

Anti-Bribery &
Anti-Corruption
Policy



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ANTI – BRIBERY AND ANTI-CORRUPTION POLICY

1. PURPOSE

Redington Limited together with its subsidiaries (referred to as “**Redington**”/ “**Redington Group**”) is committed to conduct all aspects of its business with the highest legal and ethical standards. To assist Redington in upholding this commitment in the context of dealings with government entities, public servants, government employees, employees from government entities and employees from entities funded by government or any third parties, this Anti-Bribery and Anti-Corruption Policy (“**Policy**”) has been formulated. The Policy is designed specifically to help all persons acting on behalf of Redington to understand the legal and ethical issues that can arise in dealings with the aforesaid persons. Our reputation for integrity is more important than the potential gains to be made in dealing inappropriately with other individuals and organizations.

No matter where in the world we operate, there is an anti-bribery law or regulation that applies to our business. These laws and regulations prohibit bribery by their citizens and companies, which can include local subsidiaries and affiliates of a foreign-based company. This Policy describes Redington’s stance on prohibiting dishonest and unlawful behaviour, bribery, kick-backs (in any form), improper payments, corruption, and unauthorised lobbying other improper benefits in the conduct of the Redington’s business operations and also establishes processes to ensure compliance with this Policy and applicable laws and regulations.

Some global regulations relating to Bribery & Corruption globally are as follows:

- (a) The Prevention of Corruption Act, 1988 (“**PCA**”) read along with Prevention of Corruption (Amendment) Act 2018 (“**Amendment Act**”) which seeks to bring the Indian anticorruption legal framework in conformity with current international practices laid down by the United Nations Convention Against Corruption (“**UNCAC**”);
- (b) The Indian Penal Code, 1860 (“**IPC**”);
- (c) US Foreign Corrupt Practices Act, 1977
- (d) UAE Federal Law No. 3/1987
- (e) UK Bribery Act, 2010
- (f) The Prevention of Money Laundering Act, 2002;

- (g) The Central Vigilance Commission Act, 2003;
- (h) Singapore Prevention of Corruption Act 1960
- (i) The Companies Act 2013,
- (j) The Turkish Criminal Code
- (k) The Lokpal and Lokayuktas Act, 2013; and
- (l) The Lokayukta acts of various states.

2. SCOPE

The Policy is applicable to:

- a. All the Board of Directors of the entities of the Redington Group, all employees of the Redington Group whether permanent or part-time, retainers, consultants.
- b. All suppliers, service providers, contractors, channel partners (dealers, distributors and others), external professionals and agents when acting on the behalf of Redington Group.
- c. All agents, advisors, auditors, advocates, consultants and all other persons or entities acting or purporting to act as a representative, advisor, or otherwise on behalf of Redington, associates of Redington, its subsidiaries regardless nationality, or location.
- d. Any other third parties that come into contact with the Redington Group during the course of their work with/ for Redington Group.

All of the persons mentioned above, where the context so requires, shall collectively be referred to as “**Associates**”.

It is hereby clarified that the requirement to comply with this Code does not constitute an express or implied promise of continued relation with the Redington Group.

3. RESPONSIBILITIES OF ASSOCIATES:

This Policy requires that Associates should:

- (a) Never pay, promise, offer or authorize a bribe or anything of value or provide any undue advantage to a government official, third party or any other individual in order to obtain business for Redington or to secure an improper advantage for Redington.

- (b) Never permit, allow, authorize (or turn a “blind eye” to) Redington for third-party’s representative payment, promise, offer or authorise a bribe or anything of value or provision of any undue advantage to a government official or any other individual in order to win business or obtain improper advantages for Redington.
- (c) Never directly or indirectly, provide or receive bribes, kick-backs, improper payments, any form of gift, entertainment or anything of value to or from government entities, public servants, government employees, employees from government entities and employees from entities funded by government or any third party.
- (d) Include appropriately rigorous anti-bribery and anti-corruption contract provisions or reference this Policy for compliance in Redington’s agreements, particularly agreements with our business partners and third-party representatives that are involved in business development.

