

**BALKRISHNA INDUSTRIES
LIMITED**

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

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| Policy Title | Anti-bribery and Anti-Corruption Policy |
| Issue Number | 1 |
| Issue Date | 27 th May, 2023 |
| Approved by | Board of Directors |
| Revision Number | 0 |
| Revision Date | |

Policy brief and Purpose:

Balkrishna Industries Limited’s (hereinafter referred to as "BKT" or "the Company") is dedicated to conducting itself professionally, fairly and with integrity in all of its commercial interactions and relationships wherever it operates, as well as to adopting and upholding strong anti-bribery policies. The Company has a zero tolerance towards bribery and corruption. This Policy enables BKT’s stakeholders to report on acts, incidents or any suspicious activity in line with corruption and bribery. This policy's purpose is to outline the ethical principles and corporate values to which the company adheres.

Scope and Coverage:

This Anti-Bribery and Anti-Corruption Policy (hereinafter referred to as " the Policy") is applicable to all employees, directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, workers, interns, business partners, suppliers or any other person affiliated with BKT.

Anti-Bribery and Anti-Corruption Policy Statements:

BKT considers ‘acts of corruption and bribery as when a person in a public or private position solicits, offers, accepts, or delivers a favor, an offer, or a promise with the intention of completing, delaying, or refusing to do an act falling (directly or indirectly) within the scope of his or her activities.’

BKT strictly adheres to ethical standards and has zero tolerance for corruption and bribery. The Company is dedicated to abide by the rules and regulations. This Policy explains the responsibility to uphold anti-bribery and anti-corruption law. Any infringement of this policy might lead to disciplinary action, up to and including dismissal.

Actions which may be considered as ‘Bribery’ and Corruption:

Any action which are considered as Bribery and Corruption in relation to bribery as explained in the scope of policy are mentioned below:

➤ Gifts and Benefits

The act of giving or accepting corporate hospitality can be useful in creating or maintaining business ties. Gifts and hospitality can be troublesome if it is potential to create real or perceived conflicts of interest or otherwise seem to influence a decision. Employees are forbidden to receive lavish/inappropriate gifts, discounts, favors or services from a current or prospective client, competitor, supplier or service provider.

Gift or benefit can be considered as:

- A specific gift that indicates or demonstrates a contradiction between the employee's self-interest and his/her duty to BKT and its consumers
- Amount in cash
- Perks or entertainment provided during the decision-making process

➤ Political Contributions

BKT does not accept or offer (directly or indirectly) remuneration, gifts, payments or donations or equivalent benefits to any political associations or candidate on its behalf, nor does it use any of its resources or finances for any such purpose.

- The Company does not actively participate in political participation and refrains its employees to do so unless such a contribution is explicitly permitted by law, regulation or other directive and has been pre-approved by relevant Company authorities.

➤ Charitable Contributions/ Donations

BKT may assist local communities or offer sponsorship as part of its corporate social responsibility efforts. The Company is committed to:

- Document and report charitable contributions and donations
- Ensure that any activity in this regard should be permitted under all applicable laws and regulations;
- Receive prior approval from relevant authorities;
- Ensure applicable tax reporting on donations with a letter of recognition from beneficiaries (NGO, Trust, education or healthcare institute) or local authorities.

Trainings and Communication:

This policy should be communicated to all stakeholders. Annual training, seminars and programs shall be conducted to ensure adequate awareness on anti-bribery and anti-corruption policy.

Grievance Redressal Mechanism:

- Employees are encouraged to notify the ethics committee or compliance officer or raise a concern at hrd@bkt-tires.com of any incident of bribery and corruption at the earliest
- BKT is committed to provide adequate awareness and training on grievance redressal platform to all stakeholders
- BKT is committed to review and redress the grievances in the stipulated time frame.

Enforcement:

BKT intends to reduce the risk of bribery and corruption by:

- Establishing a clear policy with zero tolerance for non-compliance on ethical matters
- Obtaining commitment and support for conducting business in a fair, honest and transparent manner
- Empowering people of BKT to make appropriate decisions while presenting, delivering, accepting or receiving of gifts and entertainment while carrying out business on BKT's behalf
- Ensuring all BKT people are being trained and awareness on the ethical matters
- Applying adequate due diligence and internal reviews of the business functions
- Communicating this Policy among all business and value chain partners to create awareness and maintain compliance
- Continuously assessing and enhancing ways to strengthen processes and systems to prevent any risk of bribery and corruption.

Any stakeholder found to have violated this policy may be subject to disciplinary action as mentioned below:

- BKT reserves the right to take disciplinary action, up to and including termination of contract for any potential violation
- In the event that any vendor, supplier, business partner or contractor violates this policy, BKT will terminate its contract and pursue all legal remedies for damages.