

# **Anti-Bribery and Anti-Corruption Policy**

**Welspun Corp Limited  
&  
Subsidiaries**

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## **1: Welspun's Commitment to Compliance**

### **Section 1.A: Welspun's Commitment to Anti-Bribery & Anti-Corruption**

#### **Message from Managing Director**

Dear Colleagues,

Welspun Corp Limited has grown into a full-service global company recognized as a leader in the industry. Our people around the world have worked hard to create and protect our reputation and success. The key elements to our success are motivation, learning, service to others, diversity, commitment to excellence, mutual respect and personal integrity.

As a global company with business and clients in nearly every region of the world, Welspun's officers, directors, employees, agents, and other third party representatives are confronted each day with challenges that test our judgment, skill, and knowledge of the local markets where we operate.

In some cases, we encounter business practices that are very different from our own.

Corruption is a threat to our global business. Failure to comply with the laws and regulations applicable to our business and operations can create liability and reputational harm to the Company. Violations of law will not be tolerated and will be the subject of disciplinary action.

As a Company, we owe it to our customers, our communities, our shareholders, and ourselves to conduct our business according to high ethical standards and in accordance with all applicable laws of the countries where we operate. All officers, directors, employees, agents, and other third-party representatives are expected to conduct business for or on behalf of Welspun in an honest, ethical and professional manner at all times.

This Anti- Bribery and Anti-Corruption ("ABAC") Policy reflects Welspun's commitment to integrity in all dealings with our customers and other stakeholders. The procedures in this Policy apply to all Welspun Corp Limited and its subsidiaries' officers, directors, employees, agents and other third-party representatives regardless of citizenship or place of employment. Many of the policies and procedures also apply to third parties that Welspun engages during its business. Welspun's commitment to compliance extends to all parts of the world where Welspun has a presence.

The Chief Compliance Officer is primarily responsible for overseeing the compliance program outlined in this Policy. Other departments and Functions are responsible for implementing the procedures as set forth in the Policy, and the Chief Compliance Officer may assign, as necessary, responsibility for implementation of these procedures to other employees.

Please read this Policy carefully and refer to it whenever necessary. If you have any questions or concerns, please raise them directly with your supervisor, the head of your Function, business unit or region, the Legal Department or the Chief Compliance Officer.

Compliance with ABAC Policy is essential from an ethics and business perspective. Thank you in advance for your attention to the content of this Policy and for your commitment to compliance.

Managing Director & CEO  
Welspun Corp Limited

## **2: Introduction**

### **1.0 Scope**

The Policy applies to the operations of Welspun Corp Limited and its subsidiaries (collectively, “**Welspun**” or “**the Company**”), including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by the Company. Some of the policies and procedures in the Manual also apply to Welspun’s agents and other third-party representatives.

All Welspun officers, directors, employees, all agents and Third-Party Representatives who represent Welspun, must comply with this policy, regardless of seniority, specialization or location.

This Policy is not intended to provide specific answers to unique legal questions, to create legal rights or duties as to third parties, or to set standards of conduct that are enforceable by third parties against Welspun.

### **2.0 Purpose**

It is the policy of Welspun to comply with all applicable laws and regulations in the countries where Welspun conducts business. As part of that policy, Welspun has developed this Policy to guide all officers, directors, employees, and other third-party representatives on compliance with anti-bribery & anti-corruption rules and regulations. This policy sets the expectations and requirements for compliance with those laws.

### **3.0 General Policies**

All Welspun officers, directors, employees, agents and other third-party representatives are required to act in accordance with high standards of personal and professional integrity, honesty, and ethical conduct while working for the Company.

#### **3.1 Anti-Corruption Policy**

- (a) Welspun prohibits bribery and any other corrupt practices or conduct in any form. Bribery and Kickback involving government officials, customers, competitors, suppliers, and all other counterparties is strictly prohibited.
- (b) It is the policy of Welspun to comply with all applicable laws, regulations or orders of relevant governmental authorities prohibiting the provision of a financial or other advantage for a corrupt purpose or otherwise in connection with the improper performance of a relevant Function, including, as applicable, the Indian Prevention of Corruption Act 1988, the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act and other applicable laws not only governing corruption and bribery, whether public, commercial or both but in relation to the same like Indian Penal Code, 1860.
- (c) No Welspun officer, director, employee, agent, or other third party representative worldwide may, directly or indirectly, offer, promise, pay, give, abet or authorize the giving of any financial or other advantage, or anything else of value, to a government official or any other person, with the intent to exert improper influence over the recipient, induce the recipient to violate his or her duties, secure an improper advantage for Welspun, or improperly reward the recipient for past conduct.

- (d) No Welspun officer, director, employee, agent or other third party representative may request, agree to receive, or accept Anything of Value from any other person as an inducement or reward for violating his or her duties to Welspun, performing a Function improperly, or providing an improper benefit or other advantage.
- (e) Welspun's anti-corruption and anti-bribery policies extend to all commercial dealings in the markets where Welspun operates. All interactions with private customers, agents, and any other individual or entity must be professional, honest, and ethical.

#### **4.0 Compliance Obligations**

- (a) Compliance with this Policy is mandatory. All Welspun officers, directors, employees, agents and third-party representatives must read and understand the procedures set forth in this Policy.
- (b) None of the procedures in this Policy may be waived or adapted without the approval of Chief Compliance Officer. Anyone who violates the standards in this Policy will be subject to appropriate disciplinary action including termination of his or her employment relationship with Welspun. Certain conduct in violation of the standards in this Policy also could give rise to criminal prosecution by governmental authorities.
- (c) If there is any doubt about the procedures set forth in this Policy or whether a proposed payment, transaction, business relationship or other activity complies with the standards of this Policy or applicable laws and regulations, it is the concerned individual's responsibility to seek advice and guidance. If you have questions or problems concerning this Policy and the procedures set forth herein, or if you have questions about interactions with government officials, payment practices, governments and parties, or any other issue related to the information and standards of this Policy, please immediately contact the Chief Compliance Officer at:

Chief Compliance Officer:

Contact Information:  
Chief Compliance Officer  
Welspun House  
7th Floor, Kamala City  
Senapati Bapat Marg  
Lower Parel (West)  
Mumbai 400 013,  
Phone: 91-22-66136000

**Appendix B** provides names and contact information for responsible individuals and departments cited throughout this Policy

#### **5.0 Non-Retaliation Policy**

- (a) No person subject to Welspun's ABAC Policy will suffer adverse consequences for refusing to offer, promise, pay, give, or authorize any improper benefit, advantage or reward, even if doing so results in the loss of business for Welspun.

- (b) Further, no person subject to ABAC policy will suffer retaliation or other adverse consequences for providing information in good faith relating to a violation of law or Welspun policy. Welspun will not tolerate any retaliation against persons asking questions about or making good faith reports of possible violations of the procedures Policy.
- (c) Anyone who retaliates or attempts to retaliate will be subject to discipline up to and including termination.

### **3: Guidance on using this Policy**

#### **1.0 Organization of this Policy**

This Policy sets forth Welspun's procedures on several compliance areas related to anti-bribery & anti-corruption. The topics focused on anti-bribery & anti-corruption compliances are the following:

- Retention and Monitoring of Third-Party Representatives
- Gifts
- Travel and Accommodation (Boarding and Lodging)
- Meals, Entertainment and Other Hospitality
- Charitable Contributions and Sponsorship Involving Government Officials or Government Entities
- Political Contributions
- Suppliers, Vendors and Other Third Parties Specifically Recommended by Government Officials
- Employment Requests from Government Officials
- Facilitating Payments

When dealing with a transaction involving one of these activities, you should turn to the relevant section of this Policy for applicable procedures.

In addition to the topics listed above, this Policy discusses broader aspects of the Company's compliance infrastructure, including the following:

- Books and Records
- Compliance Due Diligence in Acquisitions and Joint Ventures
- Compliance Monitoring and Audit
- Compliance Training
- Reporting violations or suspicious activity
- Investigations and disciplinary action for non-compliance with this policy
- Waiver and amendment

Appendix C to this Policy contains additional information and forms that must be completed before engaging in certain transactions. All this information is also available electronically on the Company intranet.

#### **2.0 Important Definitions**

Please keep the following definitions in mind as you review and implement the procedures in this policy.

2.1 The **Chief Compliance Officer** is the individual designated by Welspun as having functional responsibility for the implementation and management of the procedures in this Policy and other relevant compliance policies.

2.2 A **Function** is a substantive area of business operation, such as finance, legal, sales, or production.

2.3 A **Government Entity** means any government or its subdivision, any independent government agency, or any state-owned or state-controlled business.

2.4 A **Government Official** includes all the following:

- An officer or employee, regardless of rank, of any national, provincial, regional or local government agency or department (whether domestic or foreign), including but not limited to police agencies, customs officials, local tax officials, issuers of government permits, approvals or licenses and/or immigration officials;
- an elected official (for example, a mayor, legislator, chief minister or city council member);
- an officer or employee of any government-owned or government-controlled company (for example, an employee of a government-owned customer or government-owned joint venture partner);
- a candidate for political or elected government office or a party official;
- an officer, employee, or representative of a public international organization (for example, the World Bank, the World Health Organization, or the United Nations); or
- a private person acting in an official capacity for or on behalf of a governmental entity or any public international organization (for example, a government environmental consultant acting under governmental authority).
- Spouses and family members of any of the individuals specified above

2.5 **Legal Department** means the Legal Department of Welspun Corp Limited or its subsidiaries.

2.6 A **Third-Party Representative** includes any third party that is appointed to interact with Government Officials on Welspun's behalf, or that otherwise is authorized by Welspun to represent the Company in dealings with customers or other commercial counterparties. Third Party Representatives include, but are not limited to, sales agents, customs agents, regulatory consultants, vendors, contractors and sub-contractors including any officer or employee, intern, trainee, etc. thereof.

2.7 **Welspun** or the **Company** refers to Welspun Corp Limited and its subsidiaries, including all divisions and other entities worldwide that are controlled in fact, by ownership or otherwise, directly or indirectly by Welspun Corp Limited.

## 2.8 Anything of Value

Anything of value just about covers any form of benefit, which includes, but is not limited to:

- Cash or cash equivalents, loans, gifts or prizes;
- Employment offers or promises of future employment (to an individual or any of his/her relatives);
- Favorable terms on a product or service or product discounts;

- Entertainment/hospitality (payment of travel, hotel or restaurant bills, living expenses, or costs of trips or resort stays);
- Use of vehicles or vacation homes;
- Discounted or free tickets to events
- Services, personal favors, or home improvements;
- Sponsorships
- Political or charitable donations
- Opportunity to buy direct shares ("friends and family shares") in a company with a connection to Welspun.

## **2.9 Bribe/bribery**

To “bribe” or “bribery” means directly or indirectly offering, promising, giving, accepting or soliciting ‘Anything of Value’ (which could be financial or non-financial), and irrespective of location(s), in violation of applicable law to an individual, a government official or an employee of a commercial enterprise for the purpose of obtaining or retaining business, to win a business advantage, or to influence a decision regarding Welspun. Unless specifically permitted under the applicable laws, this also includes obtaining licenses or regulatory approvals, preventing negative government actions, reducing taxes, avoiding duties or custom fees, or blocking a competitor from bidding on business.

## **2.10 Corrupt Practice/Corruption**

Any offering or giving receiving or soliciting directly or indirectly of ‘Anything of Value’ to influence improperly the actions of another party.

## **2.11 Kickback**

Kickbacks are typically payments made in return for a business favor or advantage.

## **3.0 Oversight and Sources of Guidance**

### **3.1 Oversight of Welspun’s Compliance Program**

- (a) The Audit Committee along with the Managing Director and Chief Financial Officer are responsible for providing guidance, resources and support for the implementation of this Policy.
- (b) The Chief Compliance Officer is responsible for the implementation and management of Welspun’s Compliance Program. The Chief Compliance officer in consultation with the Managing Director and Audit Committee will be responsible for approving amendment in the content of this Policy.
- (c) The Chief Compliance Officer may delegate oversight responsibility for management and implementation of the Compliance Program. Regardless of such delegation, the Chief Compliance Officer shall ultimately be responsible for ensuring proper implementation of the Compliance Program. The Chief Compliance Officer shall consult with outside counsel with appropriate expertise as necessary for guidance and assistance regarding compliance with applicable law and implementation of this Program.

### **3.2 Guidance on Welspun’s Compliance Program**



Whether a proposed payment, engagement or transaction would violate the procedures in this Policy often will depend on unique facts and circumstances. If you are unsure whether conduct would violate the Company's ABAC policy, you must seek guidance before proceeding further. There are many people within Welspun who can help you to understand your responsibilities, including the following:

- your immediate supervisor;
- the person in charge of your Function (for example, if you work in an accounting position in a manufacturing facility, this would be the facility's Finance Head);
- the Unit Head;
- the Regional Head;
- the Legal Department; or
- the Chief Compliance Officer;

#### **4: Anti-Corruption Policies and Procedures**

- (a) Officers, directors, employees, agents and other Third Party Representatives may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value corruptly to a Government Official to: (i) influence an official act or decision of the Government Official; (ii) induce the Government Official to violate a lawful duty; or (iii) induce the Government Official to influence or affect an act or decision of a Government Entity, political party, or public international organization, in order to obtain or retain business or secure an improper advantage for the Company.
- (b) Similarly, officers, directors, employees, agents and other Third Party Representatives may not, directly or indirectly, offer, give, or authorize the offering or giving of a financial or other advantage or anything else of value to another person: (i) to induce that person to perform a relevant Function or activity improperly; (ii) to reward that person for having performed a relevant Function or activity improperly; or (iii) if the person's acceptance of the payment or gift would itself constitute the improper performance of a relevant Function or activity.
- (c) Additionally, officers, directors, employees, agents and other Third-Party Representatives may not accept Anything of Value to perform their Function improperly.
- (d) The following section of the Policy addresses several business activities and transactions where heightened corruption risks may arise. You must comply with the policies and procedures of this section.

