
PREVENTION OF BRIBERY AND CORRUPTION POLICY

Version Number: 7.6

Policy on Prevention of Bribery and Corruption

1. Objective

It is our policy to conduct all our businesses in an honest and ethical manner. We take zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships, wherever we operate. We will uphold all laws relevant to countering bribery and corruption in all the jurisdictions in which we operate.

2. Coverage

All employees of Black Box including its affiliates, “the Company”, outsourced personnel working in the Company premises, consultants, suppliers, partners, distributors and vendors associated either directly or indirectly with the Company.

3. Policy

a) Bribery

Bribery generally involves paying or offering money, or providing anything else of value, to obtain or retain an improper advantage, or to induce or reward someone for acting improperly. Bribes often involve payments (or promises of payments) but may also include providing lavish/ inappropriate gifts and hospitality. It is immaterial if the advantage or reward is being given to someone other than the person giving the bribe as bribery includes advantages provided directly as well as indirectly through an intermediary.

Giving or receiving a bribe: It is an offence to give, offer or promise any financial or other benefit to another person in order to influence them to do their job or exercise their powers in a particular way. It is also an offence to seek or receive such a benefit.

Bribing a public/ private/ commercial/ government official: It is an offence to give, offer or promise any financial or other benefit to a person in a public, private or commercial office with the intention of influencing that person’s performance of their official functions. Public offices include but are not limited to government department, state-owned corporations and international organizations such as the UN or World Bank.

Failing to prevent bribery: It is an offence for the Company to fail in preventing bribery being committed by itself, or by its associates. An ‘associate’ is any person or entity that performs services for or on behalf of the organization, and includes the organization’s employees, subsidiaries and agents. It is not an excuse that the senior managers did not authorize, or are unaware of, the bribery, so long as the bribery was committed for the

benefit of the business. The only defense available to a business is to show that it has adequate procedures to prevent bribery by its associates.

b) Obligations to the Company/ Risk Scenarios

Apart from being directly involved in giving, promising, offering, seeking or receiving of a bribe, there are a number of other situations that are potentially risky, and one should be vigilant in detecting these:

- **Facilitation Payments:** Facilitation payments or “grease payments” are payments made with the purpose of expediting or facilitating the performance by a public official of a routine governmental action. Facilitation payments are typically demanded by officials to obtain services, which, under normal conditions, should be provided in any event. Facilitation payments (whether directly or indirectly) are a form of bribery. The employees are expected not to condone them, and if a government official asks (directly or indirectly) for such a payment, not to pay it.
- **Corporate Hospitality:** Any gift or corporate hospitality must be considered modest, appropriate and consistent with reasonable business practice and it should not be concealed in any way. It is important that such gifts are not perceived to be excessive or in any way designed to impose a sense of obligation on the recipient. A good way of testing whether an individual might be in breach of the policy is for any recipient of the gift or hospitality to consider – “would I be embarrassed or ashamed to tell my Boss or colleagues of such a gift (or gifts) received from the same organization”? If the answer is “yes”, then such gift or hospitality should be declined. Individuals should also monitor the number and frequency of gifts given to or received from the same organization or individual in any 12-month period (e.g. a series of smaller but frequent gifts may in aggregate give rise to a concern under the foregoing test). Genuine hospitality and promotional activities are permitted. However, giving or receiving gifts, payments or any other benefits can amount to bribery if they influence or appear to influence the impartiality with which representatives of the company, customers, government officials or regulators carry out their duties. For these reasons, gifts and/ or hospitality can only be given or received if:
 - It does not breach any laws or any rules of the recipient's organization;
 - It does not create an appearance of impropriety: it imposes no sense of obligation on the receiver and results in no special or favoured treatment;
 - It is not concealed in any way; and
 - It is modest (both when considered individually and in aggregate over a 12 month period), appropriate and consistent with reasonable business practice.
- **Charitable and Political Donations:** No political donations or payments can be made on behalf of the company unless authorized by the Chief Ethics Officer. In addition, charitable donations can in some circumstances be used as a disguise for bribery, for example where a donation is provided to a ‘charity’ which is directly or indirectly controlled by a public official who is in a position to make decisions affecting the company. Employees may only make charitable donations on behalf of the company subject to appropriate scrutiny and the prior approval of the Chief Ethics Officer.

- **Transactions undertaken through Agents:** Employees should not hire an agent, consultant, vendor or other intermediary/ third party if they have reason to suspect that they will pay bribes on behalf of the company. Employees should seek to ensure that any third parties that are hired will not make offer, solicit or receive improper payments on behalf of the company. Prior advice must be sought from the legal team on the level of due diligence required before entering into any such engagement.

c) What Conduct is Prohibited

- **Offering, promising, giving or authorizing,** directly or indirectly, any bribe or kickback to or for the benefit of any person (whether in the public or private sector) in order to obtain or retain any business or other advantage for the company, for self, family, friends, or associates;
- **Soliciting, accepting or receiving or agreeing to receive** (whether for benefit of the company, benefit of self or that of family, friends or associates) any bribe or kickback from any person (whether in the public or private sector);
- **Acting as an intermediary** for a third party in the solicitation, acceptance, payment or offer of a bribe or kickback; or
- **Otherwise using illegal or improper means** (including bribes, favors, blackmails, financial payments, inducements, secret commissions or other rewards) to influence the actions of others.
- **Breach of record keeping requirements:** This includes failure to maintain accurate records and books of account as well as a system of internal accounting controls. By extension, manipulation of any kind of sales, pricing, expenses or any such unethical conduct is prohibited.

