



SAMVARDHANA MOTHERSON GROUP
ANTI-BRIBERY, GIFT, MEALS AND ENTERTAINMENT POLICY

Adopted by the Board of Mother'son Technology Services Limited

Date: **February 13, 2018**

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ANTI BRIBERY, GIFT, ENTERTAINMENT AND MEALS POLICY

1. Preamble

Samvardhana Motherson Group (“**SMG**”) has “**ZERO TOLERANCE**” to any form of bribery and corruption and is committed to ensure that SMG employees and contractors working on their behalf do not abet to offer, offer or promise any form of bribery or corruption or act in contravention of any Anti-Bribery and Anti-Corruption Laws. SMG believes that in addition to being a legal requirement, any instance of bribery or corruption is morally unacceptable.

SMG considers that exchange of gifts may result to influence public officials / OEMs and/or Contractors to give an improper advantage or to receive favourable treatment for business transactions. While gifts are a normal part of business, Bribery and Corruption are recognized criminal offences in all the Countries where companies forming part of SMG and/or Contractors acting on behalf of SMG operate in accordance with the applicable Anti-Bribery & Anti-Corruption Laws.

Even if there is no deliberate intention to influence the outcome, the perception of bad intention could be damaging for employees personally and also for SMG. In case of any breach, SMG and its employees will be subject to enquiries by the Government(s), quasi-Government Authorities or prosecuted in a court of law. SMG desires to prohibit such practices and to promote highest standards of professionalism, integrity and ethical standards in respect of exchange of all Gifts and Meals.

In view of the above, **SMG’s Anti-bribery, Gift, Entertainment and Meals policy (“Policy”)** is being put in place which aims to provide prohibition on Bribery and guidance on standards for exchange of Gifts, Meals & Entertainment expenditure.

This Policy has been formulated keeping in view “**Best in Class**” **Global Practices** and applies worldwide to all companies and/or divisions of SMG.

2. Definitions and Interpretation

“**Anti-Bribery Policy Non-Compliance Report**” shall mean a report for bringing to attention a past, present or future violation of this Policy by an Employee or Contractor.

“**Board**” shall mean the Board of Directors of the Companies forming part of SMG.

“**Bona Fide**” shall mean disclosure of a concern on the basis of a reasonable inference of unethical and improper practices or any other alleged wrongful conduct.

“**Bribe**” or “**Bribery**” shall mean the act by which a person offers, gives or promises to give a "financial or other advantage" to another individual in exchange for "improperly" performing a "relevant function or activity" or entitling giver to preferential treatment, an award of business, better prices or improved terms of sale.

“Business Associates” shall mean persons and entities with whom SMG has business dealing or relations, including but not limited to, OEMS, Tier-2 suppliers, vendors, raw material suppliers, importers, exporters etc.

“Contractors” shall mean persons and entities appointed by SMG for undertaking and/or providing various services, consultancy, advisory, support, audit or management functions in ordinary course of business, including but not limited to, consultant(s), advisor(s), contractor(s), services provider(s) and/or sub-contractor(s) etc. or called by any other name.

“Dealings” shall mean all dealings made by the Employees and/or Contractors and/or Business Associates while discharging day-to-day activities and/or delegated authorities and functions of SMG by them.

“Disciplinary Action(s)” shall mean any adverse action taken by SMG against an Employee or Contractor in case of non-compliance of the Policy, including, issue of warning letter, to stop annual increment for defined period, demotion, termination of employment / contract with Contractor, reporting such non-compliance to statutory or regulatory authorities, impose reasonable penalties or of like nature as may be deemed appropriate in given circumstances.

“Entertainment” shall mean act of giving, by way of tangible or intangible actions or activity, which leads to giving pleasure, adventure, amusement, hospitality, diversion of mind to any person.

“Employee” shall mean all employees of SMG, in any class of employment, including but not limited to regular employees, contractual employees, officers and directors of SMG.

“Event” shall mean the occasion of providing or receiving any Bribery or Gift or Meal or Entertainment.

“Gift” shall mean any tangible object of any kind, regardless of the monetary value provided with or without adequate consideration.

“Meals” shall mean expenses incidental or related to food expenses in respect of meals, snacks and beverages.

“PR” shall mean public relations of SMG.

“Public Servants” shall mean director(s) or officer(s) or employee(s) or agent(s) or associate(s) (i) Federal Government(s) / Provenance(s); or (ii) Central Government or State Government; or (iii) Municipal Authority; or (iv) company owned majority by any of the Government(s); (v) or department / agency in public sector; or (vi) any officer or employee of a company owned or controlled by any Central Government or State Government or any regulatory authority (vii) Municipal Authority; (viii) judicial or quasi-judicial authority; or of similar nature.