#### **4.A: Retention and Monitoring of Third-Party Representatives**

- (a) Third Party Representatives play an important role in Welspun's business. Welspun relies on sales agents, customs agents, and other Third-Party Representatives in carrying out a range of important business activities. Misconduct by a Third-Party Representative can create risk for Welspun that could lead to civil or criminal penalties or reputational harm to the Company. Therefore, care must be taken when selecting and monitoring the activities of sales agents and other Third-Party Representatives. Integrity due diligence reviews (see Section 4. A (2.1)) must be performed in advance of engaging a new Third Party Representative.

- (b) Once engaged, Welspun's Third Party Representatives must conduct themselves in accordance with high ethical standards, all applicable laws, and Welspun's policies and procedures, including those in this Policy. The integrity due diligence review process outlined below does not apply to persons or entities that are not authorized to act on behalf of Welspun, such as agents of Welspun's customers, suppliers of raw materials, and other vendors/counterparties that do not represent Welspun.

## **1.0 Policy**

In determining whether to engage a Third-party Representative, Welspun must consider factors such as the Representative's reputation and qualifications, the manner and reasonableness of compensation and any relationship between the Representative and a Government Official.

### **1.1 Pre-classification of Third Party**

- Before the commencement of the due diligence, the Third-Party(ies) (existing and new) must be pre-classified as "low" or "high" risk;
- Generally, all third parties who directly or indirectly interact with government authorities on behalf of Welspun shall be classified as "high" risk;
- Also, below stated factors (including but not limited to) may also be considered to assess "high" risk third party(s):
  - Third party(s) known to have been investigated for or convicted of, or currently under investigation relating to, bribery of a government official or individual in private sector, or relating to corruption, money laundering or fraud;
  - Third party(s) is a government run or sponsored company/ agency/ society and/ or have direct interaction(s) with government or government official(s);
  - Third party(s) states that they have a 'personal or family relation' or 'close relative' working with a government or government official;
  - Any third party to whom Welspun proposes to make a charitable contribution
  - Third party making unusually large or frequent political contribution(s); and/ or;
  - Other factors such as geography, the type of services provided, and background of third party shall also be considered in assessing the risk level of third parties.
- The due diligence process is required to be repeated at regular intervals including, but not limited to:
  - Contract renewal;
  - Significant amendment to contract (e.g. nature of transaction/scope of services/amount of remuneration);
  
  - Change of control as communicated by the third party or change identified during the annual due diligence process in third party(s);
  - Every three years for low-risk parties and every year for high risk parties and

- If an existing third party(s) hasn't supplied/ provided services for two years and if there is any change in place, personnel or infrastructure, the third party(s) shall be subjected to re-evaluation process of third-party due diligence.

**1.2 Know your Third-Party Representative.** It is the responsibility of every Welspun employee to "Know Your Third-Party Representative." The responsible Welspun employee who wishes to engage the Third-Party Representative must confirm that the Representative has a reputation for integrity and does not appear to be involved in illegal or unethical activities. In this regard, the responsible Welspun employee may carry out a due diligence of such Third-Party Representative. The Procedures below provide details on the due diligence and certification process.

**1.3 Hold Third Party Representatives to our ethical standards.** Misconduct by Third Party Representatives creates risk for Welspun and for any Welspun employee(s) who are involved. Every Welspun employee interacting with a Third-Party Representative should ensure that such Third-Party Representative also adheres to Welspun's compliance policies.

**1.4 Legitimate services only.** No payment may be made or promised to a Third-Party Representative except in exchange for legitimate services. Any such payment must be in an amount that is not greater than the fair market value of the legitimate services received. All payments must conform to the requirements of local law.

**1.5 Report "red flags."** While Welspun's relationship with each Third-Party Representative must be evaluated on its specific facts, there are several "red flags" that may signify a heightened risk to Welspun and that require special scrutiny. Employees who interact with Third Party Representatives must be trained to detect "red flags." The "red flags" listed at Form A must be reported to the Chief Compliance Officer if a current or proposed Third Party Representative is involved.

**1.6 Review of non-standard compensation.** Proposed deviations from standard compensation, including discount schedules or policies, unanticipated requests for reimbursement for a Third Party Representative's out-of-pocket expenses, or other deviations, must be reviewed in advance and approved by the Chief Compliance Officer, unless pre-approval is not possible due to an exigency. In the event of an exigency, the deviation from policy or unanticipated expense must be reported promptly to the Chief Compliance Officer and in all cases within 15 working days. If the Chief Compliance Officer does not approve the deviation, such deviation will be considered null and void and non-binding on the Company. It also will be regarded as an instance of non-compliance and reported to the Board of Directors.

## **2.0 Procedures**

Formal integrity due diligence must be conducted on all Third Party Representatives that Welspun appoints or hires to: (i) interact with Government Officials on Welspun's behalf; (ii) be involved in sales-related activities for Welspun; or (iii) otherwise function as an authorized representative of the Company in dealings with other commercial counterparties. The integrity due diligence review outlined below does not apply to persons or entities that are not authorized to act on behalf of Welspun, such as agents of Welspun's customers, suppliers of raw materials, and other vendors/counterparties that do not represent Welspun.

**2.1 Integrity due diligence review.** Welspun employees seeking to establish a relationship with a Third-Party Representative must undertake the following due diligence:

- **Request information from proposed Third Party Representative.** Each proposed Third-Party Representative must complete the Questionnaire attached as Form B and must be given a copy of the Summary of Welspun’s ABAC Policy attached as Form C and a copy of Welspun’s Code of Conduct Policy.
- **Integrity due diligence.** The manager responsible for the relationship with the proposed Third-Party Representative, or the manager’s designee, shall complete the steps outlined in the Due Diligence Checklist attached as Form D. In completing the Due Diligence Checklist, the manager or the designated employee shall rely as appropriate on information provided in the Questionnaire received from the prospective Third-Party Representative. The manager or designated employee must be alert to the presence of “red flags” (Form A) when conducting this due diligence
- **Review of integrity due diligence.** The manager responsible for the relationship with the proposed Third-Party Representative shall review the completed Questionnaire (Form B), Due Diligence Checklist (Form D), and any other information the manager believes is necessary to evaluate specific corruption and other compliance risks. If the reviewer is satisfied with the results of the investigation and deems it appropriate to engage the proposed Third-Party Representative, he or she will indicate such recommendation in writing as provided at the bottom of the Due Diligence Checklist (Form D). The reviewer should consult with the Chief Compliance Officer if there are any remaining questions or concerns.
- **Approval of proposed Third Party Representative.** The integrity review file containing the completed Questionnaire (Form-B), Due Diligence Checklist (Form D), and any supporting information shall be forwarded to the Chief Compliance Officer for approval. If the Chief Compliance Officer is satisfied with the results of the due diligence and determines that engaging the Third Party is consistent with Welspun’s compliance policies, he or she will indicate such approval in writing as provided at the bottom of the Due Diligence Checklist (Form D). The Chief Compliance Officer should consult with legal department if there are any remaining concerns or questions.
- **Retain integrity review file.** A copy of the completed integrity review file shall be maintained for a minimum of five years beyond the end of the engagement with the Third-Party Representative. The file must contain all the documents described above, including the required written approvals.

**2.2 Written contracts.** All relationships with Third Party Representatives as far as possible and practicable must be governed by written contracts that include a description of the scope of services to be provided and the manner and amount of compensation. A copy of the signed contract must be retained in the Company’s files. Side agreements or letters are not permitted without the advance approval of the Chief Compliance Officer. Extensions or modifications of existing agreements may be entered into without pre-approval by the Chief Compliance Officer, if such extensions or modifications are subject to and consistent with the procedures in this Policy and are reported to the Chief Compliance Officer within 15 working days.

**2.3 Anti-corruption contract provisions.** Unless otherwise directed by the Legal Department, all agreements with Third Party Representatives must contain anti-corruption contractual provisions substantially in the form attached at Form E. Depending on the form of the agreement, it may be preferable to append the anti-corruption provisions as an appendix to the agreement.

**2.4 Annual Certification Requirement.** At least once each year, the Welspun employee responsible for managing the relationship with a Third Party Representative shall obtain from each Third Party Representative that has previously been subjected to the integrity review a signed copy of the certification attached at Form F. Signed certifications shall be maintained in the Third-Party Representative's integrity review file.

**2.5 Periodic updates to integrity review.** Welspun shall update the integrity review of its Third-Party Representatives at least once every three years and shall also perform periodic risk-based updates.

**2.6 Submission of Third-Party Representative invoices.** Third Party Representatives are required to submit accurate invoices and receipts and other supporting documentation to substantiate all disbursements or expenses incurred when conducting business on behalf of Welspun. Invoices and supporting documentation must be sufficiently detailed to identify the nature and cost of each good or service provided to the Third-Party Representative. Reimbursements must be paid directly to the Third-Party Representative.

### **3.0 Disqualification of Third-Party(s)**

3.1 A third party (s) may be blacklisted in cases including, but not limited to:

- a. Non-compliance with Welspun's Code of Conduct and ABAC policies and procedures;
- b. Infringement of ethical standards in business dealings;
- c. Resorting to malpractices that resulted in or might have resulted in loss to Welspun;
- d. Using Welspun's assets/ rights/ names etc. to the third party(s)'s own advantage;
- e. For blacklisting these third party (s), the business unit head must obtain approval from the Chief Compliance Officer
- f. A blacklisted third party (s) may be registered again only after obtaining approval from the Chief Compliance Officer.

### **4.0 Responsible Persons**

All employees who interact with Third Party Representatives are required to be alert for "red flags" and report any suspicious conduct. Managers or designated employees are responsible for conducting integrity due diligence and the Chief Compliance Officer is responsible for reviewing the integrity due diligence and providing approval and oversight. The employee responsible for managing the relationship with the Third-Party Representative is responsible for obtaining the annual certification. The relevant business unit is responsible for maintaining integrity review files and copies of contracts with Third Party Representatives. See Appendix B for the contact information of the key compliance-related Functions/departments.

### **5.0 Related Documents**

- Form A: Red flags
- Form B: Questionnaire for Proposed Welspun Third Party Representative
- Form C: Summary of Welspun's Anti-Corruption Policy for Third Party Representative
- Form D: Due Diligence Checklist for proposed Third Party Representative
- Form E: Sample Anti-Corruption Contractual Provisions
- Form F: Certification of Compliance with Ethical Practices

## 4.B: Gifts

### 1.0 Policy

Gift-giving is an important part of many cultures. Properly controlled, a modest gift provided to a business counterparty can express respect and can help build a legitimate business relationship with the recipient.

While the legitimate and occasional provision of a modest gift can be an acceptable business practice, gift-giving can be subject to abuse and can expose the Company to legal and reputational harm. The giving of a gift is particularly sensitive when a Government Official is the recipient, or when the recipient exercises influence over a commercial decision, such as the award of a tender, that is important to Welspun.

Welspun employees and Third-Party Representatives accordingly must exercise caution when giving a gift to a Government Official or any other commercial counterparty and must comply with the following policies and procedures.

**1.1 No quid pro quo.** A gift may not be given or offered, directly or indirectly, if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun. No gift, regardless of its value, may be provided to a Government Official or other counterparty if it could create the appearance of impropriety.

**1.2 Basic requirements.** Unless specifically approved by the Chief Compliance Officer, a gift may be provided to a Government Official, customer, or other counterparty only if it meets all the following requirements:

- customary or symbolic and given as a courtesy, in return for hospitality, or as a token of respect; appropriate for the occasion;
- in accordance with the local business customs and not prohibited under local law;
- not provided more than once per quarter to the same person or the same government department;
- permissible under the guidelines of the employer or governmental agency involved, of which Welspun is aware;
- presented openly and with transparency;
- properly recorded in Welspun's books and records;
- of a nature that would not embarrass Welspun if publicly disclosed;
- not provided in proximity to a pending decision before the recipient's organization regarding Welspun's business interests and
- cash, cash equivalents like vouchers, bullions etc. are not allowed.

For gifts below US \$50 for all operations or the pre-approved limit for operations abroad, the individual making the gift should ensure the basic requirements are complied with. For gifts above US \$ 50 for all operations, or the pre-approved limit for operations abroad, the Head of the Business Unit at the relevant location shall ensure the basic requirements are met. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

**1.3 Customary gifts.** Generally, gifts should showcase the Company's products or contain the Company logo. Gifts that appear on the White List of Approved Gifts ("White List") (Form G) are preferred.

**1.4 Expenditure limits for gifts.** The aggregate value of gifts provided to a Government Official or other counterparty in a financial year may not exceed US \$100 for all operations, or the preapproved limit for operations abroad (or the equivalent) without the approval of the Head of Department at the relevant location. If the proposed value of the Gifts is equal to or more than \$1000 for all operations, additional approval of Head - Group Executive Office (GEO) shall be required. A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

**1.5 Policy extends to families of Government Officials.** The policies and procedures in this section also apply to gifts that are provided on behalf of Welspun to the immediate family members (spouse, dependent children, and dependent parents) of Government Officials who are currently dealing with Welspun or reasonably expected to deal with Welspun in the near future.

## **2.0 Procedures**

**2.1 No prior approval required for Welspun items or customary gifts of modest value.** Gifts of a modest value and bearing the Welspun logo, or customary gifts appearing on the White List, do not require prior approval so long as the aggregate value of the gift(s) provided to a Government Official or other counterparties on each occasion does not exceed US \$.50 for all operations, or the preapproved limit for operations abroad, and the aggregate value does not exceed US\$1000 for all operations, or the preapproved limit for operations abroad, in a financial year.

