

**ADANI ENERGY SOLUTIONS LIMITED
ANTI-CORRUPTION & ANTI-BRIBERY POLICY**

TABLE OF CONTENTS

| SR. NO. | PARTICURS | PAGE NO |
|----------------|-------------------------------------|----------------|
| 1. | INTRODUCTION | 2 |
| 2. | OBJECTIVE & EXPECTATIONS | 2-3 |
| 3. | DEFINITIONS | 3-4 |
| 4. | SCOPE & APPLICABILITY | 4 |
| 5. | WHAT IS NOT ACCEPTABLE? | 4 |
| 6. | GIFTS, HOSPITALITY & ENTERTAINMENT | 4-5 |
| 7. | CHARITABLE & POLITICAL CONTRIBUTION | 6 |
| 8. | PROCEDURE | 6-7 |
| 9. | WHO IS RESPONSIBLE FOR THE POLICY? | 7-8 |
| 10. | INVESTIGATION & DISCIPLINARY ACTION | 8 |
| 11. | PENALTIES | 9 |
| 12. | TRAINING & AWARENESS | 9 |
| 13. | THIRD PARTY DUE DELIGENCE | 10 |
| 14. | RISK ASSESSMENT | 10 |
| 15. | DISPLAY & COMMUNICATION OF POLICY | 10-11 |
| 16. | MONITORING & REVIEW | 11 |

1. INTRODUCTION

It is **Adani Energy Solutions Limited's (AESL)** policy to conduct all our business in an honest and ethical manner. We take a **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, and to implementing and enforcing effective systems to counter bribery. our designated persons (as defined—in the '*Scope*' section are prohibited from engaging in any bribery or potential bribery. This includes a prohibition against both direct bribery and indirect bribery, including payments through third parties. If any associate suspects or becomes aware of any potential bribery involving AESL, it is the duty of that designated person to report their suspicion or awareness to the Vigilance and Ethics Committee.

The **most prevalent forms of bribery and corruption** stem from:

- Payments to a company's employees or their relatives, or to a third party, to secure an advantage in business transactions.
- Political contributions made to secure advantage in business transactions.
- Sponsorships used to secure advantage in business transactions.
- Facilitation payments made to secure or accelerate routine or necessary business actions.
- Gifts, hospitality, and expenses payments made to secure advantage in business transactions.

2. OBJECTIVES & EXPECTATIONS

The **objective** of this policy is to:

- Set out our responsibilities to comply with laws against bribery and corruption.
- Provide guidance on how to recognize and deal with bribery and corruption issues.
- Provide a road map for compliance and support an ethical, compliant, and open culture.
- To encourage and provide guidance for any suspected violations.
- To provide guidance on associated risks and penalties relating to corruption and bribery.
- Guidance on Anti-corruption and Anti-Bribery training and its effectiveness measurement.
- Regular monitoring and continuous improvement.

AESL's Expectations are as follows:

AESL's reputation depends on the conduct of our employees / third party as well as the conduct of those with whom we do business. It is our goal to ensure that AESL employees and the third parties with whom we work reflect the same high ethical

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

standards and demonstrate a commitment to compliance with all applicable laws. We further expect our third parties to ensure that their employees and subcontractors understand and comply with this Anti-Bribery & Anti-Corruption Policy. Failure to comply with this Anti-Bribery & Anti-Corruption Policy or any applicable anti-bribery laws may result in civil or criminal penalties, as well as termination of the employment or business relationship.

3. DEFINITIONS

- ❖ **Bribery** is offering, giving, promising, soliciting, or accepting anything of value (financial or non-financial) to a government official or any other person, directly or indirectly through a third party, to improperly influence that person in the performance of a duty or to obtain or retain business or any undue business advantage.
- ❖ **Corruption** is the abuse of entrusted power for personal gain. Bribery and fraud are considered corrupt practices. All Employees and Third Parties associated with AESL are prohibited from engaging in any acts of bribery or corruption, either directly or through a third party.
- ❖ A **third party** is any individual or organization that an associate may encounter during his/her engagement with the AESL, and includes actual and potential clients, customers, suppliers, distributors, business partners, agents, advisers, business associates and government and public bodies including their advisors, representatives and officials, politicians and political parties.
- ❖ A **government official** may include anyone, regardless of rank or title, who is:
 - An officer or employee of any local, provincial or national government, including government agencies (for example, members of parliament, police officers, firefighters, members of the military, tax authorities, customs inspectors, food and drug agency regulators, etc.);
 - A director, officer, representative, agent or employee of any government-owned or controlled business or company;
 - Any person with the responsibility to allocate or influence expenditures of government funds, including persons serving in unpaid, honorary or advisory positions;
 - An officer or employee of a public international organization (for example, the United Nations,
 - International Olympic Committee, International Red Cross, World Bank, etc.);
 - Any person acting in an official capacity or on behalf of any government or public international organization (for example, an official advisor to a government);
 - Any officer or employee of a political party;
 - Any candidate for political office; and

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

- A close relative (for example, parent, sibling, spouse or child) of any of the above.