“Political Party” shall mean any political party or its agency or affiliate etc, in the Country in which the company is incorporated or operating.

“Political Person” shall mean a person associated with any Political Party.

“Prohibited Act” shall mean any of the act as mentioned in **Schedule I** hereto, whether singly or in combination thereof.

“Reporting Person” shall mean an Employee or Contractor who makes and submits an Anti-Bribery Policy Non-Compliance Report in accordance with this Policy.

“SMG Company” means the companies forming part of SMG;

“Victimization” shall mean an adverse action or failure to take appropriate Management action affecting the Reporting Person’s employment or employment related benefits, including but not limited to salary, promotion, job profile, immunities, leaves, training benefits, and/or any other benefits and/or privileges relating to the Reporting Person.

Unless the context of this Policy otherwise requires, words of any gender are deemed to include those of the other gender.

3. **APPLICABILITY**

This Policy is applicable to all Employees of SMG and/or Contractors of SMG.

Employees shall maintain the highest standards of fairness and transparency in all Dealings with Business Associates, Political Persons and Public Servants. Failure to comply with this Policy will entitle SMG to initiate Disciplinary Action against the concerned person(s).

All Employees of SMG and Contractors are required to comply with the Policy while dealing for and on behalf of SMG. The Employees and/or Contractors should not use personal funds to accomplish any purpose prohibited by the Policy.

4. **PROHIBITION OF BRIBERY AND CORRUPTION**

No payment of Bribes or undertaking a Prohibited Act

No Employee or Contractor shall make, directly or indirectly (i.e. through any third party), any payment of Bribes or indulge in a Prohibited Act in their Dealings with any Business Associate, Political Person or Public Servant.

No Employee or Contractor will make any Bribe or indulge in a Prohibited Acts while dealing for and on behalf of SMG, to do or refrain from doing any public duty or official act, by any Business Associate, Political Person or Public Servant, in order to assist SMG in securing any undue or unlawful advantage in any manner whatsoever.

The detection, prevention and reporting of any Bribery and Prohibited Acts is the responsibility and duty of all Employees.

The Anti-Bribery and Anti-Corruption Laws prohibit acts (or attempted acts)

of giving and accepting bribery (including the abetment of such bribes). The Policy also prohibits a mere promise or offer to give a Bribe or agreeing to receive a Bribe by any Employee or Contractor of SMG. Abetment includes an act, to accomplice the giving or accepting a Bribe.

5. REGULATE GIFTS, MEALS AND ENTERTAINMENTS

All Gifts or Meal or Entertainments exchanged by Employees / Contractors acting on behalf of SMG with any Business Associate or Political Person or Public Official in respect of all Dealings should adhere to the following:

Gifts: An Employee or Contractor of SMG may only exchange Gifts of very small intrinsic value and/or is SMG branded items advertising or PR material. Examples, includes, diaries, calendars, pens and other SMG branded items. Gifts should not create an appearance (or an implied obligation) that gift giver is entitled to preferential treatment, an award of business, better prices or improved terms of sale or prevents the recipient from awarding SMG's business to one of the gift givers' competitors.

Meals: Employees and/or Contractors may accept and/or offer modest and reasonable Meals in day-to-day performance of its business functions for a reasonable and a legitimate business reason for incurrence of the same. The Policy does not cover the Meals accepted or offered within the office / factory canteen or at the business meeting places, during business meetings.

Entertainment: Employees and/or Contractors may accept and/or offer modest and reasonable entertainment in day-to-day performance of its business functions for a reasonable and a legitimate business reason for incurrence of the same.

The Policy applies to all Gifts, Meals or Entertainments availed from or provided by Employee(s) or Contractor(s) of SMG to any Business Associate or Political Person or Public Servant. Accordingly, Policy excludes the Gift(s), Meal(s) or Entertainment(s) involving persons with whom Employees and/or Contractors have solely personal relationships.

If an Employee receives a Gift, Meal or Entertainment invite that SMG deems is inappropriate, such Employee shall be obligated to return/refuse the Gift, Meal or Entertainment request so received. If Head of Regional Chairman's Office determines that returning / refusing the Gift, Meal or Entertainment may adversely impact business relationship with donor, even though the Employee may accept such Gift, Meal or Entertainment, however, such Employee shall give the Gift to the Head of Regional Chairman's Office for disposition. The Head of Regional Chairman's Office shall be entitled to decide as regards whether to raffle the said Gift at SMG Group or SMG party, donate such Gift to local charity, or dispose of the Gift in some other fashion.