**2.2 Approval required for certain gifts.** Any proposed gift that does not appear on the White List or is not of a modest value bearing the Welspun logo, or that is more than US \$50 or the preapproved limit for operations abroad must be reviewed and approved in writing in advance by the Business Unit Head at the relevant location and also approval of Chief Compliance Officer. Pre-approval of the Chief Compliance Officer is required for gifts that are not listed on the White List.

**2.3 Proper documentation of gifts.** A gift that is given to a Government Official or other counterparty must be properly documented in the Gift Log to reflect: (i) the relevant Welspun employee (name and position); (ii) the recipient (name and position); (iii) the recipient's organization and department; (iv) a description of the gift whether the gift is on the White List or of a modest value bearing the Welspun logo; (v) the occasion for the gift and specific date when it is to be given; (vi) the value of the gift; and (viii) if approval is required, the person providing the approval, their position/department, and the date of approval. A sample Gift Log is appended at Form H.

## **3.0 Receipt of gifts**

Welspun discourages receipt of any type of gifts by directors, officers, employees from its external stakeholders (such as customers, agents and other third-party representatives). Receipt of reasonable and customary edible gifts (such as sweets / dry fruits) during festivals shall be reported to the Chief compliance officer and shall be distributed amongst the employees. Apart from receipt

of such gifts, no other gifts are acceptable by persons mentioned above. The Chief compliance officer should maintain a record of such receipt of gifts.

#### **4.0 Responsible Persons**

Every Welspun employee is responsible for ensuring that all gifts comply with the policies and procedures set forth in this section. The employee giving a gift to a Government Official or other counterparty is responsible for ensuring that the Gift Log is completed, and that evidence of any necessary written approval is maintained. The Head of Department at the relevant location is responsible for approving gifts to Government Officials or other counterparties that are above certain limits and Finance Department shall be responsible for accounting for all gifts properly in the Company's books and records. The Chief Compliance Officer is responsible for providing pre-approval for gifts as required above. See Appendix B for the contact information on the key compliance-related Functions/departments.

#### **5.0 Related Documents**

- Form G: White List of Approved Gifts
- Form H: Sample Welspun Gift Log

### **4.C: Travel and Accommodation (Boarding and Lodging)**

#### **1.0 Policy**

Welspun employees are prohibited from providing travel and accommodation (boarding and lodging) to Government Officials and other counterparties unless directly related to a legitimate business purpose and appropriate under the circumstances. Furthermore, travel and accommodation may not be provided to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or the Company policies set forth below.

In limited circumstances, as described below, it may be appropriate for Welspun to pay for the travel, accommodation and related expenses of Government Officials or other counterparties in connection with a visit to a Welspun facility or project site.

**1.1 No quid pro quo.** Travel and accommodation may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or business transaction, or to confer an unfair advantage on Welspun.

**1.2 Basic requirements.** Travel and accommodation may be provided to Government Officials or other counterparties only under the following circumstances:

- the travel is for a legitimate business purpose that is related to the party's performance of his or her lawful duties, such as performing an inspection, technical audit, or pre-qualification;
- the expenditure, duration, and nature of the travel and accommodation is reasonable given the party's seniority and the specific business purpose;
- no friends or immediate family members (spouse, dependent children, and dependent parents) of the party are traveling at Welspun's expense;



- no stopovers or sightseeing are planned that are not directly connected to the business purpose of the travel, unless the stopover or sightseeing is at the expense of the party and results in no additional cost to Welspun;
- the expenditure is not prohibited under the local law of the party's country;
- the expenditure is permissible under the internal rules of the party's employer of which Welspun is aware and
- The class and cost of travel is consistent with Company allowances for travel by Company personnel.

For travel and accommodation below US \$100 for operations in India and US \$200 for operations abroad, the individual arranging for the travel and accommodation shall ensure that the basic requirements are complied with. For travel and accommodation above US \$100 for operations in India and US \$200 for operations abroad, the Head of Department at the relevant location shall ensure that the basic requirements are met, and approval of Chief Compliance Officer is taken.

A business unit, subsidiary, country or facility may, subject to prior written approval of the Chief Compliance Officer, establish appropriate limits in order to reflect the cost levels in local markets.

**1.3 Travel provided to customers.** Travel provided to customers must comply with the policies and procedures in this section and must be within the scope of the agreement between the customer and Welspun or specifically approved by the Chief Compliance Officer.

**1.4 Welspun guesthouses and vehicles.** Whenever possible, accommodation provided to Government Officials or other counterparties should be in Welspun guesthouses and transportation should be provided in the Company's regular vehicles, in each case at a standard comparable to that provided to employees of Welspun.

**1.5 Proper documentation for invoices.** All reimbursement requests for travel and accommodation provided to Government Officials or other counterparties must be accompanied by supporting documentation.

**1.6 Application to indirectly funded travel.** These policies and procedures apply whether the expenses related to travel or accommodation are paid directly or indirectly by Welspun -- such as travel paid in the first instance by a sales agent and reimbursed by Welspun.

## **2.0 Procedures**

**2.1 Prior approval required.** All travel, accommodation and related expenses that are incurred on behalf of any Government Official or other counterparty, costing more than the limits specified in 1.2 above must be approved in advance by the Head of Department at the relevant location and the Chief Compliance Officer. An approval request form is appended at [Form I](#).

**2.2 Pay vendors directly.** Payment of travel, accommodation and related expenses by Welspun should be made directly to the airline, hotel, or other vendor whenever possible. When that is not practical, travel expenses may only be reimbursed against appropriate receipts or equivalent supporting documentation. Money may not be transferred to a Government Official or other counterparty on the understanding that the party will arrange for his or her own travel.

**2.3 Third Party Invoices.** These procedures also apply if a Third-Party Representative arranges for the travel or accommodation of a Government Official or other counterparty in connection with its representation of Welspun. The Third-Party Representative must identify when an invoice includes

travel expenses for Government Officials or other counterparties that were incurred on Welspun's behalf, specify all such expenses, and provide supporting documentation.

**2.4 Guest Log.** The concerned department at the relevant location is responsible for ensuring that each Welspun guesthouse maintains a log of non-employee guests to reflect: (i) the guest by name and position; (ii) the guest's organization and department; (iii) the duration of the stay; (iv) facilities or other conveniences provided in connection with the accommodation; and (v) the business purpose of the visit. The log may be subject to audit.

### **3.0 Responsible Persons**

Each Welspun employee is responsible for ensuring that all travel and accommodation provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section. The Head of the Department at the relevant location is responsible for approving expenditures above certain limits and ensure that approval of Chief Compliance Officer is taken. Finance Department shall be responsible for properly accounting for travel and accommodation in the Company's books and records. The Chief Compliance Officer shall also be responsible for approving travel involving customers. See Appendix B for the contact information on the key compliance-related Functions/departments.

### **4.0 Related Documents**

- Form I: Approval Request Form for Travel/Accommodation

## **4.D: Meals, Entertainment and Other Hospitality**

### **1.0 Policy**

Employees may not provide meals and entertainment to Government Officials or other counterparties if doing so would violate applicable anti-corruption laws, the internal rules of the recipient's organization of which Welspun is aware, or Company policies. Business meals that are provided in connection with legitimate business activities generally are permissible, provided the meal is not furnished in exchange for some business advantage. Entertainment expenses are generally discouraged.

Because lavish meals and entertainment can create an appearance of impropriety, Welspun employees and representatives must exercise caution when providing meals, entertainment and other hospitality to Government Officials and other counterparties.

**1.1 No quid pro quo.** Meals, entertainment and other hospitality may not be provided or offered, directly or indirectly, to a Government Official or other counterparty if it could reasonably be expected to affect the outcome of a government decision or a business transaction, or to confer an unfair advantage on Welspun.

**1.2 Basic requirements.** Welspun and its representatives may pay for or provide a meal or non-meal entertainment to a Government Official or other counterparty only if it meets all the following requirements:

- provided in connection with legitimate business activities;

- in accordance with the local business customs and not prohibited under local law;
- consistent with the internal guidelines of the recipient's employer or governmental agency, which Welspun knows or understands;
- reasonable in value and not excessive;
- infrequent and
- of a nature that would not embarrass Welspun if publicly disclosed.

1.3 For meals below US \$50 for all operations, or the preapproved limit for operations abroad, the individual arranging the meal shall ensure the basic requirements are complied with. For meals above US \$50 for all operations, or the preapproved limit for operations abroad, the Head of the Department at the relevant location shall ensure the basic requirements are met. The threshold limits for non-meal entertainment are US \$50 for all operations, or the preapproved limit for operations abroad. Expenditures above this threshold require prior written approval of the Head of the Department at the relevant location and Chief Compliance Officer.

1.4 **Presence of at least one Welspun employee or Third-Party Representative.** Because the purpose of a business meal is to facilitate business communications and foster better business relations, at least one Welspun employee or Third-Party Representative must be present at the meal.

## 2.0 Procedures

**2.1 Prior approval for meals and non-meal entertainment.** Meals and non-meal entertainment provided to Government Officials or other counterparties that cost more than the limits specified in 1.3 above, must be approved in advance by the Chief Compliance Officer and Head of the Department at the relevant location.

**2.2 Expense reports.** When filling out an expense report, Welspun employees must indicate whether the reimbursement request is for expenses relating to a Government Official. All expenses must be properly documented to reflect:

(i) the business purpose of the expenditure; (ii) the recipient; (iii) the recipient's organization and position; (iv) the cost of the meal or entertainment; (v) the location of the meal or entertainment; and (vi) the Welspun employee(s) present. If prior approval was required, the expense report should note the individual who approved the expense and the date.

**2.3 Third Party Representative invoices.** Third Party Representatives must identify whether an invoice includes meals or entertainment provided to a Government Official and must otherwise comply with the expense reporting requirements under Welspun policy.

## 3.0 Responsible Persons

Every Welspun employee is responsible for ensuring that any meal, entertainment or other hospitality provided to a Government Official or other counterparty complies with the policies and procedures set forth in this section. The Finance Department at the relevant location is responsible for accounting for meals, entertainment and other hospitality properly in the Company's books and records. The Chief Compliance Officer and Head of Department will be responsible for approving expenses exceeding above limit. See Appendix B for the contact information on the key compliance-related Functions/departments.

## **4.E: Charitable Contributions and Sponsorship Involving Government Officials or Government Entities**

### **1.0 Policy**

Welspun is committed to corporate social responsibility and to participating in charitable activities that benefit the communities surrounding the Company's locations. Donations or sponsorship requested by or on behalf of a Government Official or a Government Entity must be approached with care, however, to ensure that the donation would not confer a personal benefit on a Government Official.

The following policies and procedures must be followed with respect to any charitable contribution or sponsorship that: (i) is requested by a Government Official; (ii) is requested on behalf of a Government Official, where the responsible Welspun employee has knowledge of the Government Official's role; (iii) would support the activities of a Government Entity; or (iv) has some other known connection to a Government Official or Government Entity.

**1.1 No quid pro quo.** Charitable contributions or sponsorship may never be provided or offered as part on an exchange of favors with any Government Official or to obtain some benefit for Welspun, even if the recipient is a bona fide charity. If a Government Official has promised any benefit, or issued any threat, in connection with a donation request, the donation request must be denied.

**1.2 Legitimate purpose.** Charitable contributions or sponsorship may only be made for a legitimate and transparent capacity-building purpose or in response to a compelling humanitarian need.

**1.3 Welspun Foundation for Health & Knowledge.** Generally, charitable donations and corporate social responsibility activities are to be conducted through the Welspun Foundation for Health & Knowledge ("Welspun Foundation"), subject to the Foundation's policies and legal requirements. When an individual business unit seeks to engage in a charitable activity independently, the business unit is responsible for informing the Welspun Foundation regarding the charitable activity.

**1.4 Compliance with local law.** Charitable contributions or sponsorship must comply with local law and any applicable industry codes.

**1.5 Cash Donations Prohibited.** Any monetary contribution must be made by cheque, transfer, or other method that creates a comparable record of the transaction. Welspun may never make a charitable contribution or sponsorship in cash.

**1.6 No charitable contributions or sponsorship to individuals.** Charitable contributions or sponsorship may be made only to institutional accounts of legitimate and recognized organizations or entities. Welspun may never make a charitable contribution to a Government Official or to any personal bank account.

**1.7 CSR Activity.** Additionally, the contributions for projects that qualify as CSR activities under Companies Act, 2013 shall be approved and documented by CSR Committee. Proper due diligence should be carried out to ensure that the CSR Projects do not violate this policy, Welspun's Code of Conduct and other applicable policies and procedures

### **2.0 Procedures**

2.1 **Written request.** All requests for charitable contributions must be in writing. The request should include the following information: (i) the name, address and mission of the organization; (ii) a statement of need; (iii) the project name or purpose for which the contribution is requested; (iv) the project's overall profile, goals and objectives; (v) the amount of the request; and (vi) a statement that all funds/resources donated by Welspun will be used solely for the stated purpose.

2.2 **Due diligence.** The responsible employees must complete the Charitable Contribution/Sponsorship Due Diligence Checklist attached as Form J.

2.3 **Review and approval.** Advance review and approval by the Chief Compliance Officer is required for all proposed contributions that involve a Government Official or Government Entity for processing per its defined charitable activities.

2.4 **Evidence of receipt.** Welspun must obtain evidence of receipt for each Government-related charitable contribution that it makes. The Welspun employee interacting with the organization is responsible for obtaining a receipt and providing it to the Finance Department.

2.5 **Publication.** Whenever possible, charitable contributions should be publicized in a manner appropriate in the local market.

