



Anti-Bribery and Anti-Corruption Policy Document

Polyhose upholds zero tolerance approach towards Anti-Bribery and Anti-Corruption and is committed to operating businesses conforming to the highest moral and ethical standards. We do not tolerate bribery or corruption in any form

1. **Introduction:** Polyhose is committed to establishing the highest standards of transparency and accountability in all its operations. Polyhose strives to achieve its mission by adhering to high legal and ethical standards. Polyhose will not tolerate any form of bribery, embezzlement, or corruption and will enforce all laws prohibiting bribery, fraud, and corruption.
2. **Purpose:** The purpose of this policy is to outline Polyhose's and those acting on its behalf's responsibilities for adhering to and upholding Polyhose's stance on bribery and corruption. Every individual or group of individuals associated with Polyhose in any way, whether staff, ad hoc staff engaged in the organization's programmed activities, consultants, contractors, interns, partner organizations, or any other party with a financial or trustee-beneficiary relationship with Polyhose, is expected to share this commitment. The primary goal of this statement is to outline Polyhose's policy regarding the prevention and detection of bribery and corruption, as well as the specific procedures to be followed if any fraud is discovered or an idea / impression is formed.
3. **Scope:** This policy applies to the Employees, Contractors, Contract employees and Vendors. This Policy sets out the minimum standards to which all representatives of the Polyhose must always adhere to.
4. **Applicability:** The Policy set forth is applicable to all employees without any exception. It is therefore, the responsibility of all to follow and adhere to the Policy. Polyhose requires compliance with the most restrictive requirement and the principles set out in this Policy.
5. **Statement:**
 - i. Polyhose prohibits all forms of bribery and corruption
 - ii. Polyhose does not tolerate bribery or any other unethical inducement or illegal payment, including facilitation of illegal payments and "kickbacks." All staff, ad hoc staff, advisers, consultants, suppliers, partners, and individuals acting on behalf of Polyhose are required to avoid any activities that could lead to or suggest a conflict of interest with Polyhose's activities.
 - iii. Polyhose expects its suppliers and partners to act with integrity and without bribery and/or corruption in their thoughts or actions and will include clauses to that effect in relevant contracts where appropriate.
6. **Prohibited Activities:**
 - i. It is prohibited, directly or indirectly, for any staff or individual acting on behalf of Polyhose to offer, give, request or accept any bribe (i.e. gifts with intentions, loan, illegal payment, reward or advantage, either in cash or any other form of inducement), to or from any person or company in order to gain commercial, contractual or regulatory advantage for Polyhose, or in order to gain any personal advantage for an individual or anyone connected with the individual in a way that is unethical.
 - ii. This policy requires employees and individuals acting on behalf of Polyhose:
 - a. Not to offer, promise or make any bribe or unauthorized payment or inducement of any kind to anyone.

- b. Not to solicit business by offering, promising or making any bribe or unofficial payment to suppliers.
- c. Not to request or accept any kind of bribe or unusual payment or inducement that would not be authorized by Polyhose in the ordinary course of business.
- d. To refuse any bribe or unusual payment and to do so in a manner that is not open to misunderstanding or giving rise to false expectation; and to report any such offers.
- e. Not to make facilitation to illegal payments. These are payments used by businesses or individuals to secure or expedite the performance of a routine or necessary action to which the payer of the facilitation payment has a legal or other entitlement. Polyhose will not tolerate such illegal payments being made.
- f. To report any breaches of this policy's principles or standards or of any associated

7. Criminal Offence as per Law:

- i. It is a criminal offence to:
 - a. Offer a bribe
 - b. Accept a bribe
 - c. Fail to prevent a bribe
- ii. Staffs, ad-hoc staff, advisers, consultants, suppliers, partners and any individuals acting on behalf of Polyhose should be made aware that if they are found guilty by a court of committing bribery, embezzlement or fraudulence an individual could face prosecution as per the law

8. Bribery

- All are prohibited from giving, promising, offering, or authorizing payment of anything of value to any government official to obtain or retain business
- All are prohibited from offering or providing corrupt payments and other advantages to or accepting the same from private persons and entities to support any commercial bribery often called "kickbacks."
- All are prohibited to offer facilitating payments to government officials to expedite or facilitate non-discretionary actions or services, such as obtaining an ordinary license or business permit, processing government papers such as visas, customs clearance, providing telephone, power or water service, or loading or unloading of cargo. G

9. Avoid Conflicts of Interest

Conflicts of Interest

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our

jobs. At times, we may be faced with situations where the business actions we take on behalf of Polyhose may conflict with our own personal or family interests. We owe a duty to Polyhose to advance its legitimate interests when the opportunity to do so arises. We must never use Polyhose property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with Polyhose.