Gifts, Meals and Entertainment provided or received from Business Associate, Political Person or Public Servants

- (a) All Events pertaining to any Gifts or Meals or Entertainments offered

by an Employee and/or Contractors provided to a Business Associate, Political Person or Public Servants needs approval of respective Head of Finance and Business Head of the respective business unit..

- (b) All Events pertaining to receipt or availing of any Gifts or Meals or Entertainment must be reported immediately to respective Head of Finance and Business Head, *however*, not later than within five (5) working days after it is received or availed.
- (c) In case of any non-compliance of provisions of (a) or (b) above, Head of Finance and Business Head shall make an exception report to the Head of Regional Chairman's Office for any approval and/or ratification of such a transaction, upon knowledge of such a non-compliance. Upon receipt of an exception report, the Head of Regional Chairman's Office shall consider the transaction in *bone fide* manner and give appropriate guidance / directions, which will be implemented by respective Head of Finance and Business Head.
- (d) The above condition applies regardless of whether expense is duly budgeted by any relevant business unit or an authorized business department. The provider / receiver of Gift, Meals or Entertainment must provide information for the purposes of reporting.

In case, Head of Finance and/or Business Head do not approve any Event pertaining to extending / availing of Gift, Meal or Entertainment, the concerned Employee or Contractor, as the case may be, shall make such a request for approval to the Head Regional Chairman's Office. Further, in case the Head Regional Chairman's Office does not approve such a proposal, the concerned Employee or Contractor may apply to Chairman / Vice-Chairman for final review and approval.

Dealing with the Business Associate, Political Person or Public Servant

- (a) Only individuals designated by the Management are authorized to make any Dealings with Business Associate, Political Person or Public Servant.
- (b) All Government and regulatory affair activities and communication in relation will be carried out in close co-ordination with Business Head or responsible person appointed by the Board / Business Head. Any question about contacts with Public Servants shall be addressed to the Business Head or responsible person appointed by the Board / Business Head.
- (c) If any Business Associate, Political Person or Public Servant contacts an Employee, for any favour or PR or any other purposes, which may result breach of the Policy, such Employee should immediately intimate to the Business Head or responsible person appointed by the Board. Further, such Employee will deal in such matter only with the advice of Business Head or responsible person appointed by the Board.

6. ADMINISTRATION OF THE POLICY

Role and Responsibilities of Head of Regional Chairman's Office

The Head of Regional Chairman's Office ("**RCO**") shall be responsible for the implementation and administration of the Policy, in their respective region, including the following:

- a) RCO shall be the sole contact person for all Employees or Contractors in respect of this Policy and shall receive all Anti-Bribery Non-Compliance Report from the Employees;
- b) RCO shall be entitled to request for any and all documentation and/or information in respect of an Anti-Bribery Policy Non-Compliance Report made by the Reporting Person;
- c) RCO shall decide who shall investigate the matter ("**Investigating Officer**") and the methodology of investigations in consultation with Group General Counsel.

The Head of Regional Chairman's Office shall take consultation of the Group General Counsel as RCO may deems fits for the implementation of the Policy.

If an Anti-Bribery Policy Non-Compliance Report is against the Head of Regional Chairman's Office and/or Group General Counsel, such report(s) need to be addressed directly to the Chairman or Vice Chairman of the SMG.

Procedure for reporting and handling of Non-Compliances under the Policy

Employees and/or Contractors should report their concerns in respect of any form of Bribe, Prohibited Acts, non-compliance Event(s) pertaining to Gifts, Meals or Entertainment under this Policy, or any facts or circumstances that suggest a past or ongoing violation of this Policy, by making an Anti-Bribery Non-Compliance Report.

Procedure for making Anti-Bribery Non-Compliance Report

- (a) If an Employee or Contractor ("**Reporting Person**") needs to report any non-compliance under this Policy, they may do so by providing an Anti-Bribery Non-Compliance Report, in writing, to the Head of Regional Chairman's Office and Group General Counsel. The Anti-Bribery Non-Compliance Report shall state the facts, circumstances and/or any documents based on which the said compliant has been made and the name and designation of the Employee raising Anti-Bribery Policy Non-Compliance Report.
- (b) The role of the Reporting Person shall be limited to raising a legitimate *Bona Fide* Anti-Bribery Non-Compliance Report to the Head of Regional Chairman's Office and Group General Counsel.
- (c) The Reporting Person should not act as finders of fact or on their own conduct any investigative activities, and should not determine the appropriate remedial action in any given case.
- (d) Pursuant to making aforesaid non-compliance report, the Reporting Person shall neither have a right to participate in any investigative

activities other than as requested by Head of Regional Chairman's Office nor, shall be entitled to any further information and/or status of the Anti-Bribery Policy Non-Compliance Report.

