



HINDUSTAN PETROLEUM CORPORATION LIMITED

ANTI-BRIBERY

AND

ANTI-CORRUPTION POLICY

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I. INTRODUCTION

Hindustan Petroleum Corporation Limited (hereinafter referred to as “HPCL” or “the Corporation”) is committed to act professionally, fairly and with integrity and transparency in all its business dealings and relationships and in implementing and enforcing effective systems to counter bribery and corruption in any form. The Corporation has a zero-tolerance approach towards all forms of bribery and corruption. It has already introduced measures against corruptive practices inter-alia framing of Whistle Blower Policy, implementing Integrity Pact, Code for Prohibition of Insider Trading in the Securities of HPCL and others.

This Anti-Bribery and Anti-Corruption Policy (hereinafter referred to as “ABAC Policy” or “Policy”) provides necessary information and guidance on how to recognize and deal with bribery and corruption issues. The purpose of this Policy is to outline guiding principles and adequate procedures to prevent any activity or conduct relating to bribery or corruption and to ensure compliance with all applicable anti-bribery and anti-corruption laws. It also makes all concerned aware of the ways and means available to identify and fight against those anti bribery risks.

II. POLICY STATEMENT

- a) We do not tolerate bribery or corruption in any form or manner. Our Corporation is committed to implementing and enforcing adequate procedures to prevent,

deter, detect and counter bribery and corruption in any form or manner.

- b) As a part of this commitment, offering, promising to offer, or accepting bribes, directly or indirectly, and being involved in corruption is prohibited. This commitment shall reflect in every aspect of our business.
- c) Our Corporation is committed to maintaining detailed and accurate books of account of all transactions, which will aid in detection of bribery or corruption.
- d) Any violation of this ABAC Policy will be regarded as a serious matter and shall result in appropriate action apart from criminal liability / action in accordance with law.

The guidelines in this ABAC Policy are general in nature and lay down broad standards and should be read in conjunction with applicable laws and regulations aimed at curbing such practices and promoting transparency / accountability and other relevant policies and rules, as framed / implemented from time to time.

III. SCOPE & APPLICABILITY

- a) This Anti-Bribery and Anti-Corruption (ABAC) Policy is applicable to all the directors, employees of Hindustan Petroleum Corporation Limited, including employees who are on deputation to its subsidiaries, joint ventures. The Policy should be read in conjunction with the applicable CDA Rules / Certified Standing Orders, Code of Conduct for Board / Senior Management and Whistle Blower Policy.
- b) The Policy shall also be applicable and binding on all business associates of the Corporation or any other person associated and engaged by the Corporation, viz. dealers, distributors, vendors, consultants, advisors, suppliers, contractors and their respective employees.

- c) The ABAC Policy shall not be applicable to payment made towards commission / incentives and / or rewards to dealers, distributors, vendors, suppliers, contractors, etc.in accordance with approved Policy / norms of the Corporation.

IV. DEFINITIONS

In this Policy, unless repugnant to the meaning or context thereof, the following expressions, wherever used in this Code, shall have the meaning assigned to them below:

- a) **“Bribe/Bribery”** means offering, promising, giving, receiving, soliciting, or accepting directly or indirectly any financial or other advantage, or any other thing of value, with the intention of influencing or changing the behavior of a person in a position of trust to perform a public, commercial or legal function to gain or obtain or retain a commercial / personal / professional advantage.

Bribes are payments made in the form of money or anything of value to make someone act in a particular manner which is illegitimate and unethical, in order to obtain business favour or advantage in return.

- b) **“Conflict of Interest”** means and includes situation / circumstances where an employee or Director is confronted with choosing between the duties of their position and their own private interests.
- c) **“Corruption”** includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards. It is usually designed to obtain financial benefits or other personal/ professional gain.
- d) **“Corporation”** shall mean the Hindustan Petroleum Corporation Limited

- e) **“Director”** means every Director on the Board of the Corporation.
- f) **“CVO”** means Chief Vigilance Officer appointed by Government of India
- g) **“Employee”** means all permanent, probationary, temporary or fixed term contractual employees directly engaged by the Corporation irrespective of their function, level or standing including employees who are on deputation to its subsidiaries, joint ventures.
- h) **“Facilitation payment”** - “Facilitation Payments” are unofficial payments made to public officials in order to secure or expedite the performance/ non-performance of a routine or necessary action, to which the payer has the right legally.
- i) **“Family Member”** means spouse, parent, sibling, grandparent, child, grandchild, mother or father-in-law, domestic partner, or other family member who lives with or who is otherwise financially dependent on employee.
- j) **“Kickbacks”** is a form of negotiated bribery in which a commission is paid to the bribe taker in exchange for services rendered. “Kickbacks” are typically payments made in return for a business favour or advantage.

In this Policy, words importing masculine gender shall include feminine gender and words importing singular shall include plural or vice versa.