### **3.0 Responsible Persons**

Each Welspun employee is responsible for ensuring that any charitable contribution involving a Government Official or a Government Entity complies with the policies and procedures set forth in this section. The Chief Compliance Officer shall approve all contributions subject to these policies. The head of the Finance Department shall ensure that all such contributions are properly accounted for in the Company's books and records. See Appendix B for the contact information on the key compliance-related Functions/departments.

### **4.0 Related Documents**

- Form J: Charitable Contribution Due Diligence Checklist

### **4.F: Political Contributions**

#### **1.0 Policy**

Welspun prohibits all political contributions using Company funds, unless the political contributions are legal under applicable law, are consistent with the procedures in this Policy, and approved in advance by the Chief Compliance Officer and the Board of Directors. This policy applies to any Welspun funds or resources used to make or reimburse a contribution to any political party, committee or candidate for office, whether national, state or local and covers direct contributions as well as indirect assistance or support through purchasing tickets to political fundraising events or providing goods, services or equipment for fundraising or other campaign purposes.

### **4.G: Suppliers, Vendors & Other Third Parties, specifically recommended by Government Officials**

#### **1.0 Policy**

Welspun sources a range of goods, services and materials from suppliers around the world. Employees must be alert when a Government Official attempts to steer or pressure Welspun to select a favored supplier, vendor or other third party. This may reflect an effort to benefit from an undisclosed relationship between the Government Official and a supplier, vendor or other third party. The following policies govern Welspun's selection and retention of suppliers and vendors.

**1.1 No quid pro quo.** Welspun may never select a supplier, vendor or other third party in order to gain influence with a Government Official.

**1.2 Be alert if a Government Official recommends a supplier, vendor or other third party.** When engaging or managing suppliers, vendors and other third parties, Welspun employees must be alert for signs that a supplier, vendor or other third party may have a special relationship with a Government Official. Enhanced diligence is required under these circumstances. If a Government Official attempts to steer or pressure Welspun to select a specific supplier, vendor or other third party, you may not engage that supplier, vendor or third party without the prior written approval of the Chief Compliance Officer.

**1.2.1 Exception for government-approved vendors on public lists.** Pre-approval of the Chief Compliance Officer is not required for vendors that appear on public and transparent lists of certified, registered or pre-approved companies that are maintained by Government Entities in the absence of any indication of possible corrupt interest of the Government Official who recommends a specific vendor.

**1.3 Direct payment.** Payment must go directly to the supplier or vendor providing the goods or service.

## **2.0 Procedures**

Suppliers, vendors and other third parties specifically recommended by a Government Official must comply with the procedures listed in Section 4.A, or comparable procedures as directed by the Chief Compliance Officer.

## **4.H: Employment Requests from Government Officials**

### **1.0 Policy**

Offers of employment by Welspun to sitting Government Officials, their immediate family (spouse, dependent children, and dependent parents) or candidates recommended by Government Officials present a compliance risk since such offers may be viewed as conveying a benefit or something of value to a Government Official. Caution must be exercised to ensure that offers of employment, including internships and part-time positions, extended to Government Officials, their immediate family or candidates recommended by Government Officials are awarded on the basis of merit and qualifications assessed through Welspun's normal hiring process and not based simply on connections.

**1.1 No quid pro quo.** Welspun may not extend an offer of employment to a Government Official, relative of a Government Official or candidate recommended by a Government Official if the offer of employment could reasonably be expected to affect the outcome of a government decision or a business transaction or to confer an unfair advantage on Welspun.

**1.2 No special treatment.** Government Officials, the immediate family of Government Officials (spouse, dependent children, and dependent parents) and candidates recommended by Government Officials cannot be given special preference and must go through Welspun's normal hiring process.

**1.3 Pre-approval.** Discussions with sitting Government Officials about employment opportunities at Welspun must be pre-approved in writing by the Chief Compliance Officer and must occur in accordance with local law and the internal rules of the Government Officials organization of which Welspun is aware, including making any required disclosures to the candidate's employer.

**1.4 Policies apply to Third Party Representatives.** Employees may not pressure Welspun's Third Party Representatives, including agents, contractors, and vendors, to hire someone recommended by a Government Official unless the requirements of this policy are satisfied.

#### **4.1: Facilitating Payments**

Any payment to a government official designed to secure or speed up any government action by a government official. These are generally known as "Routine government actions". Some examples are provided below:

- Obtaining routine permits and licenses
- Processing passports, visas and work orders
- Providing police protection, mail pickup or delivery
- Providing phone service, power and water supply, loading and unloading cargo,
- Scheduling inspections or transit of goods across country; Expediting shipments through customs
- Please note that "routine government action" does not include:-
  - Any decision by a government official to award new business or
  - To continue business with a specific party or
  - To secure an advantage with respect to a discretionary approval / licenses

It is understood that in certain jurisdictions, facilitations payments are allowed. However, Welspun Management discourages any person covered by this policy to make any facilitation payments. In case a demand is received for payment to perform routine government actions, one should:

- Refuse to make such payment without official receipt and inform that the same is not permissible as per company policies;
- Report to the Chief Compliance Officer regarding demand for such payment;
- In case of exceptional circumstances, such as threat to personal safety, medical emergency, extortion, duress etc. facilitation payments may be made. Post such payments, the same shall be brought to the notice of the Chief Compliance Officer who shall ensure that these expenses are appropriately recorded in the books along with reasons.

### **5: Compliance Infrastructure**

#### **5.A: Books and Records**

##### **1.0 Policy**

Welspun employees are required to maintain detailed and accurate records of the disposition of the Company's assets. All transactions, regardless of amount, must be recorded properly to permit accounting and financial reporting in accordance with the Generally Accepted Accounting Principles ("GAAP") and to maintain accountability. No false or misleading entries may be made in the books and records of Welspun. Personal funds may not be used to accomplish what is otherwise prohibited by Welspun policy.

In addition:

- Welspun employees must maintain accurate documentation of the transactions described in this Policy.
- Off-the-books accounts and inadequately identified transactions are strictly prohibited. No undisclosed or unrecorded assets may be established.
- Payments must not be made into anonymous bank accounts or other accounts not in the name of the payee or of an entity known to be controlled by the payee.
- Except for regular, approved cash payroll payments and normal disbursement from petty cash, supported by signed receipts or other appropriate documentation, payments must not be made in cash.
- No expenses will be reimbursed to persons or companies assisting Welspun in obtaining or retaining business unless the expenses are supported by reasonable written documentation.
- The requirement to properly record all transactions fairly and accurately extends to all original documents, including invoices, receipts and expense reports.

## **2.0 Procedures**

The Chief Financial Officer or other designated Finance Department official, in conjunction with the Chief Compliance Officer, is responsible for the following:

### **Review and Approval**

2.1 Maintaining accurate and detailed books and records and otherwise implementing this Books and Records policy.

2.2 Reviewing accounting records and monitoring for inaccuracies or deceptive entries that may disguise illegal payments.

2.3 Establishing a written list of documents and records that must be maintained in order to ensure compliance with this Policy and the recordkeeping provisions of applicable anti-bribery laws such as the FCPA.

2.4 Reviewing in advance of the issuance or transfer of reimbursement funds, detailed information regarding the nature of the payment for which reimbursement is requested. This information must be kept on file at the paying location.



2.5 Reviewing in advance any request to make payment to a Third Party Representative, supplier or vendor, that will be made outside of either the country where a substantial portion of the related services are performed or the country from which the person performing the services normally conducts business. Such payments can be made only if preapproved in writing by the Chief Compliance Officer.

2.6 Reviewing in advance requests for payments for any services rendered by a Government Official, including honorarium payments and reimbursement of expenses. Such payments require advance approval in writing by the Chief Compliance Officer and should only be made to the government authority employing the individual by check or wire to its named bank account.

### **Annual Review and Report**

2.7 Within 60 days after the end of each financial year, the Chief Financial Officer must prepare a report, which must be submitted to the Chief Compliance Officer, with respect to all commissions, other remuneration (including gifts, meals, entertainment, travel and lodging, and other hospitality), except for gifts and other hospitality below the allowable thresholds set forth in this Policy made in connection with his or her business units operations during that year.

2.8 The Chief Financial Officer must certify in the report that, to the best of his/her knowledge, the information in the report is accurate and all transactions during the year complied with this policy, except as noted.

2.9 The Chief Financial Officer must specifically identify any instance of noncompliance with or potential violation of this Policy, the FCPA, and other applicable anti-corruption or anti-bribery laws, describing the nature of the noncompliance or potential violation, and explaining the corrective action taken or to be taken.

2.10 Within 90 days after the end of each financial year, the Chief Compliance Officer must prepare a report, which must be submitted to the Board of directors at its next scheduled meeting, with respect to all commissions and remunerations (including gifts and other hospitality, except for gifts and hospitality below the thresholds set forth in this Policy).

## **5.B: Compliance Due Diligence in Acquisitions and Joint Ventures**

### **1.0 Policy**

When Welspun acquires, invests in or partners with another company, the due diligence performed on the target or partner must include a compliance assessment to identify and assess the corruption and international trade risk profile of the Target Company or partner.

### **2.0 Procedures**

**2.1 Due diligence.** For any target company or joint venture partner, Welspun's pre-acquisition due diligence must include an anti-corruption and international trade component that is designed to identify and assess potential risks. A sample pre-acquisition due diligence checklist is attached at Form K. This checklist is illustrative only; the due diligence process should be tailored to account for likely risks facing the target company or joint venture partner, including the level of perceived

corruption in the foreign market(s) where the target company or partner does business, the product and customer mix, the sales practices, and other factors specific to the target company or joint venture partner. The Welspun employees conducting due diligence on a target company or joint venture partner are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The individual(s) responsible for due diligence will be identified by the Chief Compliance Officer in connection with acquisitions or joint ventures as they arise. The Chief Compliance Officer should be consulted for guidance on conducting compliance-related pre-acquisition due diligence on a target or joint venture partner.

**2.2 Report “red flags” and known or suspected improper conduct.** You must bring the following to the attention of the Legal Department immediately:

- any “red flag” involving a potential target company (see Form A)
- any other information or suspicion that a target company, joint venture partner or any of its officers, directors, employees, or other representatives has made or intends to make an improper payment to a Government Official or is or has been involved in any business in embargoed countries or with embargoed parties.

**2.3 Post-acquisition integration.** Post-acquisition integration plans should include processes to: (i) extend Welspun’s anti-corruption and international trade policies and procedures to the target company; and (ii) train key employees of the target company in those policies and procedures. The Human Resources Department is responsible for post-acquisition integration.

**2.4 Anti-corruption and international trade contract language.** Joint venture partners must agree to anti-corruption and relevant international trade contract language with the Company.

2.4.1 In the case of existing joint venture agreements with entities listed in Appendix A that do not contain appropriate anti-corruption and international trade provisions, the responsible business unit shall look for opportunities to add such provisions to the agreement, and must do so at the time the agreement is renewed or amended.

### **3.0 Responsible Persons**

The Welspun employees conducting due diligence on a target company or joint venture partner, in consultation with the Chief Compliance Officer, are responsible for ensuring that a compliance review of the target or joint venture partner is conducted. The Human Resources Department is responsible for managing the compliance aspects of post-investment integration. See Appendix B for the contact information on the key compliance-related Functions/departments.

### **4.0 Related Documents**

- Form A: Red Flags
- Form K: Sample Pre-acquisition / Pre-Investment Due Diligence Checklist

## **5.C: Compliance Monitoring and Audit**

### **1.0 Policy**

Compliance with the procedures in this Policy is mandatory and subject to audit. Each year, the Head of Internal Audit in consultation with Chief Compliance Officer will submit an audit plan for the coming year to the Audit Committee for review and approval. The purpose of such an audit is to assess implementation of the Compliance Program and compliance with anti-bribery anti-corruption policy. These reviews may be conducted as part of Welspun's regular internal audit cycle and coordinated with other aspects of its audit of business processes for compliance with other regulations and policies, or these reviews may be conducted independently of other Welspun audits. The results of each audit shall be presented to the Board of Directors.

### **2.0 Procedures**

**2.1 Form of review.** Welspun will conduct the following types of assessments:

- **Policies and procedures assessment:** A review of policies and procedures will be conducted to assess whether Welspun effectively maintains and communicates anti-corruption and international trade policies and procedures. This review is designed to identify whether applicable legal obligations are understood throughout the Company and its stakeholders.
- **Compliance assessment:** A review of select contracts, activities, practices and procedures will be conducted on a periodic basis to assess whether Welspun operations are successfully implementing the policies and procedures of the Compliance Program.

**2.2 Schedule.** Each year, the Head of Internal Audit in consultation with Chief Compliance Officer, in consultation with relevant departments, will propose a schedule for periodic audits or reviews of compliance in different departments and submit this to the Audit Committee for review.

**2.3 Corrective actions and training.** Findings and recommendations will be developed following each audit and shared with appropriate personnel.

**2.3.1** The Chief Compliance Officer will be responsible for developing and managing any necessary corrective actions to address the findings and recommendations of the assessments and will report to the Audit Committee.

**2.3.2** As necessary, training will be provided to address findings and recommendations, as well as any identified weaknesses.

**2.4 Recordkeeping.** The Chief Compliance Officer shall keep complete records of all audits for five years from the date of the audit or last corrective action related to the audit.

### **3.0 Responsible Persons**

The Head of Internal Audit along with Chief Compliance Officer, is responsible for overseeing periodic audits and any required corrective action and reporting on such activities to the Board of directors. See Appendix B for the contact information on the key compliance-related Functions/departments.

## **5.D: Compliance Training**

### **1.0 Policy**

ABAC compliance training shall be provided to Company officers, directors, employees or any person directly employed by the Company. The manner and schedule will be determined by the Human Resources Department in consultation with the Chief Compliance Officer.

