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The Phoenix Mills Limited (PML)



Political Contributions, Donations and Sponsorship Policy



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1. Introduction

The Phoenix Mills Limited (“PML” or “the Company or “our” or “we” or “us”) aims to have clear guidelines on Political Contributions, Donations and Sponsorship to avoid any situation which appears to be a conflict while doing business activities. All employees should be aware of bribery and corruption risk associated with Political Contributions, Donations or Sponsorships and are expected to conduct business with highest professional and ethical standards.

2. Purpose and Objective

PML has a zero tolerance approach on bribery and corruption. The Company does not allow to make any Political Contributions, Donations and Sponsorships to its business partners (including Government) that are vendors, suppliers, third party intermediaries, customers and to any political party or group.

3. Applicability

This policy is applicable to:

1. All Employees¹ including temporary or off roll employees of PML;
2. All Directors² of the PML; and
3. All business partners³ (i.e. vendors, suppliers, agents, consultants, advisors and other third party intermediaries that do, or will, or may at some time in the future; interact with public or government officials on behalf of the Company)

4. Policy statement

The Company has zero tolerance approach on bribery and corruption. All donations or contributions provided by the Company must be compatible with PML business activities and reflect Company’s commitment to operating in an ethical manner. Donations or contributions will not be given to organizations that the Company is in legal or financial conflict with or which connects the Company to any political party or group.

¹ Employee is an individual who works for the Company either on full time or part time basis or acts as a consultant or an advisor or Subject Matter Expert for the Company and is bounded by the ‘contract of employment’ , terms of which are either expressed or implied. They include (i) on-roll workers, trainees, articles, apprentices, seconded etc. whether remunerated or not remunerated for the services offered to the Company, (ii) Team of high level executives or executive management i.e. Chief Executive Officers (“CXO’s”) and key process owners or AGMs and above level of the Company responsible for strategy, management, planning and administration of the Company and (iii) Any individual having decision making, planning and administration authority/ control in a Company

² An individual having decision making, planning and administration authority/ control in a Company

³ Business partner is any individual, group of individual or entity who is associated with the firm and has interest in its operation. They are affected by the business decisions and its performance. Some of the key business partners include Employees, Third Parties like Suppliers, Vendors, Consultants, Agents and Customers/clients.

5. Definitions

- **“Political Contributions”** is any gift, loan, advance or deposit of money or anything of value, made: (a) for the purpose of influencing any state, country, or local election for political office or ballot initiative; or (b) to pay debt incurred in connection with any election or ballot initiative pertaining to or in aid of the Company or its business.
- **“Charitable/Community Donations”** is a financial support or goods and services to non-profit organizations. It might be a cash contribution, or it could be the giving of 'in kind' support such as the supply of kit or network capacity, employee volunteering or any other services to a charity or organization running a charitable or community program pertaining to or in aid of the Company or its business.
- **“Charitable/Community Sponsorships”** is a financial or material support and typically involve the payment of a fee or 'in kind' support to a charity or non-profit organization pertaining to or in aid of the Company or its business.

6. General Guidelines

6.1. Political Contributions

- The Company does not encourage and allow to make any Political Contributions (whether in cash or cash equivalent) on Company's behalf and advice employees to avoid any interest/situation which may impact Company's reputation.
- PML values the right and responsibility of its employees to participate in the political process. Such participation is entirely a matter a personal choice and is voluntary. Employees are free to support the political process in a variety of ways, such as through personal contributions or by volunteering their personal time to candidates or organizations of their choice. These activities, however, must not suggest PML's support and must not be conducted on Company time or involve the use of any Company resources, such as telephones, computers or supplies.
- In addition, employees may not make or commit to political contributions on behalf of PML and Company will not reimburse or otherwise compensate an employee for his or her personal political contributions. Employees must not use their position with the Company to coerce or pressurize other employees to make contributions to or support or oppose any political candidates, elections, or ballot initiatives.

6.2. Charitable/Community Donations and Sponsorships

- Company will not enter into charitable donation and sponsorship with an organization as a means of gaining favorable terms from that organization or its affiliates/connected parties in any other business agreements.

