



# **Anti-Bribery and Anti-Corruption (ABAC) Policy**

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## **ANTI BRIBERY AND ANTI-CORRUPTION (ABAC) POLICY**

### **Overview**

This document sets out the policy of IIFL Home Finance Limited (**hereafter** 'IIFL HFL' or 'Company') on combating corruption and to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to bribery and corruption and are committed to act professionally, fairly and with integrity in all our dealings wherever we operate. We are also committed to implement and enforce effective systems to counter bribery. This document sets out the Company's long-standing policy on bribery and other forms of unlawful payments in the form of Anti-Bribery and Anti-Corruption (ABAC) Policy (**hereafter** 'Policy').

### **Scope**

This Policy shall apply to all staff including directors/officers/shareholders of the Company/its subsidiaries/its operations and all appointed third-party representatives of Company such as agents/consultants/others working on behalf of the Company irrespective of their location, function or grade. We require those providing services on our behalf to undertake their business without bribery or corruption.

It is required to comply with all applicable anti-bribery and anti-corruption laws and regulations when doing business on behalf of the Company. These laws include the Prevention of Corruption Act, 1988, United Kingdom Bribery Act, 2010 and other applicable laws relating to anti-bribery and anti-corruption.

### **Definitions**

- **“Bribery”** is the “offer of undue reward by or to any person in a public sector, private employee, colleague or representative of another organisation in order to influence his / her behaviour in office and to induce them to act in contravention of the rules and regulations, ethics, trust and integrity”.
- **“Corruption”** is the “abuse of entrusted power for private gain”.

### **The key principles**

IIFL HFL employees and third-party service providers are prohibited from:

- Offering or suggesting a Bribe, or authorising the offer or suggestion of a Bribe;

- Paying Bribes;
- Soliciting or accepting a Bribe to influence a decision, to obtain unauthorised access to confidential information, or to commit or omit to do an act, whether or not the outcome would have been the same without the Bribe;
- Making facilitation payments;
- Using another party to conduct any of the above;
- Using vendors or suppliers that do not have high standards on bribery and corruption;
- Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption;

For the purposes of this Policy, **‘facilitation payment’** means small unofficial payments paid to speed up an administrative process or secure a routine government action by an official. However, facilitation payments should be contrasted with official, lawful, receipted payments (typically to an organisation rather than an individual) to expedite certain functions, e.g. where there is a choice of fast track services to obtain a passport.

If the safety or loss of liberty of staff or third-party service provider is at risk, the payment should not be refused. In all circumstances, any demand for facilitation payments must be reported to the compliance officer immediately.

IIFL HFL shall endeavor to appoint third parties as agents and contractors with high repute and who have committed to adherence with all applicable laws and regulation. In addition, the bribery and corruption risks are monitored and managed effectively in order to maintain a strong control system. Infringements of this Policy may result in disciplinary action by IIFL HFL, including dismissal, and may involve criminal or regulatory proceedings for individuals and IIFL HFL.

This Policy should be read in conjunction with IIFL’s Gifts policy. As it has been widely acknowledged that corporate gifts and hospitality, whether lavish or not, can be used as a subterfuge for bribery and corruption, it is therefore important that compliance with this Policy includes adherence to the rules within IIFL’s Gifts policy as well as following the spirit of IIFL’s zero-tolerance approach to bribery and corruption.

## Ethical Guidance

Policies and guidance cannot cover every circumstance. We therefore provide some guidance below to help you make decisions about appropriate business conduct. If you can answer yes to following quick questions, you might feel comfortable in proceeding.

- Is the action legal?
- Is it right? Is it honest?
- Is the action consistent with the terms and spirit of this policy and our values as a business?
- Does it avoid creating a sense of obligation?
- Can I justify this to my manager, the responsible person and to my family?
- Would I feel comfortable if the action became public knowledge?

In any case of doubt, you should discuss the situation with the nominated responsible person.

The following are examples of relationships and events that could lead to a higher risk of bribery and corruption.

- **Fee Payments**

Where an agent or intermediary is used to make introductions to officials of public or government bodies and agencies, steps must be taken to ensure that any fee paid by IIFL is proportionate to the activity being performed and in accordance with local law and the requirements of this anti-corruption policy.