4. Contracts

It is imperative to insert appropriate provisions in all contractual agreements of the company with third parties to ensure compliance with the policy. Hence, all contracts that the company enters into include a clause expressly addressing the no payment of bribes, commissions and kickbacks.

5. Ethics Officer

- An Ethics Officer is a corporate executive charged with the responsibility of overseeing all aspects of operations to ensure that they are consistent with the Company's policy on Prevention of Bribery and Corruption.
- Each country shall have an Ethics Officer, nominated by the Executive Committee of the Company. All the Ethics Officers shall report to the 'Chief Ethics Officer' who shall be appointed by the Board of Directors of the Company.
- He would be authorized by the Management of the Company for the purpose of receiving all complaints for the respective country under this policy and ensuring appropriate action in seven working days on receiving the complaint.

- Responsibilities of an Ethics Officer:
 - Creating training programs to familiarize employees with the Company's ethical goals, non-negotiable value systems, culture and code of conduct so that acceptable behaviour is well articulated and employees are guided in making the right decisions. This will be duly supported by governance mechanisms in every aspect of business including finance, operations, quality control and a strong independent and powerful audit department.
 - Development of an effective risk mitigation framework such as comprehensive information security measures, protection of personal information, physical security measures and robust access protocols along with periodic reviews to be aware of various possible modus operand, perpetrators and gaps in internal control.
 - Ensuring stringent governance mechanism to create transparency thus increasing business confidence, investigating reports of unethical activity, creating a system for the reporting of ethical breaches and making monthly reports on resolved cases, monitor the time taken to resolve the cases and present findings of pending cases to Chief Ethics Officer on the state of corporate ethical affairs.

- Responsibilities of Chief Ethics Officer:
 - Guide the Country Ethics Officers to ensure that internal complaints are handled efficiently by assuming one or more roles as active listener, facilitator, or mediator.
 - Oversee and ensure all aspects of company's operations are consistent with company's code of ethics.
 - Foster ethical behaviour and create a system for proactive reporting of ethical breaches.
 - Instill an ethical culture ensuring that corporate executives have appropriate training on an annual basis.
 - Make periodic reports to Board of Directors on the status of corporate ethical affairs.

- Any gift received from vendors/ clients/ consultants should be immediately informed to the Ethics Officer, and he/ she after assessing the monetary value of the article will decide whether to allow the employee to retain or deposit it with the Company. A record shall be maintained of all retained gifts and the gifts shall be donated for CSR activities.

6. Submission of a Complaint/ Process of Investigation

- Employees are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. Any doubts or malpractice should be raised with the supervisor at the very first instance. If for any reason it is not possible or appropriate to bring the matter to the supervisor's attention, or the employee thinks that it should be reviewed outside his department, the matter should be brought to the attention of the Ethics Officer of the respective country.

- An employee can write to the Ethics Officer at indiaethics@blackbox.com about any of the unethical/ inappropriate practices, if any, happening in the Organization. In case an employee is not willing to write, he/ she can also meet the Ethics Officer and explain the case.

- It is the responsibility of the Ethics Officer to investigate the complaints of such nature and advise the course of action to the CPO.
- Below mentioned points should be complied with in order to ensure effective execution of this policy, whether or not it involves the employee directly:
 - Keep the instance confidential from other parties (including colleagues).
 - If possible, the concern should be raised before the potentially non-complaint transaction has occurred.
 - If the employee is directly involved, it is advisable to not proceed with the transaction even if a clearance is obtained to do so.
- Every complaint will be investigated immediately and a decision will be made as to the best method of handling the issues raised in the complaint. Disciplinary action may be required to ensure an effective resolution and compliance with this policy. The complainant will be advised of the results of the investigation by the CPO.
- Ethics Officer shall keep the Chief Ethics Officer informed of such complaints and take necessary consultation as required.
- The Ethics Officer will prepare and submit a report of the resolved and findings of pending complaints to the Chief Ethics Officer on a quarterly basis.

7. Punishment for Committing Bribery and Corruption

The Management depending on the severity of the offence and degree of involvement of the employee, established by thorough investigation, can impose the following penalties which are indicative and not exhaustive on an employee who is found guilty of committing the act of bribery and corruption:

- Withholding of performance based pay awards and bonus
- Withholding of promotion
- Termination of service

This is notwithstanding the appropriate proceedings that may be followed against the employee for committing the offence as per law of land. The CPO will inform the law enforcement agencies for appropriate action as per the law of land.

8. Non-Retaliation Policy

No employee will be retaliated against because he/ she filed a complaint. In addition, no associate who has provided information or otherwise cooperated with the investigation of a complaint will be retaliated against. In the event of such instances occurring and being proven, Management will take appropriate disciplinary action against the concerned employee.

9. Amendment

The Company reserves its right to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. Any violation of this policy or its clauses shall be immediately reported to the CPO by the respective Country/ Business HR Head.