4. DEALINGS WITH GOVERNMENT OFFICIALS

The term “government official” encompasses any person, including but not limited to

- (a) who is an officer or employee of a government or any department, agency, or instrumentality thereof, or of a public international organization, or
- (b) any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization or
- (c) a close relative of such an official, and any nominee of any government official.
- (d) Defined as a “public servant” under section 2(c) of the PCA, or under section 21 of the IPC, or under section 2(o) of the Lokpal and Lokayuktas Act, 2013, or
- (e) Defined as “public official” under the US Foreign Corrupt Practices Act, 1977, UK Bribery Act, 2010
- (f) Defined as a “foreign official” under US Foreign Corrupt Practices Act or other applicable, domestic laws,

This Policy prohibits direct and indirect payments to government officials.

The Policy prohibits the provision of "anything of value" to a government official for improper purposes. This term is very broad, and can include any item of pecuniary value or otherwise, including, for example:

- (a) Gifts¹
- (b) Gift or sale of stock/shares or other investment opportunities in other than an arm's length transaction for demonstrated fair market value, e.g., selling to an official at inflated prices or buying from an official at deflated prices
- (c) Contracts or other business opportunities awarded to Redington in which a foreign official holds a beneficial interest
- (d) Medical, educational, or living expenses
- (e) Travel, meals, lodging, shopping, or entertainment expense²
- (f) Insider information and UPSI that would result in pecuniary benefit to the recipient
- (g) Donations to organisations specified by the Government Official
- (h) Tickets to sporting and other events

Requests by Government Official for payments that would violate this Policy arise in varied settings and can be much more subtle than a direct request for a kickback or bribe.

5. COMMERCIAL BRIBERY

In addition to prohibitions with respect to dealings with Government Officials, Redington also prohibits bribery and corruption in our commercial dealings. Associates should never offer or accept anything of value to existing or potential customers, suppliers or other third parties in order to improperly obtain business or an unfair advantage for Redington.

6. GIFTS, ENTERTAINMENT & DONATIONS

Business gifts, courtesies, donations, favours and hospitality are sometimes used in the normal course of business activity. However, if offers of gifts or hospitality

¹ A gift is anything of value and would encompass any gratuitous monetary or non-monetary benefit. It includes tangible items such as cash, precious metals, stones, jewellery, art, and any of their equivalents, but also intangible items such as discounts, services, loans, favours, special privileges, advantages, benefits and rights that are not available to the general public.

² Travel expenses and Shopping for entertainment expenses to be in line with the Travel and Entertainment policy

(including entertainment or travel) are frequent or of substantial value, they may create the perception of, or an actual conflict of interest or an 'illicit payment'. Therefore, gifts and hospitality given or received should be modest in value and appropriate. The Associates should be careful that while doing so, their actions do not violate any regulations neither do they do anything contrary to the values and the Code.

The Associates when offering a gift or donations should keep the following in mind:

- (a) It is appropriate in the circumstances; it is of an appropriate type and value and given at an appropriate time;
- (b) The gift or donation is worth not more than USD [30] (INR 2500), unless otherwise approved by the Compliance Department. Such requests for approval can be sent to compliance@redingtongroup.com;
- (c) The gift or donation is given in the name of relevant company of Redington Group, and not in the Associate's name.
- (d) It is not done to obtain or retain business, influences business decisions or gain an improper advantage in business;
- (e) It is lawful under the laws of the country where the gift or donation is being permitted under the policies of the client;
- (f) It constitutes a bona fide promotion or goodwill expenditure;
- (g) A gift is not in the form of cash or a cash equivalent (such as gift certificates or vouchers);
- (h) The gift/ donation is of nominal value (on an individual and aggregate basis);
- (i) The gift/ donation is accurately recorded in the books and records of Redington Group;
- (j) It is in compliance with this Policy;
- (k) It is given openly, not secretly;
- (l) Gifts or donations should not be offered to, or accepted from, government entities, government officials or representatives, or politicians or political parties, without express prior consent from the Compliance Department. Such requests for approval can be sent to compliance@redingtongroup.com; and

