



Himadri Speciality Chemical Ltd

Extortion, Fraud & Money Laundering Policy

Policy Version :1.0/2023

(w.e.f :10th December, 2023)

| | Prepared By | Reviewed By | | Approved By |
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| Signature |  |  |  |  |
| Date | 07.12.2023 | 07.12.2023 | 07.12.2023 | 08.12.2023 |



Purpose

Himadri fosters a culture of integrity and accountability encouraging employees and third parties to act responsibly and report any suspicious activities. It ensures that all business activities are conducted with transparency, ethical practices and compliance with legal standards. This policy serves as a key component of Himadri's overall governance framework, ensuring long term sustainability and trust and maintain zero tolerance approach to extortion, fraud and money laundering.

Scope

This policy applies to all Himadri facilities, including manufacturing plants and corporate offices & subsidiaries. It covers employees, contract employees (third-party employees engaged on our premises), visitors, customers, and anyone affected by our business activities.

Organization and Responsibilities

Senior management sets the tone at the top, ensuring that the policy aligns with the company's values and regulatory requirements. Ensures that policy is effectively implemented, maintained and adequate resource are allocated for compliance activities. Compliance department oversees the implementation and monitoring of the policy, conducting investigations, maintain records and report to board on compliance status and issues. Third party partners will adhere to the standards and requirements outlined in policy when conducting business with Himadri. Employees will adhere and report any suspicious or knowledge of illegal activities through established channels.

Our Beliefs

- Integrity is Paramount
- Protecting stakeholders
- Compliance beyond laws and regulations

Our Aims

- Prevent illegal activities in high risk areas
- Zero tolerance for illegal activity
- Promote ethical business conduct

Our Commitments

- Achieve 100% employee participation in annual mandatory training sessions on fraud, extortion and money laundering.
- Maintain zero cases of fraud, extortion and money laundering incidents in all our transactions.
- Conduct annual audits in all areas with a goal of identifying and resolving 100% risk related to fraud, extortion and money laundering. Audit reports will be reviewed by the compliance department and corrective actions will be tracked and completed within 90 days of detection.
- Any suspected activity reported will be investigated within 30 days and cases involving potential legal violations will be referred to law enforcement if necessary.
- Maintains a zero-tolerance approach to extortion, fraud and money laundering.



- Commit to fostering a culture of integrity where all employees, contractors and partners understand the importance of ethical conduct and legal compliance.
- Commit to transparency and accountability in all financial transactions, ensuring that all processes are traceable and auditable.
- Commit to identifying, evaluating and mitigating risks related to extortion, fraud and money laundering.
- Ensure that employees who report potential violations in good faith will face no retaliation, fostering a safe environment for raising concerns under whistle-blower policy.

Governance

This policy is governed by the Sustainability (ESG) Council of Himadri under the supervision of the Sustainability (ESG) Committee at the Board level.

Policy Review

This policy will be reviewed once in three years to assess its effectiveness and to update it in response to emerging risks and best practices.