4. SCOPE & APPLICABILITY

This policy applies to all individuals working for the AESL (any existing or new entities under AESL) at all levels and grades.

This includes senior managers, officers, directors, employees (whether regular, fixed-term or temporary), consultants, managers, contractors, trainees, seconded staff, home-workers, casual workers, agency staff, volunteers, interns, agents, sponsors, third party, or any other person associated with us, or any of our subsidiaries or their employees, wherever located (*collectively referred to as "designated persons" in this policy*).

5. WHAT IS NOT ACCEPTABLE?

It is not acceptable for any designated persons to:

- a) Accept an offer of a gift of any size from any Third Party which is in negotiation with, or is submitting a proposal with AESL.
- b) Give, promise to give or offer, any payment, gift, hospitality or advantage with the expectation or hope that a business advantage will be given or received or to reward a business advantage already given.
- c) Give, promise to give or offer, any payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure.
- d) Accept or solicit any payment, advantage, gift or hospitality from a Third Party that you know, or suspect is being offered with the expectation that it will obtain a business advantage for them.
- e) Threaten or retaliate against, another employee who has refused to commit a bribery offence or who has raised concerns under this Policy.
- f) Engage in any activity that might lead to a breach of this Policy.
- g) Political contributions and sponsorships are not acceptable and but, in some cases, might be acceptable subject to prior approval.

The points stated above are illustrative in nature and in no way intend to limit the applicability of this Policy.

6. GIFTS, HOSPITALITY & ENTERTAINMENT

This policy does not prohibit normal business hospitality, so long as it is reasonable, appropriate, modest, and bona fide corporate hospitality, and if its purpose is to improve our company image, present our products and services, or establish cordial relations. Gifts, hospitality, travel, and entertainment may not be used to influence any person or to obtain or retain an improper business advantage for the Company.

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

Employees and Third Parties must not offer, give, promise, solicit, or accept any gift, hospitality, or any other thing of value to any person:

- Which could be regarded as illegal or improper, or which violates the recipient's policies; or
- Which was intended to improperly affect or influence the outcome of a business transaction; or
- Which could be regarded as affecting a business transaction.

Gifts, Hospitality & Entertainment must be:

- a) Legal under all applicable anti-corruption laws.
- b) Duly approved. Normal business hospitality must always be approved at the appropriate level of AESL management.
- c) Never given or accepted if any improper action is expected in return.
- d) Modest promotional gift as this is acceptable to offer modest promotional materials to contacts e.g., branded pens. But use of one's position with the AESL to solicit a gift of any kind is not acceptable.

However, the AESL allows associates occasionally to receive unsolicited gifts of an extremely low intrinsic value from business contacts provided the gift is given unconditionally and not in a manner that could influence any decision-making process.

Approval Process -

Written pre-approval by the Company's Vigilance and Ethics Committee or other appropriate representative is required in every instance when gifts, hospitality, travel, or entertainment is to be offered or extended to a government official. Pre-approval should be requested and obtained before extending any gift or invitation to a government official.

Gifts that are never allowed:

- Cash or the equivalent (e.g., gift cards or vouchers)
- Gifts, travel or hospitality costs to family members of government officials
- Gifts that violate local customs, rules or regulations governing the conduct of the government official

In some cultures, / countries, it may be seen as an insult to reject a gift, and refusals may adversely affect business relationships. In these circumstances, and if the gift is anything other than moderate, the gift should be reported to the reporting manager who will decide whether such gift will be retained or returned. If your reporting manager is uncertain how to treat the gift, he/she should seek clarification from his/her relevant Human Resource (HR) SPOC.

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

7. CHARITABLE & POLITICAL CONTRIBUTION

The Company prohibits the use of company funds for political contributions. From time to time, AESL may make charitable donations in the form of in-kind services, knowledge, time, or direct financial contributions. Charitable contributions are acceptable, provided:

- The request for a donation is made in writing and sufficiently describes the charitable purpose of the donation, any business reason for the donation, and all details about the recipient.
- It is legal and ethical under local laws and practices.
- Proper due diligence is performed to ensure that the recipient is a bona fide charitable organization, and the recipient has no connection to a government official who can act or take a decision in favor of the Company.
- It will not be misused in exchange for a business benefit or advantage.
- It is accurately recorded in the Company's books and records.