Additionally, the company may also extend training programs to third parties and temporary workers if it is envisaged that the work profile allocated to them carries a significant risk as per this ABAC Policy

**1.1 Overall Responsibility.** Chief Compliance Officer has overall responsibility for the Company's compliance procedures set forth in this policy.

**1.2 Responsibility of business units.** Each business unit is responsible for implementing the procedures in this Policy.

**1.3 Availability of information.** Welspun will make this Policy available to all employees through the Company intranet.

**1.4 Regular training.** Welspun personnel must not treat this training program as a onetime event, but to keep themselves up to date by undergoing repeat training at regular intervals or each time a training program is updated.

**1.5 Annual confirmation/certification.** Annual confirmation should be sought from Welspun personnel on compliance of ABAC policy.

## **5.E: Reporting violation or suspicious activity**

Any non-compliance or suspicious activity shall be reported as per the reporting mechanism in the Whistle Blower Policy.

## **5.F: Investigations and Disciplinary Action for Non-Compliance of Policy**

### **1.0 Policy**

Any incidents or issues of potential non-compliance will be investigated by the Head - Ethics in consultation with the Chief Compliance Officer, and individuals who violate the procedures in this Policy may be subject to disciplinary measures up to termination of employment, as appropriate and at the discretion of the Company.

### **2.0 Procedures**

**2.1 Investigation.** The Head - Ethics in consultation with Chief Compliance Officer, is responsible for investigating any allegations or suspicions of violations of the procedures in this Policy and all applicable laws and regulations in the countries where Welspun conducts business. The Head - Ethics is responsible for gathering all relevant information and reporting the potential violation to the Chief Compliance Officer.

**2.2 Collection of facts and documents.** A record of the investigation, including the names of employees questioned, and facts and documents collected, must be maintained by the Chief Compliance officer for five years following resolution of allegations that prompted the investigation.

**2.2 Investigation report.** An investigation report is to be prepared by the Head - Ethics for every investigation conducted. The report must summarize the allegation or suspicion of non-compliance, information on all individuals and departments involved in the alleged non-compliance, an account of the investigation conducted, and the conclusion arrived at by the Head - Ethics. The report should be submitted to the Chief Compliance Officer. The Chief Compliance Officer, in consultation with the Head - Ethics and the Human Resources Department, is responsible for deciding whether discipline is warranted and what steps, if any, should be taken to strengthen the Company’s compliance and training program.

**2.3.1 Serious allegations.** Allegations which involve potential criminal conduct, reflect a pattern of misconduct, suggest material weakness in the implementation of an aspect of the Compliance Program, call into question the ethics or compliance of the Company’s officers, directors, or senior management, or that are otherwise deemed to be serious by the Chief Compliance Officer, must be elevated to the Audit Committee for review and action. The Head - Ethics and other relevant departments will be responsible for investigating unless the Audit Committee decides otherwise. Where an allegation or potential incident involves a direct or willful violation of applicable law or regulation or a potential bribe Chief Compliance Officer will oversee the investigation and elevate the matter to the Audit Committee.

### **3.0 Responsible Persons**

The Head - Ethics is responsible for investigating allegations of violations of relevant laws and Company policies. The Chief Compliance Officer, in consultation with the Head - Ethics and the Human Resources Department, is responsible for making decisions regarding employee discipline and strengthening the Company’s compliance and training program. See Appendix B for the contact information on the key compliance-related Functions/departments.

### **5.G: Waiver and Amendment**

The policy may be continuously reviewed and updated based on the learnings and changes in the relevant regulations. The Chief Compliance Officer will monitor the effectiveness and review the implementation of this ABAC Policy, regularly considering its suitability, adequacy and effectiveness. Any exception to this policy shall have written preapproval from the Chief Compliance Officer.

## **Document Control Section**

| <b>Version</b> | <b>Release Date</b> | <b>Document Owner</b> | <b>Summary of Changes Made by</b> | <b>Reviewed By</b> | <b>Approved By</b> |
|----------------|---------------------|-----------------------|-----------------------------------|--------------------|--------------------|
| <b>2022</b>    | <b>23.03.2022</b>   | <b>Ethics</b>         | <b>Pradeep Kumar K</b>            |                    | <b>WCL Board</b>   |

## **APPENDIX B**

### **Contact Information for Key Compliance-Related Functions/Departments**

| Deputy Chief<br>Compliance Officers |              | [insert name / contact information]                | Welspun Tradings Ltd.<br>Welspun Natural Resources Pvt. Ltd.<br>Welspun Pipes Limited<br>Welspun Infratech Limited<br>Welspun Plastics Private Limited<br>Welspun Projects Limited<br>Welspun Constructions Pvt. Ltd.<br>Welspun Maxsteel Limited<br>Welspun Road Projects Pvt. Ltd.<br>Welspun Infraprojects Private Ltd<br>Welspun Water Infrastructure P Ltd<br>Welspun Energy Transportation P Ltd<br>Welspun Energy Maharashtra P Ltd<br>Welspun BOT Projects P Ltd<br>MSK Projects (Himmatnagar Bypass) Pvt. Ltd.<br>MSK Projects (Kim-Mandavi Corridor) Pvt. Ltd. |
|-------------------------------------|--------------|--|--|
|                                     | Saudi Arabia |  |  |
|                                     |              | [insert name / contact information]                | Welspun Pipe Inc.<br>Welspun Tubular LLC<br>Welspun Global Trade LLC   |
| Legal Department                    |              | [insert name(s) / positions / contact information] |  |
|                                     | Saudi        | [insert name(s) / positions / contact information] |  |





|                                |               |   |  |
|--------------------------------|---------------|---|--|
|                                | Arabia        | information]  |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|                                |               |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
| Finance Department             |               | [insert name(s) / positions / contact information]                        |  |
|                                |               |   |  |
|                                | Saudi Arabia  |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|                                | United States |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
| Sales and Marketing Department |               |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|                                | Saudi Arabia  |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|                                | United States |   |  |
|                                |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |

|   |               |   |  |
|---|---------------|---|--|
| Human Resources Department              |               |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|   | Saudi Arabia  |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|   | United States |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
| Export/Import Department                |               |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|   | Saudi Arabia  |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
|   | United States |   |  |
|   |               | Empowered Official(s): [insert name(s) / positions / contact information] |  |
| Ethics and Compliance Reporting Channel |               | XX- Reference to whistle blower Policy                                    |  |

## APPENDIX C

### Additional Procedures Checklist

| N<br>o. | Additional Procedures  | Responsible<br>Dept./Person(s)           | Completion period                                     |
|---------|--|--|---|
| 1.      |  |  |   |
| 2.      | Adopt a Gift Log that incorporates the key items listed in the Compliance Program and delegate a responsible person to maintain the Gift Log | Finance Department at relevant locations | Within three months of adoption of Compliance Program |



| N<br>o. | Additional Procedures  | Responsible<br>Deptt./Person(s)  | Completion period  |
|---------|--|--|--|
| 3.      | Identify responsible persons - both at the functional level and by location (including for those entities listed at Appendix A) -- who will be responsible for implementing and overseeing the Compliance Program  | Chief Compliance Officer   | Within three months of joining Welspun as Chief Compliance Officer |
| 4.      | Delegate authority and specific responsibilities to the individuals identified as responsible for implementing and overseeing the Compliance Program   | Chief Compliance Officer   | Within three months of joining Welspun as Chief Compliance Officer |
| 5.      | Update the list of key contacts for compliance related questions and concerns and make this list available to all employees (this list should include key contacts at both the central and local level and provide a description of the relevant compliance responsibilities as well as contact information)                           | Chief Compliance Officer   | Within three months of joining Welspun as Chief Compliance Officer |
| 6.      | Set budget to ensure there are sufficient resources to implement and achieve the objectives set forth in the ABAC Policy   | Chief Compliance Officer / Human Resources Department                        | Within three months of joining Welspun as Chief Compliance Officer |
|         | Establish procedure for checking and responding to the Non-Compliance to this policy   | Chief Compliance Officer   | Within three months of joining Welspun as Chief Compliance Officer |
|         | Determine the specific export controls and related classification numbers (according to U.S. law and other applicable laws) applicable to the Company's key products, components, equipment, software and technology, and compile this information in a matrix and ensure the information is reviewed and updated at routine intervals | Legal Department / Sales and Marketing Department / Export/Import Department | Within six months of the adoption of the Compliance Program        |
|         | Set a timetable for training all employees on the Company's Compliance Program   | Chief Compliance Officer   | Within three months of joining Welspun and also annually.          |

| N<br>o. | Additional Procedures   | Responsible<br>Deptt./Person(s) | Completion period  |
|---------|---|---------------------------------|--|
| 13      |   |                                 |  |
|         | Develop an audit module that addresses specific metrics and includes typical audit components such as identifying the individual with oversight of the compliance audit, frequency, site selection, planning, site visits, transactional testing, reporting and remediation | Chief Compliance Officer        | Within six months of joining Welspun as Chief Compliance Officer |

**APPENDIX D**

**ABAC Policy- Welspun India. Ltd.**

**Compliance Forms**

FORM A ..... Red  
Flags FORM B ..... Questionnaire for Proposed Third Party  
Representative FORM C ..... Summary of Welspun’s Anti-Corruption Policy for Third  
Party Representatives FORM D ..... Due Diligence Checklist for Proposed Welspun  
Third Party Representative FORM E ..... Sample Anti-  
Corruption Contract Provisions FORM F ..... Certification  
of Compliance with Ethical Practices FORM G  
..... White List of Approved Gifts  
FORM H ..... Sample Welspun Gift  
Log FORM I ..... Approval Request Form for Travel/Accommodation for Government  
Officials FORM J ..... Charitable Donation Due  
Diligence Checklist FORM K ..... Sample Pre-Acquisition / Pre-Investment  
Due Diligence Checklist

## FORM A

### Representative Red Flags

- ▶ **A Government Official recommends that Welspun engage a specific person or company to act as a sales agent, consultant, distributor, supplier, contractor, or other business partner.** The Government Official may have an undisclosed relationship with the third party and may be seeking a personal benefit.
- ▶ **A third party requests, without reasonable explanation, fees that are much greater than the market rate for comparable work.** A request for unusually high compensation may indicate that part of the fee will be used for improper payments.
- ▶ **A third party proposes to be paid a large contingency fee** if, for example, a government permit is awarded, an anticipated shipment clears customs quickly, or a favorable regulatory change is achieved. This type of compensation structure can create an incentive for the third party to make an improper payment to achieve a favorable result.
- ▶ **A third party requests that payments be made to a different company or person or to a third-country bank account or asks for other unusual financial arrangements.** Such an arrangement may indicate an effort to use the funds for an improper purpose or to circumvent regulatory requirements.
- ▶ **A sales agent or consultant suggests that because of its close relationships with key Government Officials, only companies that partner with it will be able to secure a government contract, license, permit, customs clearance, or another successful outcome.**
- ▶ **A third party requests to be paid in cash** for services that are typically paid by bank transfer or other non-cash means.
- ▶ **A third party requests reimbursement for unusual or unexpected out-of-pocket costs.**
- ▶ **A third party requests that his or her agreement be kept secret from his or her employer.** A third party lacks a track record with the product, field or industry.



- ▶ A third party is **not listed in standard industry directories** or is **not known to people knowledgeable about the industry**.
- ▶ A third party **lacks suitable skills, facilities or qualified staff** to perform its obligations.
- ▶ A background check of the third party and its principals uncovers **unusually close links to, or some sort of financial interest held by, a Government Official**.
- ▶ A third party **refuses to certify that it will not take any action in furtherance of an improper payment**. All third parties that do business with Welspun should be prepared to give this standard commercial assurance.

- ▶ A background check of the third party and its principals uncovers **evidence or reports of suspicious, unethical or illegal conduct.**

## B. Export Red Flags

- ▶ The **customer name or its address is similar to one of the parties subject to trade restrictions** that are maintained by the U.S., E.U., U.N., and any other applicable jurisdictions including such parties subject to U.S. restrictions pursuant to the Foreign Assets Control Regulations, the Export Administration Regulations and the International Traffic in Arms Regulations.
- ▶ The customer or purchasing agent is **reluctant to offer information about the end-use of the item.**
- ▶ The **product's capabilities do not fit the buyer's line of business**, such as an order for sophisticated computers for a small bakery.
- ▶ The item ordered is **incompatible with the technical level of the country** to which it is being shipped, such as semiconductor manufacturing equipment being shipped to a country that has no electronics industry.
- ▶ The customer is **willing to pay cash for a very expensive item** when the terms of sale would normally call for financing.
- ▶ The **customer has little or no business background.**
- ▶ The **customer is unfamiliar with the product's performance characteristics** but still wants the product.
- ▶ Routine **installation, training, or maintenance services are declined** by the customer.
- ▶ **Delivery dates are vague**, or deliveries are planned for out of the way destinations.
- ▶ A **freight forwarding firm is listed as the product's final destination.**
- ▶ The **shipping route is abnormal** for the product and destination.
- ▶ **Packaging is inconsistent with the stated method** of shipment or destination.
- ▶ When questioned, the **buyer is evasive and especially unclear** about whether the purchased product is for domestic use, for export, or for reexport.

**FORM B**

**Questionnaire for Proposed Third Party Representative**

This Questionnaire must be completed for Third Party Representatives appointed or hired to: (i) interact with Government Officials on Welspun’s behalf; (ii) be involved in sales-related activities as a representative for Welspun; or (iii) otherwise function as an authorized representative of Welspun. The Questionnaire below doesn’t apply to persons or entities that are not authorized to act on behalf of Welspun such as agents of Welspun’s customers/suppliers of Raw Material and other vendors and counterparties that do not represent Welspun.

The following information will assist Welspun in assessing the qualifications of \_\_\_\_\_ (the “Proposed Representative”) to provide services in the country of \_\_\_\_\_. Your cooperation in completing this form is important to Welspun and is greatly appreciated. Please attach additional sheets of paper as needed.