- (m) whether public disclosure of such gift or donation would be embarrassing to the Redington Group or the recipient.
- (n) All gifts given or received irrespective of value should be reported to the Compliance department at compliance@redingtongroup.com before they are given and after they are received

7. ACCOUNTING BOOKS AND RECORDS

This Policy requires Redington to establish and maintain a system of internal controls that ensures that all transactions and dispositions of assets including all accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, occur only with appropriate authorizations, and that all such transactions are recorded accurately and in reasonable detail in the companies' books, records and accounts.

The Policy also requires that all financial transactions are adequately identified and properly and fairly recorded in appropriate books and accounting records available for inspection by the respective board of directors or other body with ultimate responsibility for such Redington entity, as well as by auditors;

Provided that modification/ correction to any *bona fide* errors in maintaining such records is allowed to ensure accuracy of the financial reporting.

Such correction may be made upon a written request to the head of the department or chief executive office explaining the error and such correction may be recorded post approval.

Further, cash payments or payments in kind are monitored in order to avoid that they are used as substitutes for bribes. For any petty cash payments/ purchases, invoices or payment receipts be provided, wherever possible, and the same be recorded as per Redington's policies.

This Policy specifically prohibits the mischaracterization or omission of any transaction on Redington's books, or any failure to maintain proper accounting controls that result in such a mischaracterization or omission.

Provided that information that may be relevant to current or threatened litigation or subject to a legal prohibition or stipulation, may be retained as is, until authorized in writing to do so by the relevant department upon the conclusion of such litigation or cessation of the anticipated legal proceedings.

8. EMPLOYEE BACKGROUND VERIFICATION

Prior to hiring all Employees, the head of the department is to initiate the process of employee background verification on the prospective employee. Purpose of background verification is also to identify any relationship between the prospective employee and Government Officials and entities and any Politically Exposed Person (PEP) or with any Associate of Redington.

9. THIRD PARTY INTERMEDIARIES

Third Party Intermediary (TPI) means a service provider, agent, consultant, distributor, contractor, vendor, supplier, or other third party, whether an individual or an entity, employed on a contractual basis, or retained to assist Redington in any business function that requires or involves interaction with any government entity or government official in any of the countries in which Redington operates.

Appropriate due diligence must be conducted for the TPI, which should be properly documented and red flags, if any, must be resolved. Anti-bribery and anti-corruption provisions must be incorporated in the contracts and work orders with TPI's in consultation with Redington's legal team, including the right to audit, as well as a clause on termination, if the TPI fails to abide by anti-bribery and anti-corruption terms. The TPI shall ensure compliance to these standards by making a formal commitment (in writing).

All contracts with TPIs without exception, must be in writing, legally vetted and detailing the scope of work. TPIs shall act in strict accordance with the instructions and the scope of work outlined in their contracts, and in no manner whatsoever, undertake any activity, that may be deemed in violation of this Policy.

10. ACCOUNTABILITY: ROLES AND RESPONSIBILITIES

It is the individual responsibility of each Director, Officer, Employee to:

- (a) Comply with this Policy and other applicable anti-corruption laws, Procurement Policy, and the Code of Business Ethics.
- (b) Participate in training as directed.
- (c) Make sure the subordinates get the training needed to understand the laws and regulations governing international transactions.

- (d) Raise concerns regarding this Policy and other anti-corruption laws or the Code of Conduct and Business Ethics - including any suspected violations - to management, the Legal Department or Ethics Line.

Every Associate whose duties are likely to lead to involvement in or exposure to any of the areas covered by the Policy is expected to become familiar with and comply with the requirements given in this Policy to avoid inadvertent noncompliance and to recognize potential issues in time to be appropriately addressed.

Each Associate is required annually attend a training session with respect to this Policy and obtain a certificate. Any Associate who has further questions concerning the requirements of the Policy should consult with the Compliance Department.