Approval Process -

It is approved in writing by the Vigilance and Ethics Committee or another appropriate representative in advance.

8. PROCEDURE

a) How to raise a concern

It is the responsibility of Employees and Third Parties to prevent, detect, and report bribery and corruption. Employees & third party are encouraged to raise their concerns about any bribery issue or suspicion of malpractice at the earliest possible stage. If he/ she is unsure whether a particular act constitutes bribery or corruption or if he / she has any other queries, these should be raised with their respective Manager and/or the Vigilance and Ethics Committee via whistleblower@adani.com.

The reports made with respect to bribery and corruption can be made anonymously by employees / third parties by submitting a description of the concern or complaint to the attention of the Vigilance and Ethics Committee by mail via whistleblower@adani.com.

b) What to do if you are a victim of bribery and corruption?

It is his / her responsibility to inform / report it to their respective Managers and the Vigilance and Ethics Committee via whistleblower@adani.com as soon as possible if you are offered a bribe by a third party, you are asked to make one, suspect that this may happen in the future or believe that you are a victim of another form of corruption or other unlawful activity. You must refuse to accept or make the payment from or to a third party, explain our policy against accepting or making such payment and make it clear that the refusal is final

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

and non-negotiable because of this Policy. If you encounter any difficulty making this refusal, you should seek assistance from your manager or HR Department.

c) Protection

Those who refuse to accept or offer a bribe or those who raise concerns or report another's wrong-doing, are sometimes worried about possible repercussions. We encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken. We are committed to ensuring that no one suffers any detrimental treatment as a result of refusing to take part in bribery or corrupt activities or because of reporting their suspicion in good faith that an actual or potential bribery or other corruption offence has taken place or may take place in the future. If any employee believes that he / she has suffered any such treatment, he / she should inform their manager or the Vigilance and Ethics Committee via whistleblower@adani.com immediately.

The Company will not tolerate any form of discrimination, harassment or retaliation against any person who raises a concern in good faith or refused to participate in conduct that would violate law or this Policy. All reports will be investigated and appropriately addressed. The Company will attempt to keep its discussions with any person reporting a violation or concern confidential to the extent reasonably possible.

d) Maintaining Accurate Books and Records:

No payment by or on behalf of the AESL shall be approved or made if any part of the payment is to be used for an unlawful or improper purpose, or for any purpose other than that described by valid documents supporting the payment. No false or misleading entries should be made in any books or financial records of the AESL for any reason. Any expenses that an employee or third party incurs on AESL's behalf or in connection with our business shall not be reimbursable unless they are lawful and supported by detailed documentation including, for example, valid invoices or receipts.

9. WHO IS RESPONSIBLE FOR THE POLICY?

Below mentioned designated people are responsible -

- The **Vigilance and Ethics Committee** is responsible for this Policy and for monitoring its use and effectiveness (and dealing with any queries on its interpretation). The Committee shall consist of at least three members (AVP & above) appointed by Chief Executive Officer.

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

- **Managers at all levels** are responsible for ensuring that those reporting to them are made aware of and understand this Policy, undertake training on how to implement and adhere to it and monitor compliance of it.
- **Every person to whom this policy applies** is responsible for the success of this Policy and should ensure that he / she should use it to disclose any suspected activity or wrong-doing.

10. INVESTIGATION & DISCIPLINARY ACTION

Investigation Procedure:

1. Vigilance and Ethics Committee shall analyze the available data and work on the same.
2. Vigilance and Ethics Committee shall check online and other records on the suspect and individuals to evaluate the allegations and look for other evidence of bribery, fraud or corruption.
3. Collection and analysis of documents and other material, confidential discussion with witnesses, observations of the officer, and the opportunity for the subjects to respond to the complaints shall be given.
4. All the facts collected shall be reviewed & analyzed to determine whether there is evidence of corruption / bribery.
5. A report shall be prepared by the officer with findings & recommendation for remedial action.
6. Appropriate action based on the findings of the investigation shall be taken.

Disciplinary Action:

The breach of this policy by the designated persons of AESL may lead to disciplinary action being taken in accordance with the AESL's Disciplinary Procedure. Serious breaches may be regarded as gross misconduct and can lead to immediate dismissal of the employee / third party.

All designated persons will be expected to fully co-operate in any investigation into suspected breaches of this policy or any related processes or procedures.

If any part of this policy is unclear, clarification should be sought from the Vigilance and Ethics Committee. If necessary, corrective actions shall be prescribed or suggested to appropriate managers, officers and employees for implementation. Failure to comply with any provision of this Policy is a serious violation, and may result in disciplinary action, up to and including termination, as well as civil or criminal charges.