**A. General Background**

1. Name of Proposed Representative:

Principal Contact:

Address:

Telephone:

Fax:

E-mail:

Website:

2. Year established:

3. Registration number:

*Please attach a copy of your government registration certificate or similar*

*document.* 4. Type of entity:

Publicly-traded company

Partnership

Individual

Privately-owned company

Government-owned

company

Other (describe)

5. Number of employees:

**B. Business and Capabilities**

6. Please describe Proposed Representative’s current business activities:
  
7. Please describe in detail the experience and the business and capabilities of Proposed Representative that relate to its ability to be of assistance to Welspun.
  
8. Please list representative clients of Proposed Representative.
  
9. Please describe specific examples of services that Proposed Representative has performed for its clients. You may do so in a way that does not identify the client at issue.
  
10. Please attach copies of brochures or other information reflecting Proposed Representative’s experience and capabilities.

**C. Organization and Leadership**

11. Please list the names and addresses of Proposed Representative’s officers, directors, and any person who holds a 5% or greater ownership interest (direct or indirect) in Proposed Representative. Attach additional sheets if needed. Include alternate spellings if the name is a transliteration from a language not written in the Roman alphabet. If Proposed Representative is an individual, please so indicate and move to Question #14.

| Name | Position(s) (officer, director, owner) | Ownership % |
|------|--|-------------|
|      |  |             |
|      |  |             |
|      |  |             |
|      |  |             |

12. Please list the persons who you expect will be principally responsible for Proposed Representative's work on behalf of Welspun.

| Name | Position | Role/Responsibility |
|------|----------|---------------------|
|      |          |                     |
|      |          |                     |
|      |          |                     |
|      |          |                     |

13. Please list all affiliated business enterprises of Proposed Representative, where there is a direct or common ownership relationship of 25% or more, including a description of the businesses and the location of each principal place of business.

| Affiliated Enterprise | Description of Business | Location |
|-----------------------|-------------------------|----------|
|                       |                         |          |
|                       |                         |          |
|                       |                         |          |
|                       |                         |          |

14. Has Proposed Representative, any person for listed in Items #11 or #12 above, or any of Proposed Representative’s affiliates identified in Item #13 above:

been a defendant in any criminal proceeding, civil litigation, or arbitration related to actual, alleged, possible or potential violation of, or failure to comply with, any laws, regulations, or industry codes governing bribery, money laundering, or other corrupt payments, in the last five years?

Yes  No

been the subject of a criminal investigation related to actual, alleged, possible or potential violation of, or failure to comply with, any laws, regulations, or industry codes governing bribery, money laundering, or other corrupt payments in the last five years?

Yes  No

If you answered Yes to either of the last two questions, please provide a detailed explanation. \_\_\_\_\_

**D. Government Affiliations**

15. Does any Government entity have any ownership interest, other financial interest, or management role in Proposed Representative?

Yes  No

If Yes, please describe.

16. Do any of the following individuals currently hold any position with a Government, a Government agency, an international organization, an enterprise owned in whole or in part by a Government, or a political party; or are any of the following a candidate for public office?

- The Proposed Representative, if an Individual
- Any person listed in Items #11 and #12 above
- Any officer, director or owner of one of Proposed Representative's affiliates identified in Item #13, if any
- Any immediate family member (spouse, dependent children, and dependent parents) of any of the persons above.

Yes  No

If Yes, please identify all such individuals, their positions, and the corresponding Governments, agencies, organizations, enterprises and/or parties.

| name | Position in Proposed Representative |  |
|------|-------------------------------------|--|
|      |                                     |  |
|      |                                     |  |
|      |                                     |  |

17. If the Proposed Representative is a subsidiary of another corporation or other entity, please provide the same information requested in Items #11, #14, #15, and #16



for the  
parent corporation or entity.

18. Has Proposed Representative or any of the persons listed in Items #11 or #12 above ever served as a Government Official, or been employed by a Government or a Government-owned company in the past 3 years?

Yes  No

If you answered Yes, please provide the following information for each such person.

| Name | Government position(s) | Period of service |
|------|------------------------|-------------------|
|      |                        |                   |
|      |                        |                   |
|      |                        |                   |

**E. References**

19. Please provide the names of at least two commercial enterprises with which you have worked previously, and the name of a person at each of these enterprises who is familiar with the work that you did with his or her employer. By providing this information you authorize Welspun to contact the persons identified.

Name \_\_\_\_\_ of \_\_\_\_\_ Enterprise:

Contact Person:

Position:

Address:

Telephone:

E-mail:

Name \_\_\_\_\_ of \_\_\_\_\_

Enterprise:

Contact Person:

Position:

Address:

Telephone:

E-mail:

20. Provide details of any business dealings that Proposed Representative has had with any Welspun unit.

21. Please provide wire transfer information for Proposed Representative that would be used in the event Proposed Representative is engaged:

Bank Name:

Bank Address:

Country where bank is located:

Account Name:

Account Number:

SWIFT Code:

ABA Number:

#### **F. Ethical Business Practices**

22. Attached to this Questionnaire is a copy of the Welspun Ethics & Code of Conduct Policy and the Summary of Welspun's ABAC Policy.

Will Proposed Representative be able to satisfactorily perform its responsibilities under its agreement with Welspun, and at all times act in a manner that is consistent with Welspun's ABAC policies?

Yes  No

If No, please explain.

23. Does Proposed Representative have a policy addressing bribery or other corrupt practices?

Yes  No

If Yes, please attach a copy.

24. Certification: I certify that the information above is true, accurate and complete as \_\_\_\_\_ of this date. I agree to notify Welspun promptly should there be a material change \_\_\_\_\_ in any of the information provided herein.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

## **FORM C**

### **Summary of Welspun's ABAC Policy for Third Party Representatives**

The Prevention of Corruption Act 1988 and similar laws governing corruption and bribery around the world prohibit Welspun, its officers and employees, and Welspun's agents and representatives from engaging in corruption and bribery when dealing with government officials or other companies or individuals in the course of its business activities.

While specific anti-corruption laws apply to each jurisdiction where Welspun is engaged in business activities, the general rule to be followed is straightforward:

**No Welspun officer, director, employee, agent, or other representative worldwide may, directly or indirectly:**

- **offer or give anything of value to a government official or any other person as an incentive to, or in exchange or as a reward for, obtaining an improper business advantage for Welspun; or**
- **give or accept anything of value that is intended to induce the recipient to violate his/her duty of loyalty to his/her employer.**

### **The Welspun Ethics & Code of Conduct Policy requires:**

**Welspun employees should carry out their duties based on honesty and fairness, seeking to foster a sound business culture. While performing their duties, Welspun employees must not accept any form of improper benefit from interested parties that may obstruct fair judgment. Employees should refrain from any immoral or unethical behavior as prescribed by social norms in performing their duties and in living their personal lives.**

**We require our agents and other representatives to adhere to this same standard of conduct. This applies to all activities that agents and other representatives carry out for or on behalf of Welspun that involve government officials or other counterparties, including the provision of:**

- **Gifts**

- Travel and accommodation
- Meals, entertainment and hospitality

- Charitable contributions

The term “government official” is very broad and includes: (i) an officer or employee of any governmental entity; (ii) an elected official; (iii) an officer or employee of any government- owned or government-controlled company; (iv) a candidate for political or elected government office or a party official; (v) an officer, employee, or representative of a public international organization; and (vi) a private person acting in an official capacity for or on behalf of a governmental entity or a public international organization.

**What are the consequences if I violate this policy?**

Welspun will terminate your agreement.

**What should I do if I am uncertain whether an activity would violate this rule?**

You should immediately contact the senior Welspun employee with whom you work. You should not act until you have consulted with Welspun.

**Business is conducted very differently in my country. Small payments are customary. Why am I required to comply with this policy?**

As a representative of Welspun, you are expected and required to conduct business in an ethical manner. Welspun may be held responsible if its agents and third party representatives act in a manner that violates this policy.

**How can I learn more about Welspun’s ABAC policy and my responsibilities under that policy?**

Welspun will provide ABAC compliance training to you as needed.



**FORM D**

**Due Diligence Checklist for Proposed Welspun Third Party Representative**

Directions:

**Section A** must be completed by the manager responsible for the engagement, or his or her designee. **Section B** must be completed by the manager responsible for the engagement.

**Section C** must be completed by the Chief Compliance Officer.

**Section A: Due Diligence**

- 1. Name of Proposed Third Party Representative (“Proposed Representative”):**
- 2. Proposed Representative will serve as a:**
  - Sales Agent
  - Consultant
  - Distributor
  - Other (describe)
- 3. Attach a completed copy of the Proposed Representative Questionnaire (Form B).**
- 4. Speak with the Company employee(s) who suggested engaging the Proposed Representative. Provide their answers to the following questions.**
  - a. How did the Proposed Representative first come to Welspun’s attention?**
  - b. What services will the Proposed Representative provide?**
  - c. Explain the commercial rationale for engaging the Proposed Representative.**
  - d. Describe the Proposed Representative’s relevant contacts with customers and governmental regulatory bodies, if any, and the source(s) of this information.**
  - e. Is the employee aware of any information suggesting that the Proposed Representative has engaged in illegal or unethical conduct in the past?**

Yes  No

**If Yes, explain.**

f. **Does the employee believe that the Proposed Representative would comply with a contractual commitment not to pay bribes?**

Yes  No

Explain.

g. **Are you aware of any Welspun employees who are more familiar with the Proposed Representative's business and reputation?**

Yes  No

If Yes, interview those employees and also obtain their answers to the questions above.

**5. Review the website of the Proposed Representative, if available.**

a. Does the substance of the website suggest that Proposed Representative is an established company?

Yes  No

If No, explain.

b. Does anything on the website call into question the accuracy of the information provided by Representative in the Proposed Representative Questionnaire?

Yes  No

If Yes, explain.

c. Is there anything else about the website that you believe may be relevant to this due diligence? Anything unusual?

Yes  No

If Yes, explain.

**6. Perform the following tasks:**

- **Run the names of the Proposed Representative and Proposed Representative's employees who are expected to be involved in the engagement with Welspun, and any other persons or entities identified in the Proposed Representative Questionnaire (including any alternate spellings) through Google or a comparable Internet search engine. Review information obtained.**

**Date completed: \_\_\_\_\_**

- **For agents, consultants and other third parties that are expected to interact with government officials on Welspun's behalf, run the names of the Proposed Representative, Proposed Representative's employees who are expected to be involved in the engagement with Welspun, and any other persons or entities identified in the Proposed Representative Questionnaire (including any alternate spellings) through a database of newspapers and periodicals. Review information obtained.**

**Date completed: \_\_\_\_\_**

**Do these materials indicate:**

- a. **that Proposed Representative or any persons or entities affiliated with it may have been involved in improper activity of any sort?**

Yes  No

If Yes, describe.

- b. **that the Proposed Representative, Proposed Representative's employees who are expected to be involved in the engagement with Welspun, or any other person or entity identified in the Proposed Representative Questionnaire responses, holds any position with any government, any agency or instrumentality of any government, any enterprise in which a**

**government owns an interest, any political party, or any public international organization?**

Yes  No

If Yes, describe.

- c. that the Proposed Representative, Proposed Representative's employees who are expected to be involved in the engagement with Welspun, or any other persons identified in the Proposed Representative Questionnaire, is a candidate for political office?**

Yes  No

If Yes, describe.

7. **Attach copies of any web pages, news articles, or other documents that you have reviewed and that you believe are relevant to assessing (i) the reputation and integrity of Proposed Representative or (ii) Proposed Representative's relationships with government officials.**
8. **Embargoed / Restricted Parties Screening: Request that the responsible function within Welspun (with involvement by the Finance Department, as necessary) screen the Proposed Representative, Proposed Representative's employees who are expected to be involved in the engagement with Welspun, and any other person or entity identified in the Proposed Representative Questionnaire, to determine whether any of them appears on the applicable lists of embargoed and restricted parties maintained by the European Union, United Nations, United States, and other relevant jurisdictions. Attach results received from the responsible function.**

Date completed:

Summary of results:

9. Reference Check: Speak with the references identified in the Proposed Representative Questionnaire. Based on your discussions:
- a. **Do any of the references have reason to believe that the Proposed Representative would be anything other than completely honest in its business dealings?**

Yes  No

If Yes, explain.

- b. **Do any of the references have reason to believe that the Proposed Representative would violate a commitment not to bribe employees of customers or governmental bodies?**

Yes  No

If Yes, explain.

10. **Attach a standard due diligence report from a service, such as Dun & Bradstreet, that provides information on the Proposed Representative available from public records.**
  - a. **Do public records confirm or contradict representations made by the Proposed Representative concerning its business (location, size, owners, etc.) in the Proposed Representative Questionnaire?**

Explain.

- b. Does the report indicate that the Proposed Representative has been involved in any criminal or other legal proceedings?**

Yes  No

If Yes, explain.

- c. Does the report contain any other information that raises a question about Proposed Representative's integrity?**

Yes  No

If Yes, explain.

**11. Provide the following information about compensation:**

- a. Would the Proposed Representative receive compensation that is higher than the normal rate for such services?**

Yes  No

If Yes, explain (i) the nature of the additional compensation and (ii) what justifies the extra compensation.

- b. Apart from standard sales commissions based on approved company schedules, would any part of the Proposed Representative's compensation be contingent upon the occurrence of any future event (for example, a success fee linked to a desired outcome)?**

Yes  No

If Yes, provide the amount of the contingent compensation, describe the contingency, and explain the reason why compensation has been structured in this manner.

**12. Have other Welspun business units had any dealings with the Proposed Representative?**

Yes  No



If Yes, check with those business units and describe the nature of the dealings.