11. CONSEQUENCES OF VIOLATION

Violations of this Policy will result in corrective action that may include, but is not limited to, verbal or written warnings, suspension from work, or other disciplinary action up to and including employment termination. Verbal or written corrective action is intended to eliminate inappropriate workplace conduct of a more minor nature. Immediate termination without use of progressive discipline may be appropriate for serious incidents.

Violations or suspected violations should be reported by an Associate to the compliance department at compliance@redingtongroup.com or reporting as per the procedures set out in the Redington's Global Whistle-blower Policy.

Any corrective action taken by the Company shall not bar its right to initiate suitable legal action against its employee and to initiate any appropriate civil and/or criminal proceedings against them as per applicable law.

12. APPENDIX

Brief Overview of Legal Framework

A summary of the applicability of the Anti-Corruption Laws and relevant prohibitions thereunder are set out under this Policy. All Associate should read and understand the application of such laws to the Redington and to them due to their employment or association with Redington.

Foreign Corrupt Practices Act 1977 (FCPA)

The FCPA prohibits offering to pay, paying, promising to pay, or authorizing the payment of money or anything of value to a foreign official (Foreign meaning Non-US) in order to influence any act or decision of the foreign official in his or her official capacity or to secure any other improper advantage in order to obtain or retain business or progression of business.

The FCPA is applicable to the Company due so the nature of its business. Further, the FCPA also applies to ‘domestic concerns. A domestic concern is any individual who is a citizen, national, or resident of the United States, or any corporation, partnership, association, joint-stock company, business trust, unincorporated organization, or sole proprietorship that is organized under the laws of the United States or its states, territories, possessions, or commonwealths or that has its principal place of business in the United States. Officers, directors, employees, agents, or stockholders acting on behalf of a domestic concern, including foreign nationals or companies, are also covered.

The FCPA prohibits any U.S. company, or any officer, director, employee, agent or stockholder acting on behalf of such company, to corruptly pay, offer, promise to pay or authorize the payment of, directly or indirectly through another person or firm, anything of value to a foreign official or employees of a foreign government, who have discretionary authority with the intent to improperly influence the official decision-making of those individuals. In addition to this

prohibition on U.S. companies and persons, the FCPA also applies to:

- Foreign companies whose shares are listed on U.S. exchanges;
- Subsidiaries and holding companies of the companies mentioned in (a); and
- Foreign companies and individuals who take any action within the U.S. in furtherance of making a prohibited payment.

The FCPA applies to improper payments made directly by above mentioned companies/entities and their officials, directors and employees, and to improper payments made indirectly through persons (for example, agents, distributors, international representatives, consultants and business partners) who may act for or on behalf of a company where the company knows, or has reason to know, such payments will be made.

The FCPA is a criminal statute and provides potentially severe criminal sanctions for those who fail to comply.

The FCPA requires companies, to which it is applicable, to keep accurate and complete books and records and to maintain proper internal accounting controls.

The prohibition under the FCPA is very broad, and covers:

- cash payments;
- non-cash ‘payments’, benefits, and favors; and
- in certain circumstances, even gifts, entertainment, and hosted travel or training which would otherwise be deemed legitimate business expenditures.

The FCPA prohibits these payments whether they are made directly or indirectly through third parties, such as agents, consultants, channel partners, resellers, or other representatives and regardless of whether such payments or benefits are actually paid or given.

In other words, a ‘willful blindness’ to a suspected improper payment or a mere promise of something improper can be the basis for a violation of the FCPA.

The prohibition under the FCPA extends to improper payment made by any intermediaries, subsidiaries or entities representing the Company, including:

- company employees;
- sales agents;
- sales consultants;
- resellers;

- other representatives of the company, no matter by what name they are called;
- affiliates of the Company where the Company has majority ownership, including joint ventures and special purpose vehicles (“SPVs”);
- other entities over which the Company possesses corporate control.