- Employee should not offer or make a Donation/Sponsorship in a hidden or behind the scenes manner, without declaration or transparency. This is particularly important if the offer is linked to acquiring customer, contract renewal or prospective business relationship as this could be perceived as a bribe or dishonest inducement.
- Employees should not offer or make a donation/sponsorship to any organization which is in legal or financial conflict with the Company, or which does not share Company's approach towards ethical standards. Further, use of an intermediary to offer or make any donation/sponsorship between the Company and a charity is strictly prohibited.

7. Procedures/ Approval Guidelines

- The Company does not allow or encourage to make any political contributions, community donations and community sponsorships, however, if the Company decides to contribute to any non-profit organizations, including under the Company's CSR policy, that does not have any direct/indirect relationships with PML, these procedure for registering and getting approval of charitable donations and sponsorships, must be followed:

7.1. Donations / Sponsorship Request

- All sponsorships/donations requests must be made in writing in a pre-defined format (**refer Appendix 1**) providing following details:
 - Name of the organization, phone number, address and contact person;
 - Purpose of the action/programme/event for which the support is required, including background information;
 - Amount or type of support sought;
 - Results that will be delivered via the support and
 - Benefits deriving as a result of the support

7.2. Due Diligence on Beneficiaries

- An exhaustive due diligence check should be conducted for all beneficiaries of donations or sponsorships. The due diligence involves a process of research, meetings/interviews to understand:
 - If the recipient is approved as an organization under local laws
 - History of the organization
 - Board members or key members of the organization
 - Check, if the beneficiaries are a public or government officials (The Company does not allow to make any contributions to Public or Government or Political parties)

7.3. Approval Process

All donations/ sponsorships must be approved in advance by Compliance Officer⁴/ GM Legal / Centre Director. Further, for making voluntary Political

⁴ The Compliance Officer is responsible for overseeing, designing, managing and monitoring the Compliance framework of the Company and ensure the Company complies with all applicable regulatory requirements and internal policies of the Company.

Contribution/Donations/ Sponsorships of value more than INR 5,000 employees are advised to inform their supervisor.

8. Compliance and Transparency

- A record should be maintained for all donations and sponsorships for audit purposes. Any expenditures on donations and sponsorships shall be accurately recorded in the financial records in the correct expense head of the Company as per Indian GAAP. (Refer Appendix 2)
- A breach of this Policy is likely to cause the Company serious and perhaps irreparable damage as well as jeopardize the personal reputations and liberty of those involved. Employees who breach this Policy are subject to appropriate disciplinary action in the circumstances which may include dismissal for cause.

9. Amendments

- In case of identification of ineffective provisions of the Policy or related business processes of PML, which may be deemed necessary by the Board of directors, the Policy may be amended/ updated by issuing an order under the signature of the Board of directors.

10. Appendices

Appendix 1: Charitable donations/Sponsorships approval Form

Charitable donation / Sponsorship Approval Form			
Name and ID of employee		Date	
Department			
Party/ Organization Registration Number			
Name of the Beneficiaries	1	2	3
Brief details of organization			
Social welfare acts performed in past 3 years by the organization (beneficiary)			
Any non-ethical activity reported in media			
Amount (INR)			
Purpose			
Any previous contributions			
Relationship with the organization (if any)			
Please fill the below row in case of a non-monetary Donation / Sponsorship			
Details of Product / Goods Donated/ Sponsored	Units	Value (INR)	
Total			
Declaration	I hereby declare that the donation/sponsorship or contribution is not performed to obtain any improper advantage or towards a Government entity/ Public Sector entity/ Political Party or to any relative or family member of a Government/Public official. I will be solely responsible if any repercussions arise due to this activity PML name shall not be in associated and liable for this.		

Charitable donation / Sponsorship Approval Form			

	Employee Signature		
Approvals Name Designation & Signature			
	Approver 1	Approver 2	Approver 3

Appendix 2: Register to record Charitable donations/ Sponsorships

Date	Name of the Organization	Donation / Sponsorship Amount	Purpose	Approval Received (Yes / No)