

Anti-bribery & Anti-corruption Policy

Policy No. FRMS_POL-CRO-002

Applies to: Entire organization (CU, DU and MU), including its subsidiaries and acquired entities.

Policy Sponsor Chief Risk Office

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DOCUMENT CONTROL

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Classification
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This change history must be updated when any edits are made to this document.
 Please contact CRO team (FraudRiskManagement@mphasis.com) to request changes.

Version History				
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CRO Management	Read/Write/Delete	Soft Copy	Default
CRO Team	Read/Write	Soft Copy	Default
Mphasis employees	Read	Soft Copy	Default

'POLICY CONTROL'

Proposed Changes or Revisions

Users of this policy can submit recommended changes and comments for the upgrading of the policy to FraudRiskManagement@mphasis.com. Comments should reference the specific section and paragraph and should include a justification for the proposed change. Periodic revisions to this policy will be published as is necessary and practicable.

References

POLICIES: FRMS- POL-CRO-001: Fraud Risk Management Policy

FRMS- POL-CRO-002: Code of Business Conduct Policy

FRMS- POL-CRO-003: Whistleblower Policy

GUIDELINES: FRMS- GDL-CRO-001: Governance Guideline

Procedures: FRMS- PRO-CRO-001: Fraud Risk Management Procedure

POL-CRO-011_IS Incidents Detection and Response Policy

External Document:

International Standard- ISO 37001 – Anti-bribery Management Systems

Contact Information

For any question on compliance to this policy, please contact

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1 Introduction:

Mphasis is a global service provider, delivering technology-based solutions across industries, including Banking & Capital Markets, Insurance, Manufacturing, Communications, Media & Entertainment, Healthcare & Life Sciences, Transportation & Logistics, Retail & Consumer Packaged Goods, Energy & Utilities around the world. Mphasis' integrated service offerings in Applications, Infrastructure Services and Business Process Outsourcing help organizations adapt to changing market conditions and derive maximum value from IT investments.

The global nature of our business is subject to innumerable different laws, rules and regulations worldwide. Mphasis functions in a highly complex environment and is subject to a broad spectrum of risks. Bribery and corruption being major risks need to be managed effectively.

1.1 Purpose:

The purpose of this Policy is to establish Anti-bribery and Anti-corruption Management System at Mphasis so that the organization effectively identifies, prevents and detects bribery and corruption risks to which it is exposed.

This policy is designed to communicate the company's commitment to counter bribery and corruption. Policy also strives to ensure that all employees and third-party representatives understand the scope and application of anti-bribery and anti-corruption laws.

2 Policy Statement

Anti-bribery and Anti-corruption Policy

Mphasis, through its Anti-bribery and Anti-corruption Management System, is committed to proactively mitigate bribery and corruption risks to which the organization is exposed and comply with anti-bribery and anti-corruption related regulatory requirements of the countries where it operates.

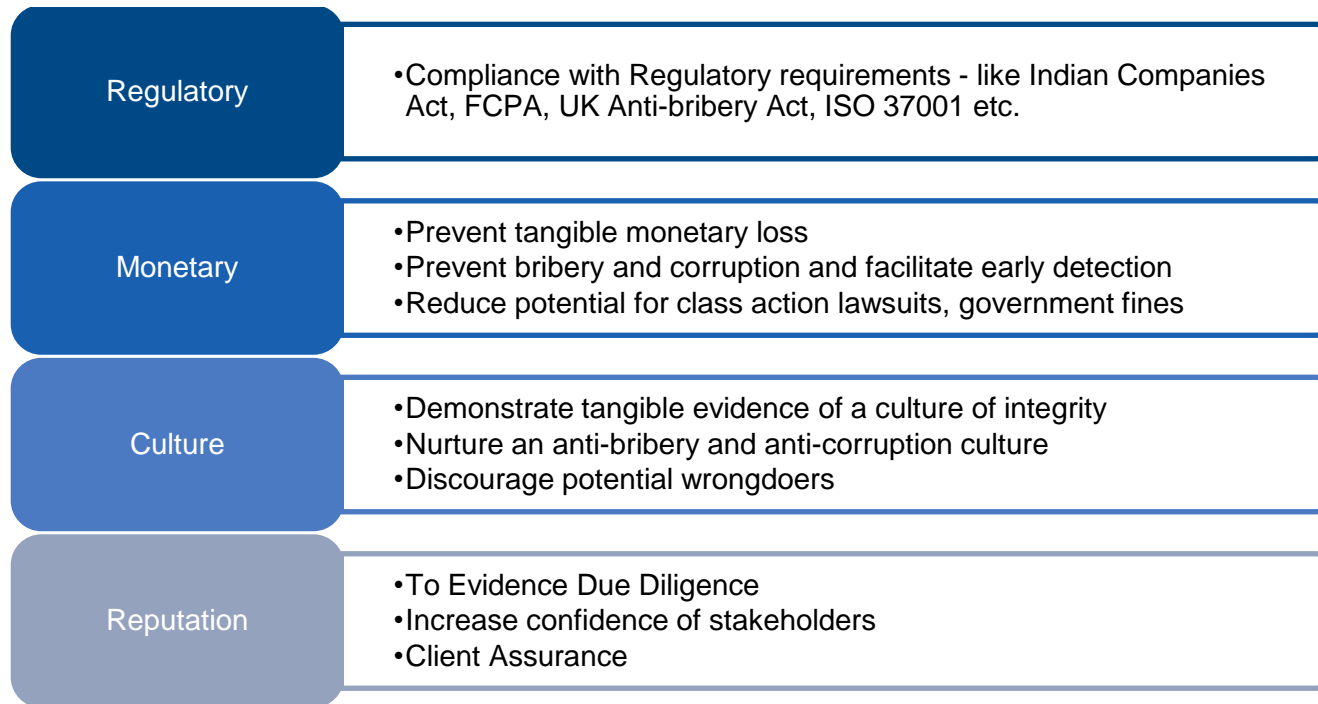
Mphasis shall implement Anti-bribery and Anti-corruption Management system by:

- Establishing it as an integrated part of an overall Fraud Risk Management System (FRMS)
- Creating and nurturing a strong culture of ethics
- Creating bribery and corruption risk awareness amongst the stakeholders (through policy, training etc.)
- Performing bribery and corruption risk assessment periodically

- Implementing appropriate internal controls to mitigate the identified bribery and corruption risks
- Detecting potential bribery/corruption and investigating it to closure
- Continually monitoring and improving the effectiveness of the Anti-bribery and Anti-corruption Management System.

3 Background Rationale

To protect the value of shareholders, tangible and intangible assets of the organization and to ensure that organization is adhering to the anti-bribery and anti-corruption related regulatory requirements, as it will help mitigate the risks from the following perspective:



4 Scope:

This policy is applicable across the entire organization and includes Mphasis Limited and all of its subsidiaries. It applies to all levels of management, employees, clients, vendors, contractors, consultants, agents, sponsors, and all others doing business with the organization and its subsidiaries, no matter where they are located.

In this Policy, “Third Party(ies)” means any individual or organization, who / which has business interaction with Mphasis and its employees. This includes **actual and potential** clients, suppliers, business associates, consultants, intermediaries, representatives, subcontractors, agents, advisers, joint ventures and government & public bodies (including their advisers, representatives and officials, politicians and political parties).

5 Policy details:

5.1 *Bribery & Corruption:*

Bribery Includes the offer, promise, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person’s duties.

Corruption includes wrongdoing on the part of an authority, or those in power, through means that are illegitimate, immoral, or incompatible with ethical standards.

5.2 *Types of bribery:*

This Policy prohibits bribery related to any public/government official as well as any private individual. Bribery in any form will not be tolerated.

The policy addresses following in relation to the organization’s activities:

- bribery by the organization;
- bribery by the organization’s personnel acting on the organization’s behalf or for its benefit;
- bribery by the organization’s business associates acting on the organization’s behalf or for its benefit;
- bribery of the organization;
- bribery of the organization’s personnel in relation to the organization’s activities;
- bribery of the organization’s business associates in relation to the organization’s activities;
- direct and indirect bribery (e.g. a bribe offered or accepted through or by a third party).

Examples of bribery include, but are not limited to:

- **“Facilitation Payments”**: Any payment made with the purpose of expediting or facilitating the performance by a Public Official of a routine governmental action.
- **“Kickback”**: A bribe to obtain an undue advantage, where a portion of the undue advantage flows to the person who gave, or is supposed to give, the undue advantage.
- **“Travel and entertainment Expenses”**: Unreasonable expenditures of third parties and / or their relatives for travel, meals, and entertainment expenses not legitimately related to tours of the Company’s facilities or that may not be related to the Company’s promotion of its services.
- **“Gifts”**: Gifts given or received to unfairly influence a business outcome.

5.3 *Facilitation Payments and Kickbacks*

Mphasis does not make, and shall not accept, ‘facilitation payments’ or ‘Kickbacks’ of any kind. Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government/any other organization’s actions by an official. Kickbacks are typically payments made in return for business favour or advantage.

All employees must avoid any activity that might lead to facilitation payments or kickbacks being made or accepted in public or private sectors.

5.4 *Travel, Entertainment and hospitality expenses*

Anti-bribery regulations permit companies to provide certain types of travel, entertainment and hospitality expenses of government officials and third parties provided such expenses are:

- a) Bona fide and related to a legitimate business purpose (i.e. not provided to obtain or retain business or to gain and improper advantage)
- b) Reasonable in amount, and
- c) Legal under the written laws of the government official’s home country

Mphasis does not prohibit such normal, reasonable, appropriate and bona fide business courtesy offered to or accepted from government officials or foreign officials including officials of public international organizations or government customers (including public sector undertakings and government-run enterprises) and third parties either directly or indirectly.

Accordingly, no payments shall be made to or on behalf of a government official or third parties, whether directly or indirectly, in connection with efforts to obtain or retain business, except for payments that are directly related to improving our company image, present our products and services, or establish cordial relations.

Prior permission of supervisor should be obtained for travel, entertainment and hospitality related to government officials and other third parties where value does not exceed **INR 1,000** for India and **USD 50** (equivalent local currency) for other countries, per person. For expenses exceeding above limits, a prior written permission by Office of Ethics and Compliance (OEC) is required in addition to an approval from supervisor. Your requests should be sent to OEC through oe@mphasis.com for obtaining such written approvals. In situations where pre-approval is impractical, the event should be reported to the OEC through oe@mphasis.com with all the relevant details.

Employee should avoid frequent entertainment of government officials and other third parties.

Receiving hospitality:

Company employees may receive hospitality or entertainment from employees of the Company's current or prospective clients, vendors, or any commercial partners provided it has business justification and is reasonable and proportionate. The policy recommends that employees always assess the purpose behind such hospitality or entertainment. Hospitality or entertainment with the intention to improperly influence anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way, should never be received. In case you are not sure of the appropriate response, reach out to the supervisor and OEC.

Irrespective of the above the employee should ensure that the limits prescribed for hospitality is adhered to in letter and spirit.

5.5 Gifts:

It is customary and commonly accepted business courtesy in many parts of the world to give nominal gifts to customers, government officials and other parties that have a business relationship with the company.

Generally, you may offer or accept gifts without violating the anti-bribery regulations if:

- a) The gift is not given to obtain or retain business or gain an improper advantage
- b) The gift is lawful under the laws of the country where the gift is being given
- c) The gift constitutes a bona fide promotion or goodwill expenditure
- d) The gift is not in the form of cash
- e) The gift is accurately recorded in the company's books and records
- f) The gift is of nominal value

Prior permission of supervisor should be obtained for gifts to government officials and other third parties where value does not exceed **INR 1,000** for India and **USD 50** (equivalent local currency) for other countries, per person. For gifts exceeding above limits, a prior written permission by Office of Ethics and Compliance (OEC) is required in addition to an approval from supervisor. Your requests should be sent to OEC through oe@mphasis.com for obtaining such written approvals. In situations where pre-approval is impractical, the event should be reported to the OEC through oe@mphasis.com with all the relevant details.

Employee should avoid frequent gifts to government officials and other third parties.

Receiving gifts

Company employees may receive gifts from employees of the Company's current or prospective clients, vendors, or any commercial partners provided it has business justification and is reasonable and proportionate. The policy recommends that employees always assess the purpose behind any gifts before receiving it. Gift with the intention of improperly influencing anyone's decision-making or objectivity, or making the recipient feel unduly obligated in any way, should never be received. In case you are not sure of the appropriate response, reach out to the supervisor and OEC.

No solicitation: Employees must not solicit or request gifts or hospitality from suppliers or other third parties.

No loans or payments: No Employee and / or members of his or her family must ever accept a loan or payment from a contractor, vendor, consultant, or similar business contact under terms that are not available to the general public.

No cash: Gift in the form of cash should not be accepted at all.

Nominal gifts: Employees may accept gifts of nominal value such as logo'd promotional materials, calendars, pens or similar mementos.

Irrespective of the above the employee should ensure that the limits prescribed for gifts is adhered to in letter and spirit.

Where gifts which do not comply with the requirements above are offered to Employees, in majority of situations they should be politely refused (if presented in person), returned to the sender with a letter of explanation.

A list of examples on bribery, gifts & hospitality is enclosed for reference. It is for illustrative purpose only and not intended to be exhaustive.



5.6 *Charitable Contributions*

Mphasis only makes charitable donations that are legal, ethical under local laws and practices and that are an integral part of its corporate social responsibility.

5.7 *Political Contributions*

Mphasis does not make contributions to political parties which are made to influence any decision or gain a business advantage.

5.8 *Record keeping and internal controls*

Mphasis maintains an accurate, reasonably detailed records that fairly reflect its transactions and disposition of assets, regardless of whether the transactions are domestic or international. Therefore, Company personnel are prohibited from making any false or misleading statements in Company books and records for any reason.

Mphasis maintains a system of internal controls sufficient to provide reasonable assurances that:

- Transactions are executed in accordance with management's general or specific authorization;
- Transactions are recorded as necessary:
 - II. To permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements; and
 - III. To maintain accountability for assets;
- Access to Company assets is permitted only in accordance with management's general or specific authorization; and
- The recorded accountability for corporate assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Claims by Employees for payments made for Travel, Entertainment, Hospitality and Gift Expenses:

Expense claims on account of travel, entertainment, hospitality or gifts related to **government official or other third parties** should be supported by appropriate approvals as given above subject to which finance team will process the same. In all instances, accurate receipts and records of the payment and the purpose of the payment must be maintained in accordance with the books and records provisions.

Managers at all levels are responsible for ensuring that they exemplify the principles outlined in this policy and ensure that their team adheres to the policy.

6 Administration and guidance:

The Office of Ethics & Compliance, Human Resource Business Partners and Chief Risk Office are responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

Laws of a country may extend beyond the territory of that country. United States Foreign Corrupt Practices Act (“FCPA”) and United Kingdom Bribery Act (“UKBA”) may apply to Mphasis and its employees globally, because of their extra-territorial effect. ISO 37001 is a global standard on organization’s anti-bribery management system and it applies across geographies.

Implementation effort will be guided by ISO 37001 (Anti-bribery Management Systems), ISO 31000 (Risk Management), UK Bribery Act (UKBA), United States Foreign Corrupt Practices Act (FCPA), and Indian Prevention of Corruption Act (PCA). Policy takes care of the Anti-bribery laws in all locations where Mphasis is present.

Queries and reporting of violations on anti-bribery & anti-corruption laws:

Employees who are having any doubts/ queries when dealing with provision/ accepting hospitality/gifts, should reach out to Office of Ethics and Compliance (OEC) for suitable clarification.

Employees who become aware of violation/ suspected violation of this Policy and/or the anti-bribery & anti-corruption Laws are under an obligation to report the same to the Company. The reporting of any violation/suspected violation of this Policy is a duty cast by the company on all employees and will be considered as a breach of COBC. Violations or suspected violations should be reported by contacting OEC. For those who wish to remain anonymous, you should make your report in accordance with the procedures set out in the Company’s Whistleblower Policy.

Violations:

Violations of this Policy by an employee 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 termination of employment.

7 Glossary of items:

'Bribery' as per ISO 37001	Offering, promising, giving, accepting or soliciting of an undue advantage of any value (which could be financial or non-financial), directly or indirectly, and irrespective of location(s), in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the <i>performance</i> of that person's duties.
'Bribery' as per The UK Bribery Act, 2010	Giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith. The UKBA prohibits (i) offering, promising or giving any financial or other advantage to another person in order to improperly perform or reward an improper performance of a function or activity; (ii) accepting financial or other benefit in order to improperly perform a function or activity; (iii) bribing a foreign public official by offering, promising or giving any financial or other advantage to foreign public official in order to influence the official in performance of their official duty.
'Bribery' as per The FCPA, 1977	The FCPA prohibits any payment, offer, promise to payment or authorisation to pay or offer money or anything of value to a foreign official. The definition of the term "foreign official" is exceedingly broad and covers any officer, employee of a foreign government, a public international organization, department or agency or any person acting in official capacity irrespective of the rank or position. The payment that constitutes bribe can be anything beyond monetary payments, like gifts, loans, employment, payment made to third parties or such other improper payments. The ambit of bribe, therefore, is very broad, considering it also includes any kind of improper cash or cash equivalent payments. In fact, mere offer of a bribe alone can constitute a violation of the FCPA. "Anything of value" includes, but is not limited to: <ul style="list-style-type: none"> • <i>Business opportunities or favorable contracts;</i> • <i>Stock options;</i> • <i>Certain gifts and entertainment (see below for details);</i> • <i>Product and service discounts not available to the public at large;</i> • <i>Offers of employment for the government official or his/her family or friends;</i> • <i>Assumption or forgiveness of debt;</i> • <i>Payment of non-business travel expenses (see below for details); and</i> • <i>Personal favors.</i>
'Government Official' as per The FCPA, 1977	The term " governmental official " includes, but is not limited to the following: <ul style="list-style-type: none"> • <i>An officer or employee of a government entity, department or agency;</i> • <i>An officer or employee of a state-owned business, school, hospital or other entity;</i> • <i>An officer, employee or official of a political party;</i> • <i>A candidate for political office;</i> • <i>An officer, employee or official of a public international organization or any department or agency thereof (such as the IMF, World Bank or IADB);</i> • <i>A person acting in an official capacity on behalf of a governmental entity;</i> • <i>An officer or employee of a state-owned or state-controlled commercial enterprise; and</i> • <i>Other persons with governmental influence.</i> (Note that persons who are not deemed to be government officials under local anti-corruption law may still be considered government officials under the FCPA)
Anti-bribery and Anti-corruption Management System	It includes measures designed to identify and evaluate the risk of, and to prevent, detect and respond to, bribery and corruption.
Bribery and Corruption Risk Assessment:	The bribery and corruption risk assessment contains following activities: <ol style="list-style-type: none"> a) identifying the bribery and corruption risks the organization is exposed to; b) analysing, assessing and prioritizing the identified bribery and corruption risks; c) evaluating suitability and effectiveness of the organization's existing controls to mitigate the assessed bribery and corruption risks.