- (e) All Investigations shall be carried out under the instructions of the Head of Regional Chairman's Office in consultation with the Group General Counsel. If necessary, Head of Regional Chairman's Office and Group General Counsel may request for written documentation and description of the reported Event.
- (f) Unless otherwise determined, an Anti-Bribery Non-Compliance Report shall be deemed to be communicated in good faith by Reporting Person, if there is a justifiable and reasonable basis for communication of any wrongful conduct, or unethical and improper practices as perceived by the Reporting Person. Although a Reporting Person does not expected to prove the truth of his/her submission, the Reporting Person should be able to demonstrate that the Anti-Bribery Non-Compliance Report been reported in good faith.

Investigation

- (a) Head of Regional Chairman's Office will investigate all Anti-Bribery Non-Compliance Report ("**Investigation**") and appoint a person, who may be an Employee of SMG or an external party, to investigate the matter ("**Investigating Officer**").
- (b) During conduct of the Investigations, Investigating Office shall make a written report ("**Investigation Report**") in respect of each Anti-Bribery Non-Compliance Report and submit the same to Head of Regional Chairman's Office with copy to the Group General Counsel. The Investigation Report shall include; (i) the facts, documents perused and Employees and/or any other person interviewed; (ii) the implications / outcome, including financial irregularity and any other loss caused as a result of the Event or action; (iii) findings and the reasons therefore
- (c) The Reported Person shall have a duty to provide all necessary co-operation and assistance to the Investigating Officer. However, any such co-operation shall not encroach upon any rights against self-incrimination that such Reported Person shall have available to him/her in accordance with the applicable laws.
- (d) The Reported Person shall not have any right to interfere with the Investigations.
- (e) The Head of Regional Chairman's Office will determine whether the allegations stand substantiated or not, and shall recommend all measures including any Disciplinary Action required to be taken.

Reporting to the Board

- (a) The Head of Regional Chairman's Office shall provide a briefing of the reported cases along with Investigation Report to the Board of respective SMG Company.

- (b) The Board shall take actions as it deems appropriate based on the relevant facts and circumstances.

Annual Reporting

- (a) Head of Finance and Business Head of the respective business unit(s) shall make a confirmation to the Head of Regional Chairman's Office and Group General Counsel confirming compliances of the Policy by the Employees and Contractors reporting/associated with them, together with exception report (if any), within twenty (20) days of end of each of the calendar year (i.e. by 20th January of each year). Such report shall be in the form and format as prescribed by Regional Chairman's Office in consultation with Group General Counsel.
- (b) Each Regional Chairman's Office shall submit compliance / exception report to the Group General Counsel one consolidated report for such Region by 15th February of each year).

7. GENERAL PROVISIONS

Payments, Books and Records

No Employee or Consultants shall claim or make any payment for an Event which is in breach of the Policy. All payments made by Employees must be accurately described in the accounting records to ensure that transactions are characterized truthfully with related documentation, and proper entries must be made in the books of accounts, in accordance with the accounting policies and other relevant laws, rules and regulations.

No false, misleading, incomplete, inaccurate, un-disclosed, unrecorded or artificial entries shall be permitted to be recorded in the books and records of SMG.

Further, each SMG Company may seek relevant details from its Contractors, as may be required, for ensuring compliance of the provision of this Policy.

The Head of Finance of the respective Company shall retain the written record of the request and pre-approval authorization and will provide quarterly report to the Head of the Regional Chairman's Office and Group General Counsel.

Policy not to be considered as grievance platform

This Policy is not a grievance platform for its Employees, or, for raising *mala fide*, malicious and frivolous allegations. Employees and Consultants are urged to strictly avoid any abuse of this power, i.e., make any *mala fide*, *frivolous* or *malicious* report in bad faith. Only *Bona Fide* Anti-Bribery Policy Non-Companies Report(s), may be raised. Abuse of the powers granted hereunder, or frivolous and mala fide allegations made hereunder with the knowledge that such complaint is frivolous, malicious and mala fide will entail appropriate Disciplinary Action.

No Victimization of Reporting Person

The Head of Regional Chairman's Office and Group General Counsel shall keep identity of the Reporting Person as confidential. SMG accords and undertakes to provide complete protection to the Reporting Person from any Victimization and/or unfair treatment in respect of any Anti-Bribery Non-Compliance Report made *Bona Fide*. SMG will take all necessary steps to ensure that no Reporting Person shall be Victimized or any unfair treatment is meted to him/her by virtue of his/her having reported a *Bona Fide* concern in accordance with this Policy. SMG is committed to ensure that no adverse action taken against such Reporting Person.