**13. Attach a copy of the draft agreement with the Proposed Representative.**

**14. Are any of the following circumstances present?**

- A government official recommends that Welspun engage a specific person or company to act as a sales agent, consultant, distributor, supplier, contractor, or other business partner.  
Yes  No
- A third party requests, without reasonable explanation, fees that are much greater than the market rate for comparable work.  
Yes  No
- A third party proposes to be paid a large contingency fee if, for example, a government permit is awarded, an anticipated shipment clears customs quickly, or a favorable regulatory change is achieved.  
Yes  No
- A third party requests that payments be made to a different company or person or to a third-country bank account, or asks for other unusual financial arrangements.  
Yes  No
- A sales agent or consultant suggests that because of its close relationships with key government officials, only companies that partner with it will be able to secure a government contract, license, permit, customs clearance, or another successful outcome.  
Yes  No
- A third party requests to be paid in cash for services that are typically paid by bank transfer or other non-cash means.  
Yes  No
- A third party requests reimbursement for unusual or unexpected out-of-pocket costs.  
Yes  No
- A third party requests that his or her agreement be kept secret from his or

her employer.

Yes  No

- A third party lacks a track record with the product, field or industry.

Yes  No

- A third party is not listed in standard industry directories or is not known to

people knowledgeable about the industry.

Yes  No

- A third party lacks suitable skills, facilities or qualified staff to perform its obligations.  
Yes  No
- A background check of the third party and its principals uncovers unusually close links to, or some sort of financial interest held by, a government official.  
Yes  No
- A third party refuses to certify that it will not take any action in furtherance of an improper payment.  
Yes  No
- A background check of the third party and its principals uncovers evidence or reports of suspicious, unethical or illegal conduct.  
Yes  No
- Are there any other facts or circumstances that deviate from normal business norms or otherwise present “red flags”?  
Yes  No

If the answer to any of the questions above is Yes, or if you have any other reason to question whether Proposed Representative will abide by its anti- corruption obligations, then you must consult with the \_\_\_\_\_ Legal \_\_\_\_\_ Department before entering into an agreement with Proposed Representative.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Position: \_\_\_\_\_

**Section B: Approval of Investigation**  
**(to be completed by the manager responsible for the engagement)**

I have reviewed the foregoing information and collected supporting information as necessary, in order to assess whether this proposed transaction complies with Welspun’s ABAC Policy. Based on my review I recommend that the request to engage this third party be

APPROVED  DENIED

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**Section C: Approval of Representative  
(to be completed by the Chief Compliance Officer)**

I have reviewed the foregoing information, including the Questionnaire for Proposed Third Party Representative and collected supporting information as necessary, in order to assess whether this transaction complies with Welspun’s ABAC policy. I have not found any information or inconsistencies that raise concerns for compliance. Based on my review this transaction is

APPROVED     DENIED

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**FORM E**

**Sample Anti-Corruption Contract Provisions**

**Article[ \_\_:] Compliance with Good Ethical Practices**

**1. Certain Representations, Warranties and Covenants.** [Representative.....] represents, warrants, and covenants to Welspun, that:

**1.1** [Representative.....] is licensed, registered and qualified under local law, regulations, policies, and administrative requirements to do business and, to the extent required by applicable law, has lawfully obtained licenses or completed such registrations as may be necessary or required by law to provide the services encompassed within the Agreement;

**1.2** In carrying out its responsibilities under this Agreement, [Representative.....] shall not, directly or indirectly, offer, give, promise to give, or authorize the giving of any financial or other advantage, or anything else of value:

i. to (A) any Government Official, including (i) any official or employee of any government, or any department, agency, instrumentality or political subdivision thereof or (ii) any political party or official thereof, or to any candidate for political office; (B) any other person at the request of or with the assent or acquiescence of any Government Official; or (C) any official or employee of any public international organization, in each case ((A), (B) and (C)), for the purpose of (1) influencing or rewarding any act or decision of the recipient in his official capacity, or (2) inducing the recipient to do or omit to do any act in violation of his lawful duty, or (3) securing an improper advantage, or (4) inducing the recipient to use his or her influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; or

ii. to an officer, employee, agent, or representative of another company or organization, with the intent to improperly influence or reward the recipient's action(s) in connection with performing a function improperly in connection with the Company's business interests, or to induce or reward the improper performance of the person's duties in order to obtain or retain business or an advantage in the conduct of business for Welspun or [Representative.....].

**1.3** No financial or other advantage has been offered, given, promised, or authorized as described in [paragraph „1.2“ of this Article] by

[Representative.....], prior to the date of this Agreement, in connection with business for Welspun.

**1.4** [Representative.....] has not received any notice, subpoena, demand, or other communication (whether oral or written) from any governmental authority at any time in the last five (5) years regarding [Representative.....]'s actual, alleged, possible or potential violation of, or failure to comply with, any laws, regulations, or

industry codes governing bribery, money laundering, or other corrupt payments and, to its best knowledge, [Representative.....] is not now, and has not been at any time in the last five (5) years, the subject of any governmental investigation, audit, suit, or proceeding (whether civil, criminal, or administrative) regarding its violation of, or failure to comply with, any such laws, regulations, or industry codes governing bribery, money laundering, or other corrupt payments.

**1.5** In carrying out its responsibilities under this Agreement, [Representative.....] shall at all times be bound by and strictly comply with all applicable laws and regulations concerning corrupt practices or which in any manner prohibit the offer, giving or promise to give any financial or other advantage, or anything else of value, to (i) any Government Official, or official or employee of a public international organization, or (ii) any person to induce or reward the improper performance of the person's duties.

## **2. Invoicing and Books & Records**

**2.1** [Representative.....]'s invoices to Welspun shall fairly and accurately describe the nature of any services provided under this Agreement.

**2.2** [Representative.....] shall maintain true, accurate and complete books and records necessary to demonstrate compliance with this Article.

**2.3** In addition to any other rights provided under the Agreement, in the event that Welspun in good faith believes that [Representative.....] may not be in compliance with this Article, upon Welspun's request, [Representative.....] shall provide Welspun with access to the books and records maintained by [Representative.....] in accordance with [paragraph „2.2“ of this Article] and Welspun shall have the right to audit such books and records.

## **3. Notification and Certification**

**3.1** [Representative.....] shall promptly notify Welspun of (a) the occurrence of any fact or event which [Representative] suspects could render any representation, warranty, covenant or undertaking in this Article incorrect or misleading; (b) any notice, subpoena, demand, or other communication (whether oral or written) from any governmental authority regarding [Representative.....]'s actual, alleged, possible, or potential violation of, or failure to comply with, any laws or regulations governing bribery, money laundering, or other corrupt payments; and (c) any governmental investigation, audit, suit, or proceeding (whether civil, criminal, or administrative) regarding [Representative.....]'s violation of, or failure to comply with, any such laws or regulations.



**3.2** Annually and at such other times as may be reasonably requested by Welspun, [Representative] shall execute and deliver to Welspun a Certificate of Compliance with Ethical Practices (a “Certificate of Compliance”) that confirms [Representative.....]’s continued compliance with the provisions of this Article.

#### **4. Termination**

**4.1** Notwithstanding anything to the contrary in this Agreement, Welspun may, in its sole discretion and in addition to its other remedies under this agreement or available in law, equity or otherwise, immediately terminate this Agreement in the event that Welspun should receive information which it reasonably determines to be evidence of a breach by [Representative.....] of any representation, warranty or covenant set forth in this Article. Any termination of this Agreement by Welspun pursuant to this section shall be treated as a termination for breach and the consequences set forth in Section 4.2 shall apply.

**4.2** In the event of a termination of this Agreement in its entirety, Welspun shall have no liability to [Representative.....] for any fees, reimbursements or other compensation under this Agreement, including for services previously performed, and [Representative] shall defend and indemnify Welspun for any third-party loss, cost, claim, or damage resulting from the breach of this Article and Welspun's termination of this Agreement.

#### **5. Limitations.**

**5.1** In no event shall Welspun be obligated to take any action under this Agreement if Welspun, acting in good faith and in its sole discretion, believes that to do so would cause Welspun to be in violation of any nation's or territory's laws, including the n Prevention of Corruption Act 1988, the U.S. Foreign Corrupt Practices Act, or the U.K. Bribery Act.

**FORM F**

**CERTIFICATION OF COMPLIANCE WITH ETHICAL PRACTICES**

INSTRUCTIONS: *Please complete the form below and return it to Welspun.*

1. Name of Welspun representative: \_\_\_\_\_ (the "Representative").
2. Representative previously completed and submitted to Welspun a "Questionnaire for Proposed Third Party Representative" that provided information about Representative's capabilities, owners and key personnel, relationships with government officials, and commitment to ethical practices.

Yes  No

*(If you checked „No,“ please complete the "Questionnaire for Proposed Third Party Representative.")*

3. The undersigned has carefully reviewed Representative's Questionnaire responses and hereby certifies, as of the date hereof, that all of the Questionnaire responses are true, correct and complete as of the date hereof

Yes  No

Date of Questionnaire: \_\_\_\_\_

*(If you checked „No,“ please attach a separate sheet and list any updates to the information provided in Representative's Questionnaire responses.)*

4. The undersigned hereby certifies, as of the date hereof, that in carrying out its responsibilities under \_\_\_\_\_ this Agreement, [Representative] has not, directly or indirectly, offered, given, promised to give, or authorized the giving of any financial or other advantage, or anything else of value:

i. \_\_\_\_\_ to (A) any official or employee of any government, or any department, agency, instrumentality or political subdivision thereof ("Government Official"); (B) any political party or official thereof, or to any candidate for political office ("Government Candidate"); (C) any other person at the request of or with the assent or acquiescence of any Government Official or Government Candidate; or (D) any official or employee of any public international organization, in each case ((A), (B), (C) and (D)), for the purpose of (1) influencing or rewarding any act or decision of the recipient in his official capacity, or (2) inducing the recipient to do or omit to do any act in violation of his lawful duty, or (3) securing an improper advantage, or (4) inducing the recipient to use his or her influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; or

ii. \_\_\_\_\_ to an officer, employee, agent, or representative of another company or organization, with the intent to improperly influence or reward the recipient's action(s) with respect to his or her company's or organization's business, or to gain a commercial benefit to the detriment of the recipient's company or organization, or to induce or reward the improper performance of the person's duties in order to obtain or retain business or an advantage in the conduct of business for Welspun or [Representative].

I certify that the information above is true, accurate and complete, and that I am authorized to execute and deliver this certification in the name of Representative.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Name: \_\_\_\_\_  
Position: \_\_\_\_\_

## **FORM G**

### **White List of Approved Gifts**

The following items are of modest value and typically exhibit a Welspun logo or are customary gifts and therefore may be given without prior approval.

- Welspun Group standard textile products, such as:
  - Bed sheets
  - Pillowcases
  - Towels
  - Bath Rugs
- Pens, calendars, diaries and other miscellaneous stationery items
- Box of sweets or dried fruit
- Welspun-branded souvenirs and mementos, and religious statues

The Chief Compliance Officer may amend this list from time to time.

**FORM H**

**Sample Welspun Gift Log**

| <b>Welspun Employee Name and Title</b> | <b>Recipient's Name and Title</b> | <b>Recipient's Organization and Department</b> | <b>Description of Gift</b> | <b>Gift on White List or modest value bearing Welspun logo?<br/><br/>(YES/NO)</b> | <b>Occasion for Gift</b> | <b>Date Gift is to be Made</b> | <b>Value of Gift</b> | <b>Approval Signature<br/><br/>(required for gifts not on the White List or not of a modest value bearing the Welspun logo, and for all gifts valued over US\$50 for operations and US\$100 for operations abroad)</b> |
|--|-----------------------------------|--|----------------------------|---|--------------------------|--------------------------------|----------------------|--|
|  |                                   |  |                            |   |                          |                                |                      |  |
|  |                                   |  |                            |   |                          |                                |                      |  |
|  |                                   |  |                            |   |                          |                                |                      |  |
|  |                                   |  |                            |   |                          |                                |                      |  |
|  |                                   |  |                            |   |                          |                                |                      |  |

## FORM I

### **Approval Request Form for Travel/Accommodation (Boarding and Lodging) for Government Officials**

All travel, accommodation and related expenses exceeding US\$50 for operations in and US\$200 for operations abroad (or the equivalent) that are incurred on behalf of any Government Official or other counterparties must be approved in advance by the Finance Department at the relevant location.

**Section A: Information Concerning the Proposed Travel  
(To be completed by the Welspun employee in contact with the proposed traveling Official)**

1. Identify the Government Official(s) whose travel/accommodation expenses would be paid by Welspun. *Use additional sheets of paper if needed.*

| Name of Government Official | Government Agency/Department | Position/Title |
|-----------------------------|------------------------------|----------------|
|                             |                              |                |
|                             |                              |                |
|                             |                              |                |

2. Description of proposed travel/accommodation:
- a. city and country of origin:
  - b. city and country of destination:
  - c. duration:
3. Summary of anticipated budget:

| <b>Expenditure</b>                | <b>Number of persons</b> | <b>Cost per person</b> | <b>Total cost</b> |
|-----------------------------------|--------------------------|------------------------|-------------------|
| Airfare                           |                          |                        |                   |
| Hotels                            |                          |                        |                   |
| Ground transportation             |                          |                        |                   |
| Meals                             |                          |                        |                   |
| Other (please describe in detail) |                          |                        |                   |
| <b>Total Budget:</b>              |                          |                        |                   |



4. Please indicate the travel and accommodation standards.

Airline:  Economy  Business

Train:  Second A/C  First A/C  Other

Ground Transportation:  Taxi  Other(describe)\_\_\_

Hotel:  Tourist  Business  Other

5. Describe in detail the purpose of the proposed trip.

6. Describe how the Government Officials identified above were selected and who selected them.

7. Would Welspun share the cost of these travel expenses with any other person or company?

Yes  No

If Yes, please identify the person or company, and explain how the costs would be shared and why.