No such fee payments can be made without the express approval of business line management who may obtain advice from Compliance or, if necessary.

- **Charitable Donations**

When funds are donated in IIFL's name for charitable purposes, appropriate due diligence must be conducted to ensure that, where a public official or public body is associated with the charity, written agreement is obtained. Any charitable donation must always be made directly to a recognised charitable organisation and not via another party or individual. In case of doubt refer to line management who may obtain advice from Compliance officer.

- **Public Officials**

Appropriate due diligence must be conducted when public officials, their relatives or their close associates are invited to any entertainment provided by IIFL, or when payments are made to them by or on behalf of IIFL.

- **Political Donations**

No political contribution to a candidate for public office, an elected official, a political party or political action committee, can be made, on behalf of IIFL without prior approval from the Compliance Officer.

- **Offers of Employment**

Care must be taken when providing work experience or employment to people that are connected to, or are relatives of, senior public officials. Although it is not prohibited to employ such staff, it is important to avoid any perception that any hiring is for an improper purpose. Where such a hiring is being considered, approval from business line management must be obtained.

### Ten Practical Procedures

#### Responsible person

IIFL HFL will at all time have a nominated director or senior manager responsible for overseeing and reporting on the implementation of this Policy. The director/senior manager will be sufficiently senior to be fairly regarded as independently minded.

The responsibilities of the compliance manager shall include:

- Designing and implementing an effective anti-corruption program in accordance IIFL Anti-Bribery and Anti-Corruption (ABAC) Policy
- Providing necessary direction and support in adherence to the Anti-Bribery and Anti-Corruption Policy
- Timely reporting of suspected violations to the Company's Board

#### Review and report

Chief Anti Corruption Officer will monitor, review and at least annually report on the effectiveness of and adherence to this Policy, and the steps taken to implement it. The report will be submitted for approval to the board of directors. The annual report and accounts of IIFL HFL will include an assessment of the workings and effectiveness of this Policy.

#### Senior management information

IIFL HFL's senior management will be kept informed of the steps taken to implement the Policy, the conclusions of any reviews and any material findings arising out of the work of the responsible person.

### Employee conduct

Employees are required to report any knowledge or suspicions of the request for, offering, giving or receiving of a corrupt payment. A failure to do so may be considered gross misconduct. No employee will suffer demotion, penalty or other adverse consequence for refusing to pay or accept a corrupt payment even if such a refusal may result in IIFL losing business or failing to win a deal.

### Gifts and hospitality

Employees may accept gifts and hospitality only in conformity with the IIFL's Gift Policy.

### Internal communication and training

IIFL HFL will communicate these principles and practical procedures to all employees, and will reflect this Policy on its website and in the Employee Handbook/Code of Conduct, etc. Training will be provided to staff so that they are aware of this Policy, relevant anti-corruption legislation and their obligations under the policy and their contract of employment. Enhanced training will be provided to employees in particularly high risk roles.

### Associates

IIFL HFL will conduct screening procedures on agents, advisers, contractors, intermediaries, and other representatives who supply material goods and services to it ("Associates") to protect IIFL HFL from the risk of it being associated with or benefiting from corrupt payments, and to ensure that the highest ethical standards are maintained.

IIFL HFL requires that Associates are made aware of this Policy and confirm that they will not participate in any transaction that will put it in breach of the Policy, and that such Associates have adequate procedures for preventing their own staff engaging in the giving or receiving of bribes, kickbacks, or facilitation/speed payments.

### Internal record keeping

The Company shall make and keep books, records, and accounts that conform to the highest professional standards of accuracy and consistency and that, in reasonable detail, accurately and fairly reflect the Company's transactions.



### **Auditing**

The annual reports of IIFL HFL's internal and external auditors will include an assessment of the implementation of this Policy.

### **Raising concern**

The Company welcomes whistle-blower reports and encourages staff and third parties to draw to its attention instances of corporate as well as individual employee wrongdoing within the IIFL HFL. The principles laid down in Whistle Blower's Policy shall apply to protect the interest of the whistle blower.

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