ENGRO CORPORATION LIMITED

ANTI-CORRUPTION & BRIBERY POLICY
(THE "POLICY")

Policy Owner:	Head of Internal Audit & Compliance Officer
Approver:	Board of Directors

Version No.	Date Approved	Description
1	Aug 2024	The Policy is developed in line with the needs of business and The Prevention of Corruption Act, 1947 and other applicable laws countering bribery and corruption in Pakistan.

I. POLICY STATEMENT

Engro Group which includes Engro Corporation Limited, and its listed, unlisted (private and public) subsidiaries ("Company") is dedicated to conduct all its businesses in accordance with the highest ethical standards and prohibits all forms of bribery and corruption. This Anti-Corruption and Bribery Policy ("Policy") prohibits bribery of government officials as well as private sector (commercial) bribery, including the offering, promising, authorizing or providing anything of value to any business partner, vendor or other third party to induce or reward the improper performance of an activity connected with our business. The Company has a zero-tolerance approach towards bribery and/or corrupt practices and ensures all its business dealings and relationships are based on merit.

II. PURPOSE & SCOPE

This Policy is intended to outline the Company's risks related to corruption and bribery, to highlight your responsibilities under both the relevant anti-corruption laws and Company policies, and to provide you with the tools and support necessary to identify and combat those anti-corruption risks. The Policy also provides information and guidance to those working for us on how to recognize and deal with bribery and corruption issues.

III. APPLICABILITY

This policy applies to all individuals working at all grades within the Company and its subsidiaries, including senior managers, officers, directors, employees (whether permanent or contractual), trainees, seconded staff, volunteers, interns, with the Company located worldwide (collectively referred to as "Employees" in this policy).

The Company will comply with the Prevention of Corruption Act, 1947, and other relevant laws countering bribery and corruption in Pakistan to the extent that the same are applicable.

IV. RISKS AND CONSEQUENCES OF NON-COMPLIANCE

A violation of relevant anti-corruption laws can lead to severe civil and criminal penalties and reputational harm to our Company. Employees that violate these laws can also face severe civil and criminal penalties. The prohibition against bribery is incorporated into our Company's Code of Business Conduct ("COBC"); thus, a violation of this Policy could also result in disciplinary actions pursuant to our COBC including, but not limited to, termination of employment.

V. CORRUPTION & BRIBERY

Corruption is the abuse of entrusted power for private gain. Corruption and bribery encompass offering, requesting, promising, authorizing, giving, or accepting anything of value to or from anyone in public or private sector for the purpose of obtaining or retaining business, or any other improper advantage in the conduct of business.

Any benefit provided in return for the misuse of the receiver's position, task or assignment will generally be considered an improper advantage. An improper advantage will usually be a benefit in the form of cash or objects with economic value but may also include benefits without economic value. Personal benefits provided in relation to the recipient's position, task, or assignment.

Corruption includes bribery, facilitation payments, kickbacks, and trading in influence. Any corrupt activity – either in public or private sector (between private parties) – is prohibited. Both offering and giving (active corruption) and accepting and receiving (passive corruption) are prohibited.

a. BRIBERY

The anti-corruption laws prohibit more than just cash bribes. The laws prohibit offering, promising, or giving "anything of value" with the corrupt intent, i.e., to improperly obtain, keep, or direct business, or to improperly influence an official decision. Gifts, hospitality, entertainment, excessive business promotional activities, covering or reimbursing travel or other expenses, in-kind contributions, political or charitable donations, investment opportunities, product samples for personal use, subcontracts, employment, securities such as stock and stock option, and similar items are all things of value that under certain circumstances can violate anti-corruption law.

A payment to an intermediary is prohibited, where there is reasonable indication of a pass-through bribe to a government official, a customer, or a supplier. Wilful disregard or deliberate ignorance is a violation of the law and the Company policy.

b. FACILITATION PAYMENTS

The Company prohibits facilitating payments and kickbacks whether they are in cash or "in-kind. The Company also prohibits making facilitating payments through a third party, and third parties are prohibited from making facilitating payments on the Company's behalf or in connection with the Company's business, with or without the Company's knowledge. Facilitation payments are typically small, payments in cash or in kind made to process or expedite routine and legal governmental action to which the Company is entitled.

If asked to make a payment on the Company's behalf, the Employees should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. The Employees must always obtain a receipt which details the reason for the payment and evidence that the payment went directly to the appropriate payee who provided the goods or services. Any suspicions concern or queries regarding a payment should be raised as per this Policy.

c. TRADING IN INFLUENCE

Trading in influence exists when an improper advantage is offered or given to someone in return for influencing the conduct of a third party's position. An advantage can have different forms, for example in the form of cash, cash equivalents, objects of value, credits, discounts, travel, personal benefits, accommodation, or services.

VI. GIFTS & BUSINESS COURTESIES

As a rule of thumb, the Employee can only offer, give, accept, or receive gifts that are in line with the Company's Gifts Policy ("Gift Policy") and the gift value should not exceed PKR 20,000/-. Exceptions can only be made in special circumstances and subject to approval from the President. Cash or cash equivalents are not considered customary within the Company and Employees shall not offer, give, accept, or receive any such gifts.

The person offering, giving, accepting, or receiving a gift is responsible for assessing whether the gift is lawful and within the limits set by the Gifts Policy. Should an employee receive a gift that is not compliant with the Gifts Policy, the Employee should return the gift. If that is not possible, the gift must be turned over to the Ethics & Compliance function as soon as possible.

Providing and accepting corporate gifts, meals, hospitality, and entertainment must be moderate, decent, in good taste and not regularly extended to the same persons.

VII. EVENTS & ARRANGEMENTS

Customary and commonly accepted business-related events or arrangements such as gatherings, dinners or other forms of events may be arranged or participated in provided there is a legitimate business reason, and the costs are kept within reasonable limits. Any such customary business-related arrangements shall be brought to the notice of your immediate supervisor.

The Company does not entertain payment for travel, accommodation, and other related expenses for any third party if the Company is arranging a business-related event. Likewise, travel, accommodation and other related expenses incurred by the Company's personnel in connection with attending business-related events hosted by a third party shall be paid by the Company. Exceptions can only be made in special circumstances and subject to approval from the President

Expensive or extravagant events shall not be arranged or attended. If, from a business perspective, it is necessary to arrange or attend such an event, the Employee shall obtain a written approval from the CEO.

The Employee arranging the event is responsible for assessing whether the arrangement is lawful and within the limits set by this Group Policy Anti-Corruption. Such assessment shall be made in advance.

VIII. THIRD PARTY MANAGEMENT

Third party/vendors are prohibited from making any corrupt payments in violation to Engro's Code of Conduct and other applicable policies.

IX. TRAINING

All employees shall receive training in using and understanding the Policy. Policy Owner is responsible for conducting the training and maintaining oversight over conducted training.

Anti-corruption and bribery risks should be integrated into the broader Enterprise Risk Management (ERM) framework to ensure comprehensive monitoring and mitigation of bribery and corruption risks.

X. REPORTING VIOLATIONS

If the Employee observes conduct that may violate this Policy, please report on speakout@engro.com. Suspected violations will be reviewed and investigated as appropriate and may lead to disciplinary action.

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