Here are some other ways in which conflicts of interest could arise:

- Being employed (you or a close family member) by, or acting as a consultant to, a competitor or potential competitor, supplier, or contractor, regardless of the nature of the employment, while you are employed with Polyhose.
- Hiring or supervising family members or closely related persons.
- Owning or having a substantial interest in a competitor, supplier or contractor.
- Having a personal interest, financial interest or potential gain in any Polyhose transaction.
- Placing company business with a firm owned or controlled by a Polyhose employee or his or her family.
- Accepting gifts, discounts, favours, or services from a customer/potential customer, competitor or supplier, unless equally available to all Polyhose employees.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict-of-interest question should seek advice from management. Before engaging in any activity, transaction, or relationship that might give rise to a conflict of interest, employees must seek review from their managers or the HR department.

10. Antitrust and Competition

Any collusive conduct between businesses which reduces competition is potentially illegal. This covers any exchange of information regarding prices, offering of discounts, or sharing of markets or source of supply.

Therefore, for the benefit of everyone, Polyhose would insist that you DO NOT discuss or exchange sensitive business information including the following:

- individual company prices, price changes, terms of sales, etc.
- industry pricing policies, price levels, price changes, etc.
- price differentials, price mark-ups, discounts, allowances, credit terms
- costs of production or distribution, cost accounting formulas, methods of computing costs
- individual company figures on sources of supply, costs, productions, inventories, sales, etc.

- information as to future plans of individual companies concerning technology, investments, or the design, production, distribution or marketing of particular products including proposed territories or customers
- matters relating to individual suppliers or customers, particularly in respect of any action that might have the effect of excluding them from the market

We are dedicated to ethical, fair, and vigorous competition. We will sell Polyhose products and services based on their merit, superior quality, functionality, and competitive pricing. We will make independent pricing and marketing decisions and will not improperly cooperate or coordinate our activities with our competitors. We will not offer or solicit improper payments or gratuities in connection with the purchase of goods or services for Polyhose or the sales of its products or services, nor will we engage or assist in unlawful boycotts of customers

11. Gifts, Gratuities, and Business Courtesies

Polyhose is committed to competing solely on the merit of our products and services. We should avoid any actions that create a perception that favorable treatment of outside entities by Polyhose was sought, received, or given in exchange for personal business courtesies. Business courtesies include gifts, gratuities, meals, refreshments, entertainment, or other benefits from persons or companies with whom Polyhose does or may do business. We will neither give nor accept business courtesies that constitute, or could reasonably be perceived as constituting, unfair business inducements that would violate law, regulation, or policies of Polyhose or customers or would cause embarrassment or reflect negatively on Polyhose's reputation.

12. Training

Human Resource is responsible for the training and monitoring of the policy. Training will be provided to all the employees either online or in person.

13. Monitoring

The HR and Plant Head should carry out necessary checks to ensure that the anti-bribery procedures are being implemented effectively and efficiently across the system that improvement areas are being accurately identified; and that red flags, unusual activity and violations of the anti-bribery policy are detected.

The following will be monitored;

- Conducting interviews with employees dealing with third parties
- Obtaining feedbacks through survey forms, whistleblowing/ grievance ombudsman@polyhose.com

- Engaging external companies to provide independent review and assurance of the anti-bribery systems and controls in place.

14. Evaluation

Employees will conduct periodic Survey of relevant operations to ensure the continued compliance with applicable Anti-Bribery Policy. It is the duty of all employees to cooperate with—and never interfere with or obstruct—such Survey activities or Company investigations.

15. Raising a Concern

- i. If an employee or an individual acting on Polyhose's behalf is offered or solicited a bribe, they should refuse unless their immediate safety is jeopardized. If this is the case, the employee or individual should contact the Human Resource or the immediate supervisor as soon as they are able to. To assist with any investigation, the employee or individual may be required to provide a written account of the events. If any employee is involved in such an act, the individual should contact the Plant Head, and if the concerned Plant Head is involved in such an act, the individual should contact the Director of Polyhose directly.

Employees or individuals acting on Polyhose's behalf are encouraged to report any instances of bribery or corruption to the immediate supervisor or use the whistle blower email. The employee or individual who raises a concern can do so anonymously and in confidence. such reporting will be treated as confidential. All reports are taken seriously and, where appropriate, investigated. No employee or individual will face discrimination as a result of reporting a legitimate concern.