Confidentiality

By this Policy, no employee is released from their duty of confidentiality in the course of their work, nor is this a route for taking up personal grievances in respect of any situation.

Training

The Employees of SMG must participate in training for prohibition of Anti-Bribery and provision for Gifts, Meals or Entertainments, on a periodic basis.

Consequence of breach

SMG and its Employees may be subject to various enquiries by Government, quasi-Government Authorities, or by any applicable court of law. A breach of Anti-Bribery and Anti-Corruption Laws can result in imprisonment, fines, penalties or other penal implications for SMG, its Management and the Employee involved. In addition, individuals violating any provisions of the Anti-Bribery and Anti-Corruption Laws would be subject to any enquiry and/or investigation as per this Policy and would be subject to such Disciplinary Action as may be decided by Head of Regional Chairman's Office. Any Disciplinary Action by SMG shall not absolve any person from any action which may be taken by any Statutory/Regulatory Authority.

SMG has the right to amend or modify this Policy and any change in the Policy shall require review by the Group General Counsel and adoption by the Board.

In case of a conflict between the provisions of this Policy and any applicable law, the more stringent provisions between the Policy and such applicable law shall be adopted.

For any clarification / doubt / compliances concerning the Policy please contact Group General Counsel's Office by sending mail at gco_policyquerv@motherson.com with a copy to the Head of Regional Chairman's Office. Any such email should contain "SMG Anti-bribery Policy" in subject line.

SCHEDULE I

PROHIBITED ACTS

A. No Employee or Contractors shall:-

- (i) pay any Bribe, directly or indirectly, to any Business Associate, Political Person or Public Servant or any other person on their behalf, as a motive or reward for doing or forbearing to do any official act or for showing or forbearing to show, in the exercise of their official functions, any favor or disfavor to any person or for rendering or attempting to render any service or disservice; or
- (ii) accept any Bribe, directly or indirectly, from any Business Associate, Political Person or Public Servant, as a motive or reward for inducing, by corrupt or illegal means or by the exercise of personal influence, to do or forbear to do any official act, or to show, in exercise of official functions, any favour or disfavor to any person, or to render or attempt to render any service or disservice to any person.

B. No Improper Payments

Employees or Contractors must not make any improper payment, regardless of the source of funds, for any purpose whether made directly or indirectly to a Business Associate, Political Person or Public Servant or to another person or entity, at their direction(s), or for their benefits.

C. Improper Techniques

No Employee or Contractor shall utilize other techniques such as award any contracts or sub-contracts, purchase orders or agency or consulting agreements to channel any Political Person or Public Servant or Political Party or any of their relatives or business associates.

E. Prohibition of Political Activities

- (i) No corporate funds, facilities, or services of any kind shall be paid, furnished or provided to any Political Party or Political Person or to any person for a political purposes, unless the same is approved by the Board.
- (ii) No Employee shall use SMG property or facilities for the benefit or usage of any Political Party or Political Person.
- (iii) No Employee shall be associated with a Political Party without previous written consent of the Board of the respective SMG Company where employee is employed

ANNEXURE

Format for (a) Pre-approval request (b) Reporting for availing Gifts, Meals or Entertainment: or (c) Anti-Bribery Policy Non Compliance Report under SMG Policy

Sl. No.	Particulars	Details to be provided by Reporting Person
1.	Kindly mention report is for: (a) Reporting for availing Gifts, Meals or Entertainment (b) Anti-Bribery Policy Non Compliance Report	
2.	Name of the Company / business unit	
3.	Name of Employee / Consultant / Reporting Person (submitting report)	
4.	Department of Employee / Consultant / Reporting Person (submitting report)	
5.	Details for Bribery / Gifts / Meals / Entertainment (as the case may be)	
6.	Name of the person in case of a non-compliance report (mention 'not applicable' otherwise).	
6.	Beneficiary (Business Associate / Political Person / Public Servant). Kindly mention details as available / relevant for the subject.	
7.	Purpose / objective to be achieved for the proposal	
8.	Amount (please mention indicative in case of pre-approval)	
9.	Name of Approver	

Signature of Employee / Consultant / Reporting Person : _____
 Date :

ONLY IN CASE OF PRE-APPROVAL

(APPROVED / NOT APPROVED)

(APPROVED / NOT APPROVED)

HEAD OF FINANCE

BUSINESS HEAD