



AJM GROUP

Report - Bribery, Corruption Gifts and Donations

What Constitutes Bribery and Corruption?

Here are some common definitions involving bribery, corruption and favors:

Bribery: Bribery is offering, promising, giving or accepting anything of value with the *intention* of inducing a person to act in your favor, behave improperly or not to perform their function correctly.

Corruption: The misuse of power for private gain.

Gifts and donations: The receiving of gifts, donations or personal discounts from customers, suppliers or competitors, public officials or third parties especially in the case where the AJM Group needs to make a decision in relation to the gift-giver.

Bribery is the most common form of corruption. Although many people think of bribery as giving someone cash, it can take other forms including non-cash gifts, lavish entertainment, hospitality or other benefits.

It is important to understand that a corrupt act has occurred even if a bribe does not succeed.

Examples

Bribery and corruption are not limited to cash gifts but also include a number of other favors. These include:

- Gift certificates/cards, stock, personal property and debt forgiveness
- Meals, entertainment and travel



- Political contributions
- Donations and charitable contributions—if made to a charity at the direct request of vendor or business partner, it could be considered an indirect bribe
- Job offers or internship awards

Corporate Pledge

We shall not accept bribes, gifts, or donations in exchange for favors or business.

Employee Adherence

This applies to all employees as such payments, gifts and favors run counter to our company values. The pledge above reinforces our intention to act honestly and ethically in all business dealings. Bribery, corruption and favors are against the AJM Group's core values; they are also illegal and can expose both the employee and the AJM Group to fines and penalties, including imprisonment and damage to our reputation.

Violation of this policy may subject the individual to disciplinary action, including dismissal or termination of contract. In some cases, criminal penalties may be applicable.

Legal Compliance

The Prevention of Corruption Act (Amendment 2018), has made bribe giving a specific offence and has introduced the concept of corporate criminal liability for acts of bribery. **The Companies Act 2013** further contains provisions to prevent corruption and fraud in the corporate sector, including:

- The duty of statutory auditors to disclose any instances of fraud (which covers instances of corruption and bribery) committed by company employees
- Increased penalties for fraud offences

India is also a signatory to the **United Nations Convention against Corruption, as ratified in 2011**. The AJM Group is fully compliant with all



relevant guidelines listed in the Companies Act and does not condone bribery or corruption in any form.

Reporting Bribery

It is the responsibility of all employees to adhere to this policy. Any employee who witnesses any illegal or unethical acts must also report this immediately to their direct manager or a member of the Ethics Committee.

If you are offered something of value and are uncertain whether you are allowed to accept it, check first with your manager or leader.

The Companies Act is clear that the onus is on the Board to take responsibility to identify risks and action any bribery or corruption they note amongst employees. The AJM Group intends to take strict action should such a situation arise.

Assessing a Potential Bribe

If you are unsure about what constitutes a potential bribe or corrupt favor, you may find it helpful to consider the following questions before you offer or receive something on behalf of the AJM Group:

- Have I received any gifts or other things of value from vendors or potential vendors to expedite a process?
- Am I doing this to try to improperly influence a decision someone is going to make?
- Do I feel that I cannot openly record this in the company's books and records? Am I using false documents or recording non-existent expenditures?
- Does the person who I am offering this to want it to be kept secret?
- If this became public information, could it harm the reputation of the company?
- Is this against the law?



AJM Group Business Ethics Policy: Section Related to Bribes

We will not accept or offer bribes, gifts, donations, or other improper advantages in exchange for business favors. Accordingly, we will deny all requests from vendors or buyers for personal favors and will immediately report any concerns to management.

Key Takeaways

Bribery and corruption does not only involve the exchange of cash – but can include favors, entertainment, hospitality and exchanging information.

A bribe does not have to be successful for it to be considered a bribe – intention is enough.

Payments, gifts and favors run counter to our company values and can seriously damage our reputation.

In many cases it is against the law and can result in not only termination but criminal charges.