8. Other than normal business meals, would the trip include any entertainment that would be paid for by Welspun?

Yes  No

If Yes, explain.

9. Please discuss the circumstances of this trip with the Welspun employees who have been consulted about the proposed travel. Based on the information you collect, review the following statements and confirm all that apply:

- a. No immediate family members (spouse, dependent children, and dependent parents)

or friends of the Government Officials identified above would travel at Welspun's expense.

Confirmed

Cannot confirm

b. The itinerary does not include any stops at locations where Welspun has no office, facility, or other ongoing operation.

Confirmed       Cannot confirm

c. No per diem payment would be made in connection with the proposed travel.

Confirmed       Cannot confirm

d. To your knowledge, the Government Officials would not be reimbursed by another party for the costs of the travel.

Confirmed       Cannot confirm

e. Based on your investigation, the travel and related expenses described above were neither offered nor sought in exchange for influencing any act or decision of any Government Official, or inducing any government official to do or omit to do any act in violation of a lawful duty, or securing any improper advantage for Welspun.

Confirmed       Cannot confirm

If you were unable to confirm any of the questions above, please explain why.

10. Please attach to this request:

- A copy of the proposed itinerary, if any.
- Any written communications that you have had with Government Officials concerning the proposed travel, if any.

I certify that the information above is true and accurate to the best of my knowledge.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**Section B: Approval**  
**(To be completed by the Finance Department at the relevant location)**

I have reviewed the foregoing information and collected supporting information as necessary, in order to assess whether this travel/accommodation request complies with Welspun's ABAC policy. Based on my review this transaction is

APPROVED       DENIED

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**FORM J**

**Charitable Donation Due Diligence Checklist**

**(to be completed for all Government-related donations that are not routed to the Welspun Foundation for processing)**

**Section A: Information About the Request  
(To be completed by the Welspun employee proposing that the donation be made)**

1. Name of Proposed Recipient:
2. Describe Proposed Recipient's activities:
3. Summary of the request:
  - a. Amount/Item requested:
  - b. Purpose of donation:
  - c. Person who requested the donation:
4. Attach to this checklist the written request for a donation. *(A Government-related donation will not be approved without a written request.)*
5. Has Proposed Recipient received any donations from Welspun in the past?  
 Yes     No  
If Yes, describe.
6. Explain why it is in Welspun's interest to make the requested donation.
7. Is Proposed Recipient affiliated with any Government Entity?  
 Yes     No  
Please explain your answer.
8. In the chart that follows, list all of the Government Officials who have communicated with Welspun concerning the requested donation, or who are known supporters of or affiliated with Proposed Recipient. Then, describe the relationship between each Government Official and the Proposed Recipient. *Use additional sheets of paper as needed.* (The definition of "Government Official" is contained in Part 3 of the Welspun ABAC policy).

| Name of Government Official | Position/Title | Describe Relationship with Proposed Recipient |
|-----------------------------|----------------|---|
|                             |                |   |
|                             |                |   |
|                             |                |   |

9. Has anyone stated or implied that Welspun will either (i) receive some sort of benefit if the donation is made, or (ii) suffer adverse governmental action if the requested donation is not made?

Yes     No

Please explain your answer.

10. Based on your examination of this request, do you believe that a Government Official may benefit personally in some way if this donation is made?

Yes     No

Please explain your answer.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**Section B: Donation Review and Approval  
(To be completed by the Chief Compliance Officer)**

11. Does the file contain adequate information to evaluate this request for compliance with the procedures in the Welspun ABAC Policy?

Yes  No

If No, describe the additional information that is needed, and return this form to the person who signed the request?

12. Is the requested donation consistent with the policies set forth in the Welspun ABAC policy?

Yes     No

13. Is the size and/or type of the request reasonable given its intended use?

Yes     No

14. Based on review of this request, is there any reason to believe that this donation, even if lawful, might embarrass Welspun if it were disclosed, or might otherwise create the appearance of impropriety?

Yes     No

**DONATION IS:**

**APPROVED**

**DENIED**

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_



## **FORM K**

### **Sample Pre-Acquisition / Pre-Investment Due Diligence Checklist**

This checklist is designed to assist you in incorporating ABAC components into pre-acquisition or pre-investment due diligence.

While this sample checklist illustrates several important areas of inquiry, every due diligence process must be tailored to account for the specific risks that are likely to face the Target, the level of perceived corruption in the foreign market(s) where the Target does business, the Target's product and customer mix, the Target's sales practices, and other factors specific to the Target.

You should consult the Chief Compliance Officer for further guidance on conducting pre-acquisition anti-corruption and international trade due diligence, and on incorporating ABAC contractual provisions in any transactional contract documents.

#### **I. Target's Business**

- In which countries does Target operate? What types of entities does it have in each country (e.g., subsidiary, joint venture, franchise, distributor network, etc.)?
- What types of products or services does Target provide throughout the world?
- Is Target subject to the n Prevention of Corruption Act 1988? The U.S. Foreign Corrupt Practices Act? The UK Bribery Act? Other anti-corruption laws?

#### **II. Target's Compliance Infrastructure**

Does Target have (obtain if available):

- A code of business conduct / ethics?
- A written anti-corruption policy or compliance guide?
- A written international trade policy or compliance guide?
- Organizational charts for all of Target's affiliated entities?
- A product matrix identifying all products and technologies that may be sensitive (in terms of end-use or dual-use) and/or subject to applicable export controls laws?

Does Target have any additional policies, controls, or written SOPs specifically addressing (obtain if available):

- Use of consultants, agents, sales representatives, distributors, and other third parties (examples: due diligence requirements, multiple party approval procedures, certification requirements etc.)?
- Entering into other types of business partnerships, such as joint venture arrangements?
- Gifts (incoming and outgoing)?
- Meals and entertainment (incoming and outgoing)?
- Travel expenses?
- Charitable donations?
- Political contributions?
- Acquisitions?
- Cash transactions, including petty cash and cash advances?
- Business with certain sanctioned and restricted countries, governments, entities and individuals?
- Exports and transfers of products, components, software and technical information?

What procedures, if any, does Target use to screen international transactions against the various lists of restricted parties maintained by national governments? Please provide a copy of any existing policy documents describing these screening procedures.

Does Target provide:

- Anti-corruption or international trade training to its employees and if so, how often and for how long has this training been offered?
- A mechanism for employees to make anonymous reports of potential improper conduct and if so, how far back are records available and can corruption-related complaints be identified (obtain if available)?

### **III. Audit and Investigation**

●

Describe all matters that came to Target's attention in the last five years that involved possible violations of its anti-corruption or international trade policy and/or possible violations of anti-corruption and international trade laws, or that relate to potential weaknesses in the company's financial controls.

- For each such instance: explain/describe how the matter came to Target's attention; steps taken to determine whether Target's policy and/or applicable law

in fact, had been violated; corrective measures taken where Target determined violations of Target's policy and/or applicable law occurred; and resulting employee termination or discipline.

- Have Target's internal audits identified any deficiencies or noted any exceptions relating to corruption or anti-corruption-related controls and international trade-related controls during the past 5 years? If so, were any steps taken to address those deficiencies?
- Describe any reports that Target made to government authorities in the last five years that dealt in any way with alleged corruption, fraud or violation of international trade laws (including any self-disclosures of potential violations).
- Within the last 5 years has Target received any subpoenas or requests for information from any law enforcement authorities and is Target currently under investigation for any matters relating to corruption or trade-related matters?
- Have any employees been fired or disciplined during the past 5 years for making payments or giving anything else of value to customers, government officials, or other third parties?

#### **IV. Target's Agents / Sales Reps / Distributors**

- Provide a list of all Target's agents / sales reps / distributors and countries in which they are based and operate.
- Did these third parties undergo any vetting process before agreements were signed with them? If so, describe.
- Is there a standard commission schedule for third parties that are paid on a commission basis and if so, how was it developed?
  - Does Target ever pay commissions that deviate from the established schedule and if so, under what circumstances are deviations allowed, who is authorized to approve such deviations and is it possible to identify these instances?

- Does Target pay commissions to any third parties other than pursuant to a written agreement and if so, under what circumstances and is it possible to identify these instances?
- Is there a standard discount schedule for third parties that purchase Target's products at a discount to list price and if so, how was this schedule developed?
- Does Target ever offer discounts that deviate from the established schedule and if so, under what circumstances, who is authorized to approve such deviations and is it possible to identify these instances?

- Does Target sell to distributors other than pursuant to a written agreement and \_\_\_\_\_ if so, under what circumstances and is it possible to identify these instances?
- Are relationships with third-party sales representatives governed by written agreements? If so, which of the following clauses do the agreements contain: \_\_\_\_\_ (i) commission structures / purchase discounts; (ii) anti-bribery reps / warranties \_\_\_\_\_ / undertakings; (iii) audit rights; (iv) termination / cancellation provisions in \_\_\_\_\_ the event of suspected bribery; (v) compliance with international trade laws?
- Do agents / sales reps / distributors receive anti-corruption training? How often? \_\_\_\_\_ Is \_\_\_\_\_ it possible to identify which have been trained, and when that training occurred?
- Has Target ever terminated an agent / sales rep / distributor for corruption-related concerns? If so, what were the circumstances?

Government ties:

- Are any of the agents / sales reps / distributors (or their principals) employed by a foreign government or government-owned entity; related to a foreign government official; a member of a royal family; or known to do consulting work for a foreign government? If so, provide information.
- Do any of the agents / sales reps / distributors handle sales to government customers, or to state-owned enterprises? If so, which ones?

## V. Target's Current Joint Ventures / Other Key Partners

Identify all of Target's joint ventures. For each please provide the following information:

- Selection & Vetting:
  - Date JV was established; whether the JV partner was vetted from an anti-corruption or international trade perspective and if so, the process for vetting \_\_\_\_\_ and any records of documentation maintained.
  - Please provide copies of all agreements with the JV partner and all due diligence files (if any).
- Government ties:

- Is the JV partner a government entity or a state-owned company?
- Are any of the principals of the JV partner employed by a foreign government or government-owned entity; known to be related to a foreign government official; a member of a royal family; or known to do consulting work for a foreign government? If so, provide information.

- Does the JV partner or any of its senior leaders have any other affiliation with a government entity? With any state-owned enterprise?
- Is JV partner responsible for any of the following in connection with Target's business: dealing with regulators / obtaining permits; government relations; sales to government or state-owned customers; or other interactions with government officials /state-owned enterprises?
- Control: How is control of the JV divided between Target and the JV partner?
- Compensation: How do Target and the partner share in the profits of the JV?
- Third Parties:
  - Do any of the JVs engage third parties such as agents, sales reps, or distributors?  
If so, please answer the questions in Part IV above with regard to the engagement of those third parties.
  - Do any of the JVs engage consultants? If so, please answer the questions in Part VI below with regard to the engagement of those consultants.

## **VI. Consultants**

- Has Target used consultants to perform any services that require interacting with government officials (e.g., for obtaining permits, customs clearance, tax issues, etc.)?
- Were these consultants vetted from an anti-corruption perspective? If so, describe the due diligence process and review and approval procedures and provide related materials (e.g., checklists, background checks, etc.).
- Do the agreements with consultants clearly describe the services to be provided, provide compensation at fair market value for services, and contain standard anti-bribery and warranties? Please provide copies of agreements with these consultants.



- How were these consultants compensated, are there any success fees or other outcome-related payments, and any unusual payments (e.g., payments in cash or to third-country bank accounts)?
- Are any of the consultants employed by a foreign government or government-owned entity; known to be related to a foreign government official; a member of a royal family; or known to do other consulting work for a foreign government? If so, describe.

## **VII. Government Customers**

- Provide the following formation for the Target's largest non-U.S. government / state-owned customers: name; market; products; and sales volume.

- For each, how is the sales relationship handled? Direct sales? Distributor? Sales Agent?  
Other?

## **VIII. Employment Issues**

Are any individuals on Target's payroll employed by a foreign government or government-owned entity; known to be related to a foreign government official; a member of a royal family; or known to do other consulting work for a foreign government?

## **IX. Export and Trade Control Issues**

- Does Target produce, purchase or trade in items subject to the United States Export Administration Regulations ("EAR") or the United States Munitions List ("USML") of the International Traffic in Arms Regulations ("ITAR")?
  - If so, provide a list of all items and their classification for export control purposes (i.e., the applicable Export Control Classification Number ("ECCN") or EAR99 designation for each item and the applicable USML category). Note that "items" includes products, software, and technology (technical data and technical assistance).
- Does Target produce, purchase or trade in items subject to export licensing requirements under any other jurisdiction?
- Provide copies of any classification rulings or commodity jurisdiction rulings that Target has received from the U.S. Government or any other government.
- Provide a list, by item, of the countries to which items have been exported from the U.S. (or reexports of items subject to U.S. export control laws) within the past five years which have required U.S. export license authority and provide copies of the export licenses that have supported these exports/reexports.
- Has Target ever designed or modified any product specifically for use by a military (either U.S. or non-U.S.)?

- Has Target done business in the past five years with or in any way connected with the following countries: Burma (Myanmar), Cuba, Iran, Libya, North Korea, Sudan, or Syria?

If yes, identify all U.S. and other government authorizations (licenses) received in support of these transactions or explain why no such authorizations were required.

- Is the Target or any of its officers or directors a “restricted party” under applicable international sanctions, export controls or other applicable laws?

- Provide copies of any requests that Target has received in the past five years that related to the Arab boycott of Israel and that have been reportable to the U.S. Commerce and/or Treasury Departments and copies of the reports filed with those agencies.