United Kingdom Bribery Act, 2010 (UKBA)

The UKBA generally applies only to UK citizens/individuals ordinarily resident in the UK and to UK companies. However, provisions pertaining to the extra-territorial effect of the new corporate offence are captured below.

The UKBA goes beyond the requirements of the FCPA as it prohibits bribery not only in the public sector, but also in the private sector, both domestic and foreign. It also gives tremendous enforcement discretion to the prosecutors. In general, it creates four new offences to prevent those performing services on their behalf from paying bribes:

- an offence of active bribery (i.e. giving, promising or offering a bribe);
- an offence of passive bribery (i.e., requesting, agreeing to receive or accepting a bribe);
- a specific offence of bribing a foreign public official; and
- a new corporate offence which applies where a corporate or partnership fails.

The recipient of a bribe commits an offence even if he/she has no intention of committing a criminal act or is unaware that he/she is in breach of an expectation arising from his/her position of trust. It does not matter if the person performing the function accepted the bribe with the intention of performing his/her function or activity improperly. Accordingly, Directors, Employees or Associates who perform a function or activity (e.g., in the procurement department) should exercise extreme caution in the receipt of any advantage from a third party (e.g., a supplier) as such an advantage may be perceived to influence the impartiality of exercising his/her function or activity.

The provisions on corporate liability is one of the strictest for commercial organizations, making companies effectively vicariously liable for both public and private sector bribery by its Directors, Employees, Associates, agents or others performing services on their behalf. The offence can be triggered by acts of bribery anywhere in the world and a prosecutor does not need to show that the Company knew of the act of bribery. The only defense to this offence is to show that an organization had in place “adequate procedures” to prevent such bribery.

The UKBA is wider than the FCPA in three ways:

- it applies to private sector bribery as well as public sector bribery wherever such acts are committed;
- there is no exemption for facilitating payments - even for U.S. companies - if they ‘do business’ in the U.K.;
- both U.K. and non-U.K. companies doing business in the U.K. will have corporate liability for offences committed by agents or others performing services on their behalf.

Prevention of Corruption (Amendment) Act 2018 PCA and its amendments

The Prevention of Corruption Act, 1988 (“PCA”) read along with Prevention of Corruption (Amendment) Act 2018 (“Amendment Act”) seeks to bring the Indian anticorruption legal framework in conformity with current international practices laid down by the United Nations Convention Against Corruption (UNCAC).

Persons liable for offering a bribe to public servants- Section 8 of the PCA specified by the Amendment Act

The PCA did not have a separate provision for giver of bribe. Section 8 of PCA addresses the supply side of bribery and corruption. As per section 8 specified by the Amendment Act:

- Any person who gives/promises to give any undue advantage to another person to induce/reward a public servant for improper performance of a public duty - shall be punishable with imprisonment of up to seven years or fine or both.
- This section shall not apply where the person has been compelled to give undue advantage and has reported to law enforcement agencies within seven days from date of giving such undue advantage.
- It is not relevant whether such undue advantage has been received directly or through a third-party and whether the undue advantage has been received by the same person who is to perform or has performed the concerned public duty.

Corporate liability of Commercial Organizations - Section 9 of the PCA specified by the Amendment Act

The Amendment Act defines Commercial Organizations and introduces the concept of corporate liability, covering all categories of Commercial Organizations. Commercial Organizations not only includes a company or partnership incorporated in India and carrying on business in India or outside

India, but also a body or partnership incorporated or formed outside India but carrying on business in India.

Amended section 9 of the PCA makes the Commercial Organizations guilty and punishable with fine, if any person(s) associated with them gives/promises to give any undue advantage with the intent to (i) obtain/retain any business; or (ii) obtain/retain an advantage in the conduct of business for such Commercial Organization.

Further, section 9(4) states that the offence under section 9 shall be cognizable. The Amendment Act prevents a Commercial Organization from taking the plea that such bribery and corruption instances are individual offences, except when it can prove that it had adequate compliance procedures and safeguards in place to prevent its associated persons from such conduct.