laws relevant to countering bribery and corruption in all the jurisdictions in which the Group operates.
- 1.3** In the UK, bribery and corruption are punishable for individuals by up to ten years’ imprisonment and/or a fine under the **Bribery Act 2010**. If the Company fails to prevent bribery it could face an unlimited fine, be excluded from tendering for public contracts and face severe damage to its reputation.
- 1.4** It is therefore critical that all staff and anyone else acting on behalf of the Group take responsibility for preventing bribery and corruption across the Group’s business.

2.0 ABOUT THIS POLICY

- 2.1** The purpose of this policy is to:
- 2.1.1** set out our responsibilities, and of those working for us, in observing and upholding our position on bribery and corruption; and
- 2.1.2** provide information and guidance to those working for us on how to recognise and deal with bribery and corruption issues.
- 2.2** This policy applies to all persons working for or on behalf of the Company or any member of the Group in any capacity, including employee at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.
- 2.3** You must ensure that you read, understand and comply with this policy at all times.
- 2.4** The board of directors has approved and adopted this policy and is committed to carrying out business fairly, honestly and openly with a zero-tolerance approach towards bribery and corruption.
- 2.5** Management at all levels are responsible for implementing this Policy, ensuring those reporting to them understand and comply with this Policy, and are given adequate and regular training on it.
- 2.6** The group’s risk officer “Risk Officer” has primary and day-to-day responsibility for monitoring use of this Policy and its effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption.
- 2.7** References in this policy to a **third party** include any individual or organisation you come into contact with during the course of your work for us, including actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisors, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.
- 2.8** All employees are required to comply with this policy and all other group compliance policies, but this policy does not form part of any employee’s contract of employment and we may amend it at any time.



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3.0 WHAT IS BRIBERY AND CORRUPTION?

3.1 **Bribery** is offering, promising, giving or accepting any financial or other **advantage** to induce the recipient or any other person to **act improperly** in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage.

3.1.1 An **advantage** includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

3.1.2 A person **acts improperly** where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

3.2 Corruption is the **abuse of entrusted power or position for private gain.**

4.0 PROHIBITED ACTS

4.1 It is unacceptable for you (or someone, for example a friend, partner or spouse, on your behalf) to participate in any form of bribery or corruption. In particular, you must not:

4.1.1 give, promise to give or offer a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;

4.1.2 give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;

4.1.3 accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it we will provide a business advantage for them or anyone else in return;

4.1.4 accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;

4.1.5 offer any gift to or accept any gift from government officials or representatives, or politicians or political parties;

4.1.6 threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy; or

4.1.7 engage in any other activity that might lead to a breach of this policy, for example, you must not offer a potential customer tickets to a major sporting event on condition that they agree to do business with us. This would be an offence as you are making the offer to gain a commercial and contractual advantage. We may also be found to have committed an offence because the offer has been made to obtain business for us. It may also be an offence for the potential customer to accept your offer.

4.2 If you are in any doubt about what could constitute bribery, please contact the Risk Officer.

5.0 GIFTS, HOSPITALITY AND EXPENSES

5.1 This policy does not prohibit reasonable, proportionate and appropriate hospitality given to or received from third parties for the purposes of:

5.1.1 establishing or maintaining good business relationships;

5.1.2 improving or maintaining the Group's image or reputation; or

5.1.3 marketing or presenting our products more effectively.