V. ROLE AND RESPONSIBILITY

- a) All directors, employees, business associates or any other person associated and engaged by HPCL must ensure that they are familiar and compliant with this policy. All employees and business associates are expected to immediately report actual or suspected or possible violations of this policy to the Chief Vigilance Officer (CVO).
- b) The prevention, detection and reporting of acts and conduct constituting bribery and/or corruption shall be the responsibility of all directors, employees, business associates, any person having official dealings and associated with HPCL.
- c) The directors, employees, business associates and any other person associated and engaged by HPCL are required to avoid any activity that might lead to or suggest a breach of this policy.
- d) The Corporation would ensure institutionalizing/formulating internal systems to ensure high standards to prevent breach of this Policy, monitor and review internal systems on regular basis through risk assessments and create a culture amongst the employees to encourage reporting of breach or suspected breach of this Policy which comes to their knowledge without any fear.
- e) Chief Vigilance Officer will be responsible for building and monitoring effective compliance practices to support adherence of this ABAC policy. CVO upon reviewing any incidents/ transactions having a potential integrity conflict, may take appropriate decisions for necessary compliance under the Policy.
- f) Notwithstanding the provisions under the ABAC Policy, any Director, employee, any person engaged on fixed-term contracts or contractual basis by HPCL, Business Associates or any person having official dealings and associated with

HPCL can also raise concerns related to bribery / corruption upon resorting through other measures including the Whistle Blower mechanism, Public Interest Disclosure and Protection of Informer (PIDPI) Resolution with Central Vigilance Commission.

VI. POLICY ON ANTI BRIBERY / ANTI CORRUPTION

Corporation has a zero-tolerance approach to bribery and corruption. Corporation prohibits all forms of bribery and corruption whether directly or indirectly. The Directors, employees of the Corporation, business associates or any other person associated and engaged by the Corporation **shall not** :

- a) Indulge in act or conduct that constitute bribery / corruption in relation to dealing with employees, dealers /distributors/customers /vendors, transporters/ contractors/agents/intermediaries, prospective dealers /distributors/customers /vendors, transporters/ contractors/agents/intermediaries and any entities having existing or future business relationship with the Corporation.
- b) Offer, promise, give or indicate to give, request or agree to give an 'undue advantage' in any form, directly or indirectly to any person, public official or person associated with public official with the expectation or hope that business advantage will be given or received or to reward a business advantage already given to facilitate or expedite a routine procedure.
- c) Accept or solicit any payment, advantage, gratification, gift or hospitality from any employee, dealers / distributors / customers / vendors, transporters / contractors / agents / intermediaries, prospective dealers / distributors / customers / vendors, transporters / contractors / agents / intermediaries and any

entities having existing or future business relationship with the Corporation, with the expectation to obtain a business/ professional / personal advantage from him/her.

- d) Threaten or retaliate against another employee who has refused to indulge in acts or conduct that constitutes bribery / corruption or who has adopted Whistle Blower mechanism of the Corporation/ Protection of Informer (PIDPI) Resolution with Central Vigilance Commission to raise a concern.
- e) Threaten or retaliate against dealer / distributor / transporter / vendor / customer/contractor, prospective dealer / distributor / transporter / vendor / customer/Contractor, agent, intermediaries and any entity having existing or future business relationship with the Corporation, who has refused to indulge in acts or conduct that constitutes bribery / corruption or who has adopted Whistle Blower mechanism of the Corporation/ Protection of Informer (PIDPI) Resolution with Central Vigilance Commission to raise a concern
- f) Make any donations, charitable contributions, sponsorships to a public office or a public official as a subterfuge for bribery in order to influence to obtain or retain business or an advantage for the benefit of the Corporation or for his personal / professional benefit. All sponsorship or donation or charitable contributions related activities are to be done in good faith and should not be aimed to gain any business or other advantage quid pro quo that may be considered improper. Contributions made in compliance with Corporation's Corporate Social Responsibility Policy ("CSR Policy") would not attract the provisions of ABAC Policy.
- g) Involve or support any unethical practice often deemed to be something of value and therefore giving or offering or promising employment, promotions, transfers,

postings, trainings, and internship in order to obtain or retain an undue advantage is considered as bribery and/or corruption.

- h) Offer, promise, solicit, demand, give or accept any kind of facilitation payments to or from any third party in relation to the Corporation.
- i) Directly or indirectly through their family members and other connections, solicit or accept any gift (either in cash or kind), personal fee, commission, facilitation payment or kickbacks or other form of remuneration arising out of transactions involving the Corporation.
- j) Enter/ facilitate any such transaction or association of any kind, which is intended to, or which may be perceived as being intended to laundering of funds for any kind of illegitimate activities under the applicable laws.
- k) Accepting gifts by an employee shall be governed by the Policies / respective service rules i.e. Conduct, Discipline and Appeal Rules for Management employees of HPCL, Certified Standing Orders as applicable for non-management employees and applicable rules for employees of Joint Ventures and Subsidiaries.
- l) HPCL is committed to proactively conduct due diligence on bribery and corruption issues by prioritizing appropriate actions to identify, prevent or mitigate their impacts in its operations and supply chain.

VII. REPORTING AND COMPLIANCE OFFICER

- a) It is the duty of all those covered under anti-bribery and anti-corruption policy to comply with this policy and report any concern or information that they may have in relation to the violation of the provision of this document in respect of bribery or corruption. The report may be submitted to the Chief Vigilance Officer.

