

Anti-Bribery & Corruption Policy

Introduction

Varioline Intercool is committed to conducting its business ethically and in compliance with all applicable laws and regulations, including the Ehtasab, National Accountability Act, and are applicable statutory laws of the land that prohibit improper payments to obtain a business advantage.

This document describes its Policy prohibiting bribery and other improper payments in the conduct of the company's business operations and employee responsibilities for ensuring implementation of the Policy.

The Anti-Corruption Policy is applicable to all employees and everyone we do business with, including agents, representatives, consultants, independent contractors and anyone acting on behalf of Varioline Intercool.

By working as an employee at Varioline Intercool, you are representing the Company to our customers and everyone else you come into contact with. You are expected to adopt the highest standards of professional and personal behavior and demonstrate Respect, Integrity, Good judgment, Honesty and Trust, the RIGHT Way, in all your actions, no matter what the circumstances.

Purpose of the Anti-Bribery & Corruption Policy

This policy outlines acceptable and non-acceptable behaviors to ensure compliance with anti-corruption laws of the Islamic Republic of Pakistan, such as the Prevention of Corruption Act 1947, Ehtesab Act 1997, National Accountability Act 1975 and sections 405, 406, 420, 161, 162, 163, 164 and 165 of the Pakistan Penal Code 1860. This includes compliance with all laws, domestic and foreign, prohibiting improper payments, gifts or inducements of any kind and received from any person, including officials in the private or public sector, customers and suppliers.

The Policy

The company strictly prohibits bribery or other improper payments in any of its business operations. This prohibition applies to all business activities across entire organization, whether involving government officials or other commercial enterprises. A bribe or other improper payment to secure a business advantage is never acceptable and can expose individuals and the company involved to possible criminal prosecution, reputational harm or other serious consequences.

This Policy applies to everyone at Varioline Intercool, including all officers, employees and associates or other intermediaries acting on Company's behalf. Each officer and employee of the company has a personal responsibility and obligation to conduct company's business activities ethically and in compliance with all applicable laws and the company's described guidelines. Failure to do so may result in disciplinary action, up to and including dismissal.

Improper payments prohibited by this policy include bribes, kickbacks, excessive gifts or entertainment, or any other payment made or offered to obtain an undue business advantage. These payments should not be confused with reasonable and limited expenditures for gifts, business entertainment and other legitimate activities directly related to the conduct of the company's business.

Varioline Intercool has developed a comprehensive program for implementing this Policy, through appropriate guidance, training, investigation and oversight. Management has overall responsibility for the program, supported by the executive leadership of Human Resource Department is responsible for giving advice on the interpretation and application of this policy, supporting training and education, and responding to reported concerns.

Helpful Definitions

Bribe:

Anything of value given in an attempt to affect a person's actions or decisions in order to gain or retain a business advantage. Anything of value includes cash, entertainment or other gifts or courtesies.

Corruption:

The misuse of a public office or power for private gain or the misuse of private power in relation to business outside the realm of government.

Facilitation payments:

Small sums paid to government officials to facilitate or expedite routing. Non-discretionary government actions are considered facilitation payment.

Kickbacks:

The return of a sum already paid or due as a reward for awarding or furthering business.

What Does 'Anti-Corruption' Mean to You?

Corruption can take place in many types of activities. It usually is designed to obtain financial benefits or other personal gain. For example, bribes are intended to influence behaviour – they could be in the form of money, a privilege, an object of value, an advantage, or merely a promise to influence a person in an official or public capacity. Usually, two people are involved and both will benefit.

Examples of a bribe include:

- Offer or receipt of cash in the form of a kickback, loan, fee or reward
- Giving of aid, donations or voting designed to exert improper influence

The areas of business where corruption, including bribery, can most often occur include:

1. Gifts, Entertainment and Hospitality

Examples of gifts, entertainment and hospitality include the receipt or offer of gifts, meals or tokens of appreciation and gratitude, invitations to events, functions, or other social gatherings, in connection with matters related to our

business. These activities are acceptable provided they fall within reasonable bounds of value and occurrence. In case you're not sure as the nature of the gift, please consult with the Human Resource Department who in turn will consult with the company's Management in case any confusion persists.

2. Facilitation Payments

Facilitation payments are strictly NOT allowed. If you are unsure whether certain payments represent facilitation payments, please contact company's Human Resource Department or its Legal team.

3. Procurement Process

You must follow company's departmental standard operating procedures (SOP's) and adhere to the system of internal controls around supplier selection. Supplier selection should never be based on receipt of a gift, hospitality or payment. When supplier selection is a formal, structured invitation for the supply of products or services (often called a 'tender'), it is most important we maintain documentation supporting our internal controls. In the public sector, such a tender process may be required and determined in detail by law to ensure that such competition for the use of public money is open, fair and free from corruption.

A tender process includes an invitation for other parties to make a proposal, on the understanding that any competition for the relevant contract must be conducted in response to the tender, no parties having the unfair advantage of separate, prior, closed-door negotiations for the contract where a bidding process is open to all qualified bidders and where the sealed bids are in the open for scrutiny and are chosen on the basis of price and quality.

4. Political Community and Charitable Contributions

You are not allowed to make political contributions from Company funds. Political Contributions might be interpreted as to fall under 'kick backs'.

Contributions made by the company to community projects or charities need to be made in good faith and in

compliance with all relevant Varioline Intercool's policies and procedures.

Books, Records and Internal Control Requirements
Expenses must never be hidden or purposefully misclassified. Many serious global bribery and corruption scenarios are found to involve inaccurate record keeping. To prevent this, local anti-corruption laws generally require detailed and accurate accounting records for transactions, including cash and bank accounts. We must ensure that accurate books, records and financial reporting is maintained. In case of any inaccuracy, as per the local laws you may be tried under sections 405, 406, 420 and 161-155 of the Pakistan Penal Code, which covers Criminal Breach of Trust, Cheating, Mischief, False Documents, Extortion and Theft.

All business units must maintain an effective system of internal control and monitoring of our transactions. Certain monitoring controls are identified in our policies and Departmental SOP's, specifically regarding approval of travel and entertainment expenses. It is your responsibility to be knowledgeable of control procedures and ensure compliance.

You Are Responsible

We at Varioline Intercool take corruption and bribery very seriously. Any violation of this policy will be regarded as a serious matter by the Company and is likely to result in disciplinary action, including termination, consistent with local law.

Furthermore, in case of any inquiry you are prohibited to give in false evidence or will be liable to be tried under Section 176 to 182 of Chapter 10, or Section 191 to 204, or 211 to 223 or 225-A of Chapter 11 of the Pakistan Penal Code 1860.

Bribery is a criminal offence. As an employee you will be accountable whether you pay a bribe yourself or whether

you authorize, assist, or conspire with someone else to violate an anti-corruption or anti-bribery law. Punishment for violating the law are against you as an individual and may include imprisonment, probation, mandated community service and significant monetary fines which will not be paid by company.

Questions or How to Raise a Concern

If you want to ask a question about the requirements in this policy or are concerned that an anti-corruption violation is occurring or has occurred, report it immediately to one of the following:

- Your Manager
- HR Manager
- Company's Legal Team

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