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- 5.2 In each case, you must consider whether the gift or hospitality is reasonable, proportionate and appropriate. When considering whether something is reasonable, proportionate and appropriate, relevant factors include:
- 5.2.1 what the intention of the gift or hospitality is (for example, building a new client relationship is likely to be acceptable, whereas seeking to influence someone or obtain a business advantage is likely to be unacceptable);
 - 5.2.2 whether there is any secrecy involved;
 - 5.2.3 whether it is appropriate in the circumstances; and
 - 5.2.4 how this would reflect on the Company if the details were made public.
- 5.3 The recipient of any hospitality should not be given the impression that they are under an obligation to confer any business advantage or that their independence will be affected.
- 5.4 In most cases and unless the gift is prohibited by the terms of this policy, the giving of gifts is allowed if the following requirements are met:
- 5.4.1 it is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage, or in explicit or implicit exchange for favours or benefits;
 - 5.4.2 it is given in the name of the Company and not given in your name;
 - 5.4.3 it does not include bullion, cash or a cash equivalents (such as gift certificates or vouchers);
 - 5.4.4 it is appropriate in the circumstances, taking account of the reason for the gift, its timing and value. For example, it is customary for small gifts to be given on the occasion of Diwali and at Christmas;
 - 5.4.5 it is given openly, not secretly; and
 - 5.4.6 it complies with any applicable local law.
- 5.5 Reimbursing a third party's expenses or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.
- 5.6 We appreciate that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another.
- 5.7 Examples of gifts or hospitality that are likely to be acceptable include:
- 5.7.1 occasional meals with clients/suppliers;
 - 5.7.2 occasional attendance at ordinary sports, theatre and other cultural events; and
 - 5.7.3 gifts of nominal value (refer Clause 5.9)
- 5.8 Examples of gifts or hospitality that are likely to be unacceptable include:
- 5.8.1 gifts of cash or a cash equivalent (e.g. vouchers);
 - 5.8.2 gifts given in your own name;
 - 5.8.3 secret gifts; and
 - 5.8.4 anything being offered for something in return.

In all cases the test to be applied is whether in all the circumstances the gift, hospitality or payment is reasonable and appropriate, is not in breach of local laws and complies with the intention in paragraph 5.4.1 above.



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5.9 Our policy is not to give or offer any form of gift, hospitality or expenses with a value of over £100 (INR 10000) and not to receive or accept any form of gift, hospitality or expenses with a value of over £50 (INR 5000). All gifts given or received are to be reported to the Risk Officer and noted on the Company's gift register (HFEG/CORP01 A).

5.10 It is a separate criminal offence to bribe a foreign public official (which includes government officials). You must not offer to or accept from government officials (in any branch of national, local or municipal government), judges, politicians or similar individuals, any gift, hospitality or expenses.

5.11 The Risk Officer shall submit a report to the Audit Committee on an annual basis or such other period as the Audit Committee deems fit about all gifts or hospitality offered or received by or to any party.

6.0 FACILITATION PAYMENTS

6.1 In many countries it is customary business practice to make small unofficial payments or gifts of small value to government officials in order to speed up or "facilitate" a routine government action or process. This could be, for example, to obtain a licence or permit more quickly. However, it is unacceptable for any person acting on behalf of the Group to make such a payment or permit such a payment to be made on our behalf.

6.2 If you are in any doubt at all, always seek advice on the law of the local jurisdiction in relation to the payment so as to differentiate between properly payable fees and disguised requests for facilitation payments. Always ensure that you are provided with receipts and identification of the official to whom such payments are made.

6.3 You should be very careful in relation to such payments since an unofficial "facilitation payment" is likely to be a bribe and you can be prosecuted in the UK for making it – regardless of the value of the payment or local cultural expectations, even if that is "how business is done" in that jurisdiction. If you have any concerns in relation to any payment requested, you should raise these with the Risk Officer.

7.0 DONATIONS

7.1 We consider that charitable giving can form part of our wider commitment and responsibility to the community. We support a number of local charitable activities and may also support charitable fundraising events involving employees. We only make charitable donations that are legal and ethical under local laws and practices.

7.2 Charitable donations may be made in amounts and to charities with the prior approval of the Chairman and Managing Director.

7.3 We do not make contributions to political parties. Any request or suggestion by a third party that a contract or other business benefit will not be available to the Group unless a donation is made to a political party or cause must be reported immediately to the Risk Officer. If there are circumstances where you believe that a contribution to a political party will be in the group's interest, no contribution must be made without the written approval of the Risk Officer.