11. PENALTIES

The Chief Executive Officer shall, after considering inputs, if any, from the Vigilance and Ethics Committee, have the discretion to recommend appropriate disciplinary action, including suspension and termination of service for such a defaulting Designated Person. The Vigilance and Ethics Committee shall also recommend whether the violation is potentially criminal in nature and should be notified to the authorities.

In the event of criminal or regulatory proceedings, the Designated Persons shall cooperate with relevant authorities. Depending on the nature and scale of default by the defaulting Designated Person, the Vigilance and Ethics Committee may recommend to commence civil and/or criminal proceedings against such a Designated Person in order to enforce remedies available to AESL under applicable laws.

12. TRAINING & AWARENESS

The Company will provide training to all existing employees (annually or as required), to new joiner (as soon as they join) and to third party (as soon as the deal is signed) to assist them in understanding and complying with this Policy and to inform them of changes to the Policy. Employees and third party must participate in and complete the offered training when required to do so. This includes employees at all levels of the organization, senior management, including the C-Suite, and the board of directors (or equivalent), who are responsible for cultivating a culture of compliance wherever they are located.

The goal of training program is to communicate a zero-tolerance message and to make employees / third party and others aware of three key concepts i.e.

- (1) what conduct is prohibited and why
- (2) how employees/ third party encounter corruption / bribery; and
- (3) how to respond.

The employees / third party shall acknowledge that they have undergone the training, either in-person or electronically, and records of the same shall be maintained by the HR Departments and respective managers.

The effectiveness of training shall be measured by the means of a quiz / feedback survey at the conclusion of the training or one several months after the training to gauge whether the concepts are retained. The training effectiveness will be reviewed by Vigilance and Ethics Committee.

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

13. THIRD PARTY DUE DELIGENCE -

In AESL, before entering a relationship with a Third Party, the designated person must first conduct a reasonable investigation into the Third Party's background, reputation, and business capabilities. This investigation is called due diligence and should be documented by using the policies and procedures developed for this purpose.

Important factors for determining the extent of due diligence for a potential third party would include:

- (1) the degree to which the third party will interact with government officials.
- (2) the nature of the work the third party will provide.
- (3) the volume of work the third party will perform for AESL.
- (4) the geography where the third party is located.
- (5) whether the industry is perceived to be high risk.
- (6) who recommended the third party; and
- (7) whether the third party has been subject to regulatory or legal proceedings or sanctions.

All contracts must contain anti-corruption representations and warranties consistent with this policy and the Third Party has formally accepted and agreed to comply with the Company's anti-corruption Policy.

14. RISK ASSESSMENT

At AESL, the risks are regularly monitored and reassessed. Assessments will be enhanced by taking a cross-functional approach that ensures all relevant risks are considered. Assessment of Corruption risk is done on an ongoing basis i.e.

- Before entering a new market
- Undertaking a new transaction
- Establishing a relationship with a new third party.

Types of risk assessment done at AESL are:

- **Geographic Risk:** Assessing the risks for each country in which AESL operate.
- **Industry / sector Risk:** Assessing the potential corruption risks specific to the industry.
- **Organizational Risks:** Assessing whether there are external factors specific to the business operations that might make operations riskier.
- **Transaction Risks:** Considers the specific risks that may exist for transactions and the prevalence of transactions which may present medium or high risks.
- **Third-Party Risks:** Considers the specific risk posed by distinct types of business partners.

The Risk Assessment template is being attached for the same as **Annexure-1**.

ANTI-CORRUPTION & ANTI-BRIBERY POLICY

15. DISPLAY & COMMUNICATION OF POLICY

The Policy shall be displayed to all employees through the intranet portal of AESL, under the Section of 'Standards of Conduct' Policies. Policy Awareness shall be conducted regularly through various discussion / communication forums. Any changes in the Policy shall be notified through the intranet portal by way of updated Policy document.

16. MONITORING & REVIEW

Regular monitoring of the anti-corruption, anti-bribery compliance program is critically done for reducing risk and continuous improvement. Our monitoring anti-corruption process involves assessing the effectiveness of anti-corruption measures, identifying areas for improvement, and ensuring that anti-corruption measures are being implemented effectively.

The anti-corruption monitoring is conducted annually to ensure that anti-corruption measures are effective and to identify areas for improvement. Moreover, our Board of Directors monitors the effectiveness and review the implementation of this Policy biannually, considering its suitability, adequacy and effectiveness.

AESL shall track CAPA and log reports for cases related to corruption and bribery. It shall also monitor and analyze trends from the report to understand future risk and improve as and when required.

AESL reserves the right to vary and/or amend the terms of this Policy from time to time. This policy is reviewed once in a year.