- b) Corporation takes all potential violations of this policy and applicable anti-corruption laws seriously. All allegations under this Policy will be kept confidential. For the reported concern(s) of potential or actual violation(s) of this ABAC Policy, proper investigation as deemed fit will be conducted under the direction/supervision of the Chief Vigilance Officer in order to determine the facts.
- c) No personnel who in good faith, reports a violation of the ABAC Policy shall suffer harassment, retaliation or adverse employment consequences.
- d) The Chief Vigilance Officer may be contacted for any complaints along with supporting facts and documents and suggestions at the address given below:

**The Chief Vigilance Officer,
Hindustan Petroleum Corporation
Limited, Petroleum House, 3rd Floor,
17 Jamshedji TATA road, Mumbai: 400020**

- e) Any employee, business associates or any other person associated and engaged by HPCL may also raise concerns along with supporting facts and documents at the designated E-mail ID: cvo@hpcl.in.
- f) It is expected that the complaints lodged under the Policy are genuine and not malicious, vexatious or frivolous; are based on verifiable facts and pertain to the Corporation. Where complaints had been / are lodged with a malafide / ulterior motive to harass or harm an innocent employee, necessary action could be taken against such complainants in accordance with the provisions as enumerated under the CVC guidelines. In the event a complaint lodged against any employee is found to be malicious, vexatious or unfounded, action may be taken against the

complainant under Bharatiya Nyaya Sanhita for lodging false complaint. If the complainant who makes the false complaint is a public servant, it would be also explored if departmental action should be initiated as an alternative to prosecution.

- g) In case of any doubt with regard to the application or interpretation of any of the clauses of the Policy, the matter shall be referred to the Chairman and Managing Director, who may in turn seek advice from Chief Vigilance Officer, if required. The decision of the Chairman and Managing Director will be considered as final in the matter.

VIII CAPABILITY BUILDING

HPCL shall continuously reinforce its commitment to act professionally, fairly and with integrity in all its business dealings and relationships. HPCL is committed to impart sensitization training to its employees and associates including business partners, suppliers, contractors and their personnel to be aware of and respect fairness and integrity in work, build an understanding of bribery and corruption issues and an awareness of potential corruption risk, understand our expectations and their rights and responsibilities.

Regular training and awareness sessions shall be made available in relation to the ABAC Policy, obligations of the employees and the information related to the procedures and measures thereof will be disseminated throughout the Corporation on regular intervals. The policy will be hosted in HPCL Website (<https://www.hindustanpetroleum.com>) and shall also be communicated to new recruits through Induction Programme, as part of their onboarding process. The policy will be communicated to all stakeholders through Vigilance-related capability building trainings and awareness workshops.

IX BREACH OF THE POLICY

Compliance with the Anti-Bribery and Anti-Corruption Policy is a key requirement for all directors and employees along with adherence to other applicable laws, rules, regulations and processes. If an investigation concludes that a violation of the ABAC Policy has occurred, such case shall be referred to the Disciplinary Authority / Competent Authority for appropriate disciplinary or corrective action in terms of the applicable Conduct, Discipline and Appeal Rules for Management employees of HPCL or the Standing Orders applicable to the non-management employees of HPCL or applicable rules for employees of Joint Ventures and Subsidiaries or contractual / agreement terms and conditions or in accordance with law, as applicable.

In case of any violation of this Policy by any other stakeholder connected with Corporation's business, appropriate action against the party(ies) will be taken under the Corporation's Policy and Procedures for debarment from business dealings or contractual / agreement terms and conditions or in accordance with law, as applicable.

HPCL expects third parties to conduct their activities in adherence to this Policy. This Policy and other Anti-Corruption Laws prohibits use of third parties as a conduit for making indirect payments for the purpose of bribery. In the event of any violation of this Policy regarding fraud / illegal means adopted by the third party(ies) to secure business with HPCL, appropriate action against the party(ies) will be taken under the Corporation's Policy and Procedures for debarment from business dealings and Integrity Pact.

X. REVIEW OF THE POLICY

The full time Directors of the Corporation shall have oversight of governance and compliance with this ABAC Policy. Aggravated cases of breach of this ABAC Policy shall be reported and escalated immediately to the Chairman & Managing Director and the full time Directors of the Corporation by the Chief Vigilance Officer.

The Chief Vigilance Officer shall submit a report on quarterly basis to the Chairman & Managing Director for review of vigilance activities in its entirety during structured meeting, which includes preventive measures undertaken, breach if any reported under the ABAC Policy and action taken thereon.

Risk Assessment would be undertaken across Corporation's business verticals and upon identification of risk related to corruption, the same shall be integrated with the Corporation's Risk Management Framework.

The Chairman & Managing Director shall monitor the effectiveness and periodically review the implementation of this ABAC Policy.

Inorder to maintain an Anti Corruption Program that meets regulatory requirements and stake holder expectations, the Corporation reserves its right to vary and/or amend the terms of this ABAC Policy from time to time. Chairman and Managing Director of the Corporation shall be vested with the power to amend the Policy from time to time.