If any bribery or corruption is discovered, Polyhose management will immediately take corrective action. Polyhose has its own system for investigating employees who violate service rules, such as financial irregularities, corruption, fraud, deception or embezzlement. If the charges are suspected, the employee shall be warned to comply with the policy, if proven then the employees shall face termination of employment and/or face legal consequences.

The employee may also raise concerns about one of the employees or the third parties whose activities may negatively impact on the reputation of the company through the whistleblowing or address to grievance at ombudsman@polyhose.com as this also better conveys what employee wanted to confront on a concerning issues.

- ii. These rules are based on the following principles: -
 - a. The right of Polyhose to take appropriate disciplinary steps against any delinquent staff member, who acts in a manner conflicting with the code of conduct and Antibribery policy.

- b. At the same time the rules also recognize the right of delinquent staffmember to a fair hearing and applicable and just disciplinary action.

16. Risk Assessment

Polyhose has a well established risk assessment procedures to analyze the gap for continuous improvement

Our risk assessment procedure gives a systematic and objective view of bribery risks.

1. **Ensure management commitment** : Management commitment is key to effective risk management. The Management and senior team members provide leadership and commitment to drive adequate and continuing risk assessment and ensure the process does not lose quality.
2. **Plan, scope and mobilise**: The planning stage prepares the ground for the risk assessment process. Human Resource and Plant Head should consider the following aspects: appointing the project lead, defining stakeholders, allocating team responsibilities, identifying information sources drafting plan for risk assessment, communicating plan and requirements to those involved in the exercise.
3. **Gather information**: Create a comprehensive details of inherent bribery risks to which the company could plausibly be exposed by virtue of the nature and location of its activities.
4. **Identify the bribery risks**: The objective of this stage is to identify and examine the activities and risk factors that could increase the company's exposure to bribery risk.
5. **Evaluate and prioritise the risks**: The risk evaluation stage analyses and prioritises the forms of bribery identified in stage 3 taking into account the risk factors in stage 4. Common practice is to apply two variables to prioritise risks: likelihood of occurrence and the potential adverse impact.
6. **Use the output of risk assessment**: The results of risk assessments are applied to a review of the anti-bribery programme and the extent to which existing controls need modification or additions.
 - Map: once the details of bribery risks have been collected, prioritise them. Next assess them against existing controls to check that the risks are being mitigated. A risk matrix is used to analyse.
 - Identify the gaps: Identify gaps in existing controls in terms of risks inadequately addressed or for which there are no adequate controls.
 - Mitigate: Analyse and implement controls to mitigate the risks. The new controls should address identified gaps or modify existing controls. The controls can be specific to the identified bribery risk or general controls to strengthen the anti-bribery policy. It should also be considered that an anti-bribery programme does not operate in isolation but is part of a wider anti-corruption programme and may also rely on controls which address not only bribery risks but other risks.
 - Improve: Amend or drop existing controls identified as no longer needed or inadequate.

17. Reporting and Investigation:

Reporting

- HR & Plant Head at primary level.
- Director at secondary level.

Investigation

The Policy must also enumerate implications of engaging in misconduct and allow instantaneously terminate the employee if on investigation it appears that the employee is guilty of violating the Anti-Corruption and Anti-Bribery Policy. The investigation into any suspected bribery allegation can be carried out by the Management, Plant head and HR Departments

It is the duty of management to clearly state that the company has a 'zero tolerance policy' towards bribery and corruption. They must foster a culture of integrity and show their commitment to combating bribery and corruption..

- 18. Review of this Policy:** In the interests of maintaining best practice, the contents of this Anti-bribery and Anti-Corruption Policy will be reviewed by Human Resource every year.

Appendix 1 - Declaration of Understanding form - Template

This declaration is intended to be completed by all staff.

DECLARATION OF UNDERSTANDING OF THE ANTI-BRIBERY and ANTI-CORRUPTION POLICY

I.....confirm that I have read the Polyhose's Anti-Bribery and Anti-Corruption Policy.

I also confirm that I have understood the requirements of Anti-Bribery and Anti-Corruption Policy and my responsibilities in relation to this document.

I understand that if I am party to any breach of the Policy then it could be regarded as Gross Misconduct and that this may result in disciplinary action, up to and including dismissal, in accordance with the Polyhose's disciplinary procedures.

Signed:

Name:

Designation:

Date: