

# Business Gift and Entertainment Policy- Global

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## Revision History:

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## Objective:

HCL Technologies Limited (“HCLTech”, “we” or “us”) places great emphasis on strong corporate governance and a work culture that is inclusive, positive, and productive. HCLTech practices transparency and integrity in all activities across its operations. Corporate Governance is an embodiment of the principles of integrity, transparency, and accountability.

Corruption of any kind undermines HCLTech’s commitment to integrity and will not be tolerated. Even the appearance of impropriety in giving or receiving gifts, entertainment, or things of value can jeopardize HCLTech’s interests, and is inconsistent with this commitment. Violation of anti-corruption laws by employees of HCLTech or its subsidiaries expose HCLTech and its employees to fines and penalties, including imprisonment. HCLTech may be held liable for bribes paid on HCLTech’s behalf by Third Parties, including but not limited to dealers, suppliers, brokers, and consultants. Offering and accepting business gifts and entertainment on a modest scale can be an accepted social norm in the business world. The objective of this Business Gift and Entertainment Policy (this “**Policy**”) is to provide guidance to HCLTech employees on the requirements to comply with applicable laws and to avoid even the appearance of improper conduct. This Policy explains what is permitted and not permitted when you give or accept gifts, entertainment, or any other thing of value, including:

- Norms and monetary limits for accepting and giving business gifts including entertainment or travel;
- Circumstances under which it would be acceptable to receive or give business gifts, provide, or accept entertainment or travel,
- Exceptions to the Policy; and
- Consequences of violation of the Policy.

The fundamental principles are that business gifts, travel, entertainment, donations, and sponsorships should not be given or received if the intent is to influence a decision, obtain any favor, or, receive any kind of preferential treatment. Further, any claim for reimbursement made under this Policy with respect to gifts, donations, or charities should be to further the legitimate interests of HCLTech and not for any personal gain of the claimant or to obtain an improper advantage. It is important to note that depending on the applicable laws, even gifts given for a legitimate purpose may be wholly prohibited. Also, there may be instances when applicable laws may differ as to what constitutes a violation and may differ with the requirements in this Policy. HCLTech’s policy on such differences is that the stricter requirements apply. For example, if conduct is permissible under one law and prohibited by another, it is HCLTech’s policy that the conduct is prohibited. The spirit of this Policy is to cover all instances of giving or receiving gifts. **EVEN IF A PARTICULAR GIFT IS NOT SPECIFICALLY MENTIONED WITHIN THIS POLICY, THAT GIFT IS STILL COVERED BY THE RULES SET FORTH HEREIN.**

All requests, permissions, and approvals must be accurately documented in writing. Required approvals and permission should be sought in advance as applicable.

If you have any questions about this Policy, or a particular situation, seek guidance from the Ethics and Trade Compliance (“**E & TC**”) team of the Office of the General Counsel at [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com).

## Scope:

This Policy applies to all individuals worldwide working for all affiliates and subsidiaries of HCLTech at all levels and grades, including directors, senior executives, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with HCLTech (collectively, referred to as “**you**” or “**your**” in this Policy).

In this Policy, “**Third Party(ies)**” means any individual or organization you come into contact with during the course of your work for HCLTech and includes but is not limited to actual and potential clients, contractors,

suppliers, business contacts, consultants, intermediaries, representatives, subcontractors, agents, advisers, channel partners, joint venture partners, charities, and government & public bodies (including their advisers, representatives and officials, politicians and political parties).

This Policy is not a substitute for the Anti-Bribery and Anti-Corruption (“**ABAC Policy**”) and works fully in conjunction with it and is subordinate to the COBEC & ABAC Policy.

**PolicyDetails:**

**Please Note: This Policy has been revised. Tables in subsequent pages of this document are quick reference (only) of these changes. Please see appropriate Policy section for details on your requirements.**

**Giving “Things of Value” to Third Parties Value**

(USD or local currency equivalent)	<b>Approver Level</b>
\$0 to \$150	L4
\$151 to \$1,000	L1 Head
\$1,001 to \$10,000	Approval by CEO
\$10,001 or greater*	Approval by Ethics Committee. To be routed through E&TC Team for approval by EC

\* >USD \$10,000 needs due diligence by E&TC Team as per Gift Request Form (**Attachment 4**) in case of Gifts; Entertainment Information Form (**Attachment 5**) & Entertainment Recipient Questionnaire (**Attachment 6**) in case of Entertainment.

”from Third Parties

**Receiving “Things of Value” from Third Parties**

<b>Total Value Per Year</b> (USD or local currency equivalent)	<b>Approver Level</b>
<=\$100	No approval & no self-declaration required
\$101 - 200	To be declared in “RoG” portal
>\$200	Prohibited and to be declared in “RoG” portal

ROG – “Receipt of Gift” application developed in myhcltech for employees to declare receipt of gifts

**Giving to Government Officials**

<b>Total Value Per Year</b> (USD or local currency equivalent)	<b>Approver Level</b>
\$0 to \$50*	L4

\*only if permissible under this Policy and all applicable laws, the strictest requirements of which should be followed.

**Donation/Charitable Giving**

<b>Value</b> (USD or local currency equivalent)	<b>Approver Level</b>
<b>All Donations regardless of amount must be approved as per Approval Level</b>	
\$0 to \$10,000 in a Financial Year	L1 Head & Ethics Committee
Cumulative value of \$250,000 in a Financial Year with single transaction	CEO & CFO Joint Approval

limit of \$ 50,000

## **Recognizing and Avoiding Bribery**

### **a) What is Bribery?**

HCLTech prohibits all bribes, including conduct you may not consider a bribe or even improper, but fits a legal definition of corruption or is otherwise prohibited by applicable law. Bribery generally means giving, offering, promising, authorizing, requesting, accepting, or receiving Anything of Value, whether directly or indirectly, for an improper purpose. We do not offer, authorize, request, receive, pay, or otherwise allow bribes, and we do not tolerate anyone engaging in such conduct on HCLTech's behalf. Examples of an improper purpose include influencing any act, omission or decision of a Government Official in his or her official capacity to secure an improper advantage in order to obtain or retain any business; gain any commercial, contractual, regulatory or personal advantage; or to receive other favorable treatment. (e.g., license, permit, certificate, bid, contract, release from debt, exemption of obligation).

Bribery can include the offering of anything of value to improperly influence the duties of someone who works for a Third Party with which HCLTech does business. Public corruption involves bribery of government officials. Bribery of suppliers, dealers or other private sector Third Parties is referred to as commercial bribery. Both forms are illegal and may subject you and HCLTech to civil and criminal penalties.

To avoid corrupt conduct, you should follow these basic principles:

1. Recognize the signs of bribery.
2. Don't be tempted to cut ethical corners.
3. Know the people you are dealing with.
4. Know the deals you are getting into.
5. Know the law or get the answers from HCLTech's E&TC team.

If you suspect that a transaction might involve corrupt payments, immediately report this to Global Ethics Helpline. Employees based out of Germany/Netherlands shall continue to raise their grievance by writing to [whistleblower@hcl.com](mailto:whistleblower@hcl.com). Retaliation is prohibited against HCLTech employees who, in good faith, report suspected violations of this Policy.

### **b) What is a business gift?**

A "**business gift**" is any "**thing of value**" presented to, or accepted, or won in a lucky draw from or by, a Third Party as a result of business relationship, and for which the recipient does not pay fair value. It need not have commercial value, as long as it could have value to the donor or recipient. A business gift can be in any form and includes business entertainment and travel of any nature for the purposes of this Policy. To name a few; meals, theater, or sporting event tickets, discounted or free vacation trips or a golf club membership and many similar things can be considered as business gifts/entertainment. It is important to note that not all instances that fall into the above categories of business gifts are automatically considered unethical under this policy and if in doubt, you should consult with the E&TC team.

This Policy does not cover the gifts exchanged by you in a social and cultural environment outside your role as an HCLTech representative such as wedding gifts or holiday gifts, which is not reimbursed or reimbursable by HCLTech and which is not received by or from you due to your position in HCLTech. For purpose of clarity, business gift does not include a farewell gift given to an employee leaving the organization which expenses are contributed by team members of the respective team.

### **c) General Principles of Giving and Receiving Things of Value**

In each part of the World, where HCLTech does business, there are generally accepted customs regarding exchange of business gifts – with respect to the type, value of the gift and with respect to the manner or protocol of exchange. HCLTech allows offering (and acceptance) of business gifts and providing (and receiving) business entertainment that are customary business courtesies and reasonable in value and frequency. Business courtesy must be consistent with current market practices, infrequent in nature, and

should not be lavish or extravagant and should not be with an intention to influence a decision. This is a flexible standard intended to accommodate various circumstances globally, provided that the words “customary”, “courtesies”, “value” and “frequency” have to be measured against objective standards and must be “reasonable under circumstances”.

While it is difficult to define "lavish or extravagant", or explain what is “customary”, “courtesies”, “value” and “frequency”, these are determined on a case-to-case basis keeping in mind the current market practices and legal requirements. However, **you may never give or receive any of the following:**

- Anything of value offered directly or indirectly to or from any Third Party, with an intention to influence a decision, obtain favor or get preferential treatment, or otherwise made in violation of the ABAC Policy.
- Travel expenses for leisure trips or side trips in conjunction with business trips.
- Lavish meals, tickets to non-industry shows (e.g., music concerts) or sports events, or any other form of entertainment not qualifying as reasonable expenses and approved as per this policy and associated with the promotion, demonstration, or explanation of HCLTech’s products or services.
- Personal luxury gifts such as jewelry, watches, clothes, tablets, phones, personal services (e.g., massage), or other personal gifts that are extravagant or otherwise not customary in an appropriate business relationship.
- Travel for a Third Party’s family member or friend.
- Cash of any kind, including gift cards and other cash equivalents.
- Anything that you know, or should know, the Third Party’s employer does not allow.
- Anything when disclosed publicly, would not be in the best interest of HCLTech or would cause embarrassment for HCLTech (e.g., “adult” entertainment of any sort or any entertainment which could be viewed as “excessive” by any reasonable Third Party).
- Anything prohibited by applicable law or regulation.

## **Giving and Receiving “Things of Value” to or from Third Parties that are Not Government Officials**

### **a) Offering or Providing A Thing of Value to a Third Party that is Not a Government Official**

This section of the Policy provides specific rules and guidance for determining whether it is permissible to offer or provide gifts, entertainment, travel expenses and other things of value (“gifts”) to Third Parties, including customers, suppliers, dealers, and vendors, other than government officials. Rules for giving things of value to government officials are provided in the following section of this Policy.

**DETERMINING VALUE OF GIFT AND RAISING RESPECTIVE CLAIM IS SOLE RESPONSIBILITY OF CLAIMANT AND APPROVER AND THIS APPLIES THROUGHOUT THIS POLICY.**

#### **i. Monetary Thresholds**

**a)** A gift with a value of up to USD \$150 or less (or local currency equivalent) to a person or organization.

Approval may be granted if the reviewing L4 determines that providing the gift furthers both the legitimate business interests of HCLTech and complies with the principles stated in this Policy.

*Example: Mr. Andersen, a customer of HCLTech visits India. On the last day of his visit, he is given a Kashmiri shawl worth INR 3000/-. This souvenir is reasonable and within the specified limits.*

**b)** A gift with a value of greater than USD \$150 but up to USD \$1,000 (or local currency equivalent) a person or organization to be approved by respective L1 Head.

Approval may be granted if the reviewing L1 Head determines that providing the gift both furthers the legitimate business interests of HCLTech and complies with the principles stated in this Policy.

**c)** A gift with a value of greater than USD \$1000 but up to USD \$10,000 (or local currency equivalent) a person or organization to be approved by CEO.

Approval may be granted if CEO determines that providing the gift furthers the legitimate business interests of HCLTech, complies with the principles stated in this Policy, and any other relevant legal or compliance-

related criteria are satisfied.

**d)** A gift with a value of greater than USD \$10,000 (or local currency equivalent) a person or organization would be placed before Ethics Committee upon approval by E&TC team.

Approval may be granted if the Ethics Committee determines that providing the gift furthers the legitimate business interests of HCLTech, complies with the principles stated in this Policy, and any other relevant legal or compliance-related criteria are satisfied.

The Gift Request Form, attached as **Attachment 4**, must be submitted in advance of such gift(s) and is an important component of HCLTech's due diligence and record keeping requirements. To offer or provide gifts greater than USD \$10,000 or more, you must obtain prior approval from E&TC team @ [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com) by completing **Attachment 4**.

The Entertainment Information Form, attached as **Attachment 5**, must be submitted in advance to offer or provide Entertainment and is an important component of HCLTech's due diligence and record keeping requirements. To offer or provide Entertainment if the total value is greater than USD \$10,000 or more, you must obtain prior approval from E&TC team @ [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com) by completing **Attachment 5** and Entertainment Recipient Questionnaire, attached as **Attachment 6** should be submitted either pre or post the entertainment.

Ethics Committee consists of Head of Ethics Committee, two persons from Legal, two from Finance and one from HR thereby totaling to six. Mail approval by quorum of four is valid under this Policy.

**ii. Process.** All gifts with a value of less than USD 10,000 can be paid through Concur/Global Claims System ("GCS"). Employees claiming under MyClaims (SAP Concur) must raise request within 45 days of bill/invoice date. All gifts with a value greater than USD \$10,000 (or local currency equivalent) should be processed only through Ariba system managed by Global Procurement Services ("GPS").

### **iii. General Principles for Providing Gifts to Third Parties**

Gifts provided to a Third Party must be:

- Related to HCLTech's legitimate business goals (which can include providing reasonable business courtesies).
- Designed so as not to influence a Third Party, nor would it be perceived as influencing the Third Party, in performing their duties for their employer or other fiduciary.
- Reasonable in value, appropriate to the occasion, and appropriate to the position and management levels of the provider and recipient. Extravagant or inappropriate meals or entertainment, including but not limited to any adult entertainment or gambling, may never be provided.
- Not in cash or a cash equivalent.
- Occasional and compliant with this Policy; the frequency of providing a gift to a Third Party must not raise any actual or perceived conflicts of interest or impropriety.
- Provided and received in an honest and transparent manner.
- Compliant with applicable anti-corruption laws, as well as local laws and regulations. The strictest of which shall be followed.

If the Third Party informs you that they may not accept, or you otherwise know they are not permitted by their employer or other fiduciary to accept, then these restrictions must be respected. Note that you may not use intermediaries – such as dealers, vendors, brokers, clearing agents, consultants, or travel agents – to offer gifts to a Third Party.

### **iii. Special Rules for Certain Types of Things of Value**

The following additional rules apply to certain types of events or things of value, in addition to the General Principles and monetary thresholds set forth above:

#### **a) Gifts**

Gifts generally should be HCLTech-branded or promotional in nature, rather than personal. Examples of gifts that you should not give to Third Parties include jewelry, clothes, cash, or cash equivalents.

## **b) Meals and Entertainment**

If the thing of value involves a meal or entertainment, the monetary thresholds apply on a per-person basis for the meal and entertainment. The threshold for gifts to a single person or organization described above apply.

To emphasize and clarify, in the event of alcohol expenses for client entertainment shall be reimbursed upon approval by L3 Head or Reporting Manager (whosoever is senior in reporting hierarchy). The claim form for client entertainment must include the following details namely (i) Full name of client; (ii) Date of the client entertainment; (iii) Number of people who attended; (iv) Full names of attendees and their designation, for processing such claims.

## **c) Prizes, Awards and Raffles**

Contest prizes, awards and raffle items may be offered if part of an HCLTech-approved marketing event or campaign. Contests, raffles, and other similar events must comply with applicable law.

Prizes / medals won by you, either representing HCLTech in any corporate tournament, or in an event sponsored by a Third Party or otherwise, or prizes/medals won by a third party, in any corporate tournament or event sponsored by HCLTech shall not fall under the purview of this Policy, provided the value of the Gift is appropriate in value and occasion under the circumstances.

## **d) Sponsored Events**

Sponsorship – What it means?

In appropriate circumstances, HCLTech participates in Business Marketing Sponsorships and Charitable Sponsorships, which are described below. If in doubt, please contact COBEC.Compliance@hcl.com with questions.

### **(1) Business Marketing Sponsorship**

Business Marketing Sponsorships are arms-length procurements – where cash or in-kind gifts are contributed, in exchange for marketing or advertising exposure. They are typically bound by a written agreement between the two parties stating the value of the sponsorship and the benefits for all involved. Sponsorship usually means supporting special or ongoing events, activities, or organizations. This helps raise HCLTech's image and to increase positive awareness of it.

HCLTech sponsored events (e.g., media events, or marketing events or campaigns or hackathons, conferences, or expositions) or workshop or seminars or webinar or summit or forum or Tech Connect) promote HCLTech business goals and to which HCLTech may choose to invite suppliers, privately-owned media, potential customers, or other appropriate attendees, may be organized or HCLTech may participate in invitations to sponsor received from customers, obtain written permission of your L1 Head.

P.N : Business Marketing Sponsorship is outside the purview of this Policy and of Ethics Committee.

Examples of Business Marketing Sponsorship

1. Platinum Sponsor for Inforum
2. Marquee Sponsor for Google Next
3. Executive Sponsor Avasant "Impact the Future"
4. 7th Annual IOT in Oil & Gas Conference
5. Platinum Sponsor Gartner IOCS Conference

(2) If gifts, meals, or entertainment is to be provided to attendees in connection with such an event (but not the event itself), E&TC team to be notified of the following details.

(a) Reason for giveaways;

(b) Process capturing (i) name of the recipient of the giveaway; (ii) email id of the recipient; & (iii) name of the organization of the recipient;

(c) Process stating how balance giveaways are maintained and used in the year namely is it returned to the vendor and money reimbursed (or) balance giveaways are managed by L4 from the user team for audit trails.



(3) Approval may be granted if L1 Head determines that providing sponsorship furthers the legitimate business interests of HCLTech, complies with the principles stated in this Policy, and any other relevant legal or compliance-related criteria are satisfied.

(4) Sponsorship events must conform to the section of this Policy regarding government officials, if any Government Officials (as defined below in section IV) are to attend. For example, employees of state-owned media are considered Government Officials under this Policy; HCLTech sponsored events attended by state-owned media must satisfy the requirements of the section of this Policy regarding government officials.

(5) All sponsorship payments shall be routed through Ariba system managed by GPS team and have to be duly accounted for as advised by Finance Department.

### **e) Donation & Charitable Giving**

#### **(1) Donation – What it means?**

A donation is an altruistic gift, either with a general charitable purpose or for the support of a particular project. It's a goodwill contribution, without the need for anything in exchange from the non-profit organization.

Donation to a Third Party is permitted only for charitable or other good corporate social responsibility ("CSR") activities. These cover instances such as a one-time donation to a charity or sending approved contribution to employees of customer who could donate to their charity of choice or request for sponsor from third parties.

Donation with a value of greater than USD \$25 to have prior written approval and with detailed due diligence performed by E&TC team at the time of identifying such program ahead of seeking such approval from respective L1 Head. Due Diligence template is appended to this Policy as Annexure – 1. Donation to a person or organization to be no more than once annually.

#### **(2) Charitable Sponsorship**

This type of sponsorship borderlines on donation or charity (such as sponsoring gifts in a customer's charitable cause with no public benefit to HCLTech) to go through the Ethics Committee approval process. Due Diligence to be performed by E&TC team ahead of seeking respective approval. Due Diligence template is appended to this Policy as Annexure – 1.

Examples of Charitable Sponsorship

1. United Way Golf Outing 2021
2. Walkathons, Fun Runs, etc.

All such sponsorships to be approved by Ethics Committee.

If gifts, meals, or entertainment is to be provided to attendees in connection with such an event (but not the event itself), E&TC team to be notified of the following details.

(a) Reason for giveaways;

(b) Process capturing (i) name of the recipient of the giveaway; (ii) email id of the recipient; & (iii) name of the organization of the recipient

#### **(3) Monetary Thresholds**

1. Donation with a value of up to USD \$10,000 in a Financial Year to be approved by both L1 Head & Ethics Committee. Ethics Committee has the delegated authority from CEO and CFO for this limit.
2. Donation with cumulative value of up to USD\$250,000 (or local currency equivalent) in a Financial Year with single transaction limit of USD\$ 50,000 (or local currency equivalent) to be jointly approved by CEO & CFO.

Approval may be granted if approver determines that providing donation furthers the legitimate business interests of HCLTech, complies with the principles stated in this Policy, and any other relevant legal or compliance-related criteria are satisfied.

Donations to be made of value greater than USD \$1,000 (or local currency equivalent) can be routed through Ariba system managed by GPS team. Donations of lesser value up to USD \$1,000 (or local currency equivalent) can be reimbursed through Concur/GCS. Employees claiming under MyClaims (SAP Concur) must raise request within 45 days of bill/invoice date

Donations have to be duly accounted for as advised by Finance Department.

#### **f) Customers**

If the Third Party is employed by a customer, then a gift should not be offered or provided to that Third Party while HCLTech is in the process of tendering to, negotiating with or otherwise involved in a process with the customer that could give rise to a conflict of interest. A gift recipient should be the intended final recipient. To clarify, a gift should never be provided to Third Parties as an intermediary to pass on to another recipient in effort to circumvent the restrictions in this Policy.

#### **g) Rewards & Recognition**

Rewards & Recognition ("R&R") gifts that HCLTech provide to HCLTech employees and subcontractors in recognition of exceptional performance are compensation and shall not fall under the purview of this Policy.

#### **h) Seasonal and Holiday Gifts**

Gifts that are part of the season's greetings program wherein gift boxes are given to customers must comply with the monetary thresholds and general principles described in this Policy. These gifts should generally **not exceed USD \$50, exclusive of packing & shipping charges.**

#### **Receiving or Accepting Things of Value from a Third Party**

Gifts, entertainment, travel expenses, and other things of value are often intended to build relationships. Gifts that appear to compromise your ability to make fair business decisions create ethical issues and conflicts of interest. This section of the Policy explains when you may accept gifts from Third Parties such as vendors, customers, dealers, and other business partners. Unless permitted under this Policy, you may not accept gifts from Third Parties who do or want to do business with HCLTech.

While HCLTech recognizes that it is customary for some Third Party to give small gifts occasionally, to those with whom they do business with, regardless of the circumstances, HCLTech, does not permit soliciting of gifts (solicitation of sponsorship is authorized, as described below).

#### **i. Monetary Thresholds**

##### **a) Value of USD \$200 or less**

You may accept gifts from Third Parties on a single occasion or cumulative from the same person or organization within one calendar year that are of modest value of USD \$200 or less (or local currency equivalent), provided the principles stated in this Policy are satisfied. Prior approval is not required. For accepting Thing of Value of USD \$100 or less. Receiving gift over USD \$100 should be declared in the "Receipt of Gift" application in myhcl.com for review by E&TC team whether the gift received is in adherence to principles stated in this Policy. For purpose of clarity, receiving gift over USD \$200 is prohibited and to be declared in the "Receipt of Gift" application as well. In the event employee has received gift over and above the limits specified in this section, employee to promptly return the gift to the donor, with a covering letter, thanking the donor for the same and quoting the relevant provision of this Policy. Return of gift to the donor to be confirmed by the recipient in "Receipt of Gift" application in myhcl.com by entering Transaction ID that is generated in claims system when recipient is claiming shipping charges for return of gift by submitting relevant bills.

*Example: You are a marketing employee who travels to another city for business. One of HCLTech's marketing firms is based there and you are visiting to work on a joint project with the marketing firm. While you are in town, the contact person for this marketing firm invites you to have a modest lunch (less than USD \$100). You may accept.*

## ii. General Principles for Accepting Gifts from Third Parties

To accept a gift from a Third Party, it must be:

- Related to HCLTech's legitimate business goals (which can include accepting reasonable business courtesies from Third Parties).
- Designed so as not to influence you, nor would it be perceived as influencing you, in performing your HCLTech duties.
- Reasonable in value, appropriate to the occasion, and appropriate to the position and management levels of the provider and recipient. Extravagant or inappropriate meals or entertainment, including but not limited to any adult entertainment or gambling, may never be accepted.
- Not in cash or a cash equivalent (including gift cards).
- Occasional and compliant with the criteria in this Policy; the frequency of receiving a gift from any one individual or organization must not raise any actual or perceived conflicts of interest or impropriety.
- Provided and received in an honest and transparent manner.
- Compliant with applicable anti-corruption laws, as well as local laws and regulations.

## iii. Special Rules for Certain Things of Value

The following additional rules apply to certain types of events or things of value, in addition to the General Principles and approval thresholds set forth above:

### a) Gifts

Gifts should not be personal. Examples of gifts you should not accept include jewelry, clothes, cash, or cash equivalents

### b) Meals and Entertainment

If the thing of value involves a meal or entertainment, the monetary thresholds apply on a per-person basis for the meal and entertainment for the Third Party including but not limited to HCLTech employees. The threshold for gifts to a single person or organization described above apply.

### c) Suppliers

If the Third Party is a supplier, then any thing of value should not be accepted from that Third Party while HCLTech is in the process of tendering to, negotiating with or otherwise involved in a process that could give rise to a conflict of interest.

### d) Soliciting Sponsorship

Solicitation for sponsorship (regardless of amount) from a Third Party is permitted only if requested by L1 head or above and:

- Sponsorship is only for charitable or other good corporate social responsibility ("CSR") activities undertaken by HCLTech directly or in collaboration with a non-profit organization; and sponsoring of college symposiums and technical events;
- Such sponsorship program or event has prior written approval of the appropriate level, namely, CEO and CFO provided detailed due diligence is performed at the time of identifying such program or event ahead of seeking such approval from appropriate level. Due Diligence template is appended to this Policy as Annexure – 1;
- Approval may be granted if either CEO and CFO determine that receiving sponsorship or donation furthers the legitimate business interests of HCLTech, complies with the principles stated in this Policy, and any other relevant legal or compliance-related criteria are satisfied and
- Receipt of sponsorship or donations have to be duly acknowledged and accounted for as advised by Finance Department.

For solicitation of a sponsorship or donation with a value of \$10,000 or greater, in addition to the above criteria approval must also be obtained from the Ethics Committee and the E&TC team must be informed.

## III. Giving "Things of Value" to Government Officials

Interactions with government officials are subject to strict rules under laws across the World. It is your responsibility to understand whether you are interacting with a government official and to comply with applicable law and HCLTech policy. You must seek advice from E&TC team in any case of doubt as to whether an interaction is with a government official by writing to [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com).

A “**Government Official**” includes any elected or appointed official, as well as any employee in the legislative, executive, or judicial branches of any government, from the local level to the national level and regional level (e.g. EU) and their immediate family members like spouses, parents, children, siblings, and in-laws. The term also includes: anyone acting in an official capacity on behalf of a governmental entity, even if that person is not a government employee or an elected or appointed official; employees and officers of public international organizations, such as the United Nations, the Red Cross, and the World Bank; political parties, officials, or candidates for office; and members of royal families. Finally, business people who work for a state-owned or state-controlled (quasi-govt) company also constitute government officials. For example, business people who work for state-owned or state-controlled utility or public transit, or journalists who work for state-owned media outlets.

#### **A. Monetary Limits – Giving “Things of Value” to Government Officials**

Value of USD \$50 or less (or local currency equivalent) within one year. To offer or provide such gifts to be approved by L4 or above band.

#### **B. All the following conditions must be satisfied:**

- It is permissible under applicable laws, regulations, rules, and ethics policies (the strictest of which should be followed);
- It is done infrequently; and

It is not being done for an improper purpose and would have no appearance of impropriety (for example, to obtain or retain business or cause the official to take action or inaction in an official capacity or thank the official for any action/inaction).

#### **C. Facilitating Payments Are Not Permitted**

A facilitating payment is a payment of small value typically made to low level government employees to obtain a non-discretionary, routine governmental action to which HCLTech is legally entitled (e.g., turning on the power, delivering mail, processing a visa). While permitted under U.S. law in narrow, strictly defined circumstances, even very small facilitating payments may violate the U.K. Bribery Act and local statutes. Accordingly, this Policy strictly prohibits all facilitating payments. If you encounter a situation that you believe may require a facilitating payment you must immediately contact the E&TC team in writing @ [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com).

#### **V. Exceptions**

##### **A. Accepting a Thing of Value Where Refusal Is Unacceptable**

If you are offered anything of value that you may not accept under this Policy, you should politely explain HCLTech’s Policy and decline the offer. However, it is understood, that in some rare situations, refusal to accept un-solicited gifts where its value or perceived value exceeds the monetary limits of this Policy or the monetary value is unknown, may cause embarrassment to the Third Party. In such situation, the recipient may accept the gift, but subsequently must immediately report the gift in “Receipt of Gift” application in myhcl.com and promptly return the gift to the donor, with a covering letter, thanking the donor for the same and quoting the relevant provision of this Policy. Return of gift to the donor to be confirmed by the recipient in “Receipt of Gift” application in myhcl.com by entering Transaction ID that is generated in claims system when recipient is claiming shipping charges for return of gift by submitting relevant bills.

##### **B. Extortion Payments**

Extortion payments are payments that are necessary to ensure the health or safety of HCLTech employees or of Third Parties associated with HCLTech, including payments to avoid ransomware attack, imminent physical harm or imminent illegitimate detention. Although extortion payments are permitted by this Policy, this is a very narrow exception that requires legal analysis. You must obtain approval from E&TC team or

another member of the Office of the General Counsel before making such a payment, and you must report any extortion demand to your L1 Head immediately, whether or not you seek to make a payment, unless it is not possible to do so. If it is not possible to report the demand and seek approval for any payment as just described, the incident must be reported within one (1) business day, absent physical or technological impossibility. Extortion payments must be accurately recorded in HCLTech's books and records.

#### **VI. Political Contributions**

It may be appropriate and lawful for HCLTech and its subsidiaries to support the political process through contributions to major political parties in countries where such contributions are legal, publicly known and accepted, and could not be misconstrued as having been made for any improper purpose. Contributions are governed by strict recording and reporting requirements.

#### **VII. Claiming an Expense for Gifts Provided**

Any expenses incurred related to gifts should be claimed in accordance with expense claim systems of HCLTech. Employees claiming under MyClaims (SAP Concur) must raise request within 45 days of bill/invoice date. At a minimum, all expenditure on gifts should be supported by receipts including all relevant documents and reclaimed on the normal business expense report and be approved as per tool defined hierarchy. Claimant while claiming reimbursement for entertainment should provide the following details:- (i) Full name of client/Organization (ii) Date of the client entertainment; (iii) Number of people who attended; (iv) Full names of attendees and their designation (v) Reason for entertainment.

Any expenses personally incurred by an employee and not on behalf of HCLTech cannot be reimbursed as it is not in accordance with this policy. **The responsibility shall be on the employee requesting reimbursement to ensure that aforementioned limits with respect to business gift and business entertainment and the approval matrix are adhered to by providing the supporting documents and the following certification along with the expense claim:**

**I certify that the information above is true and correct. I further certify that I am familiar with HCLTech's ABAC, COBEC, BGEP & all other applicable HCLTech policies. I further certify that the requested reimbursement complies with HCLTech's policies and applicable laws. I have no knowledge or information that suggests that the gift will be used for a corrupt purpose or for any purpose other than the one stated herein.**

**SIMILARLY, IT IS APPROVERS' RESPONSIBILITY WHILE APPROVING CLAIMS THAT THEY ARE COMPLYING WITH THE PRINCIPLES STATED IN THE POLICY.**

**Any claims for business expenses not in accordance with this Policy will be rejected by the Finance team with no obligations on HCLTech to reimburse such expenses.**

#### **VIII. Reporting Requirements and Recording in HCLTech's Books and Records**

HCLTech is required by law to keep books, records and accounts that report financial information accurately and honestly. This includes accurate reporting of both the monetary values and the nature of costs and revenues, time worked, business expenses incurred, payments to Third Parties for products or services, and all other business-related transactions. If a payment or other transaction is not reflected in HCLTech's records in a manner that accurately and transparently reflects the nature and purpose of the payment or other transaction, that inaccurate record may be a violation of the law. It may also be an indication that the transaction itself violates the law.

All books and records must be kept in accordance with HCLTech's Recordkeeping Policy.

#### **IX. Consequence of Breach of this Policy**

Any standards become irrelevant unless there are clear mechanisms to deal with their violations. Disciplinary action will be taken against any individual violating this policy.

The following action(s) may be taken depending on the severity of the situation:

- a) Reprimand
- b) Probation or other disciplinary action
- c) Suspension/ Blacklisting

- d) Termination of employment/ business contract
- e) Litigation (civil and/or criminal)
- f) Recovery of damages suffered by HCLTech

#### **X. Reporting Violations**

Common sense plays biggest role under all circumstances. You are expected to exercise good judgment while providing and receiving gifts. You should talk to your supervisor or local HR when in doubt as to whether a gift or an event, location or expenditure is appropriate.

Recipients of gifts are advised to report, declare, and surrender gifts as per the provisions of this Policy above by writing to [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com).

Employees, who come to know of instances of (i) receipt of gift in violation of this Policy or (ii) solicitation for improper gifts, are advised to report to Global Ethics Helpline (Path: MyHCLTech >>Top Ribbon (Main Menu)>> Ethics Helpline). Employees based out of Germany/Netherlands shall continue to report to [whistleblower@hcl.com](mailto:whistleblower@hcl.com). Unless restricted by law, any employee may submit a report on a confidential and anonymous basis. In conducting the investigation, HCLTech will use reasonable efforts to protect the confidentiality and anonymity of the complainant. The Team handling Whistleblower cases (or their nominee) shall undertake a detailed investigation in accordance with its standard practices.

If any violation is proved, appropriate action against the concerned, including (i) issuance of warning memo, (ii) suspension order, (iii) blacklisting of the applicable Third Party, or (iv) termination of employment or contract would be taken as may be deemed fit under the given circumstances and evidence.

#### **XI. Responsibility for this Policy**

The Ethics Committee is responsible for this Policy. The Ethics Committee consists of senior members of HCLTech, and their primary role is to:

- Oversee the functioning of the HCLTech's Code of Business Conduct and Ethics ("COBEC"), ABAC Policy and this Policy;
- Meet on a regular basis as need requires, in person or over teleconference, to discuss current ethical issues and exception approvals and to render its opinions, approvals or rejections on any matter;
- Review this Policy at least annually.

#### **Process:**

### **Annexure – 1**

## **PROCEDURES RELATED TO CHARITABLE DONATION, SPONSORSHIP & GIFT**

### **I. PROCEDURE FOR MAKING A DONATION**

The following procedures apply to all donation requests.

#### **A. Request For Donation**

Each employee, subsidiary, or business unit requesting a donation to be provided to a Third Party individual, entity or, organization ("Recipient") must complete a Request for Donation form (**Attachment 1**), which shall be submitted to E&TC team @ [COBEC.Compliance@hcl.com](mailto:COBEC.Compliance@hcl.com) for review and approval. Such employee, subsidiary or business unit shall not give any commitment regarding any donation to the Recipient prior to written approval by E&TC team.

#### **B. Requestor's Certification of Compliance**

In submitting the Request for Donation, HCLTech employee affirms that: (1) he or she is familiar with this Policy and HCLTech ABAC policy; (2) the donation complies with all other applicable HCLTech policies; and (3) he or she has no knowledge or information that would suggest that the requested donation will be used for anything other than its stated purpose.

In order for HCLTech to be tax compliant, below conditions have to be satisfied by HCLTech employee raising request for donation, namely,

- (a) Invoice should be in the name of HCLTech entity making the payment and the said HCLTech entity should directly donate to concerned charity;
- (b) The charity should have tax registration certificate to be eligible to receive tax deductible donation. It is HCLTech employee's responsibility to receive and submit tax registration certificate to GPS team.

### **C. Confirmation That Donation Was Delivered and Monitoring**

Employee, subsidiary, or business unit donating to provide to E&TC team a written acknowledgement from the Recipient that the donation was received. The acknowledgement must be signed by an authorized legal representative of the Recipient **Donation Recipient Questionnaire: (Attachment 2)**.

### **D. Tracking and Recordkeeping**

Donations must be accurately recorded in the Company's books and records.

### **E. Monetary Donations**

Except as provided herein, monetary donations may only be made by checks or electronic fund transfers.

### **F. Procedure for In-Kind Donations**

In-kind donations may be processed through Global Procurement Services ("**GPS**") and with the prior written approval of E&TC team. As with all donations, the Recipient must complete the Request for Donation form (**Attachment 1**), which must be submitted to E&TC team for approval.

## **II. PROCEDURE FOR MAKING A SPONSORSHIP**

For E&TC team to review the proposed Sponsorship, a completed Request for Sponsorships form (**Attachment 3**), together with any additional supporting documentation or materials, to E&TC team. E&TC team may request additional information or require that additional due diligence be conducted before approving or rejecting a Sponsorship request. E&TC team must approve the proposed Sponsorship falling under relevant threshold as explained in Table Titled 'Sponsorship' before any contribution may be made and such employee, subsidiary or business unit shall not give any commitment regarding any Sponsorship.

## **III. PROCEDURE FOR MAKING A GIFT OR ENTERTAINMENT**

For applicable approver level(s) to review the proposed Gift or Entertainment, a completed Request for Gift form (**Attachment 4**), or Entertainment Information Form (**Attachment 5**) and Entertainment Recipient Questionnaire (**Attachment 6**), must be submitted with any additional supporting documentation or materials. The applicable approver level(s) may request additional information or require that additional due diligence be conducted before approving or rejecting a Gift or entertainment Request. Approval must be obtained before the proposed Gift or entertainment may be made.

## **IV. FAILURE TO OBTAIN REQUISITE PRE-APPROVAL**

If an employee authorizes a gift or charitable donation without the pre-approval required by this Policy, HCLTech will take actions as deemed appropriate as per this Policy. for