8.0 WHERE CAN RISKS ARISE?

8.1 Situations which indicate that you should be on notice that there is a greater risk of bribery and



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corruption include but are not limited to:

- 8.1.1 a history of corruption in the country or a high ranking in Transparency International's Corruption Perceptions Index;
- 8.1.2 close personal or business ties of the person or entity with whom you are dealing with government employees or officials;
- 8.1.3 requests for cash payments, refusal to sign formal documentation or a refusal to provide an invoice or receipt for a payment made;
- 8.1.4 requests for an unexpected additional fee or commission to "facilitate" a service or "overlook" a violation;
- 8.1.5 requests for unusual or vague disbursement payments;
- 8.1.6 requests for payments to third parties, or other unusual payment arrangements; and
- 8.1.7 a third party offering you an unusually generous gift or lavish hospitality.
- 8.2 **If you encounter any of these situations while working for us, you must immediately inform the Risk Officer.**
- 8.3 **Where the business enters into new territories and before entering into any commitment with respect to business in the new territory, you should report to the Risk Officer any business culture which encourages circumvention of rules and any pressure to conform to customs or unfamiliar business practices which may conflict with this policy.** Please refer to the Country Risk Mapping Document No. HFEG/CORP10 for specific country's risk assessment for this Policy.

9.0 RECORD KEEPING AND ACCOUNTS

- 9.1 Accurate record keeping and accounts are key to ensuring transparency in all transactions involving the Group's business.
- 9.2 The Company maintains a hospitality and gifts register. You must declare and record all hospitality or gifts given or received, which will be subject to managerial review.
- 9.3 You must ensure that you submit all expense claims relating to hospitality, gifts or other expenditure incurred to third parties in accordance with the Company's expenses policy and record the reason for expenditure.
- 9.4 All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers should be prepared with strict accuracy and completeness. Accounts must not be kept "off-book" to facilitate or conceal improper payments.

10.0 REPORTING ANYTHING SUSPICIOUS

- 10.1 You must report any suspicion or knowledge of instances of non-compliance with this policy or other wrongdoing immediately to the Risk Officer.
- 10.2 If you are offered a bribe or think that you have been offered a bribe, you must refuse it and report it immediately to the Risk Officer. You will not suffer any detrimental treatment for refusing to take part in bribery and corruption, provided that you report it in accordance with this policy.



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11.0 PROTECTION FROM RETALIATION

11.1 We want all of staff to feel that they can speak up without any fear of retaliation. You will not suffer any detrimental treatment arising out of you reporting your genuine suspicions in good faith, even if these suspicions turn out to be mistaken. If you are in any doubt about whether to report something, please report it. We encourage all staff to report any suspicion of failure to comply with this policy by any member of staff. Please refer to the Whistleblower Policy (HFEG/CORP03) for details.

12.0 BREACHES OF THIS POLICY

12.1 Any employee who breaches this policy will face disciplinary action (up to and including dismissal) and, where appropriate, legal action.

12.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

13.0 TRAINING AND COMMUNICATION

13.1 Training on this policy forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

13.2 Our zero-tolerance approach to bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter, in accordance with our procurement policies.

14.0 CONTRACTING AND PURCHASING

14.1 Contracts entered into with third parties shall be subject to the group's procurement policies which include provision for appropriate due diligence on the third party; an analysis of payments required in connection with the contract; a report of any unusual payments or contract terms; and the right to terminate the contract for any instance of bribery or corruption.

14.2 Contracts with suppliers are subject to the group's tendering policies which include provision for no gifts or hospitality to or from a potential supplier during a tender process.

14.3 The group's procurement policies and tendering policies apply a lower level of compliance for low value low risk arrangements.

15.0 MONITORING

15.1 We monitor compliance with and the effectiveness of our compliance policies.