

IDFC ALTERNATIVES LIMITED	
Process and Procedures Note – Anti-Bribery and Corruption Policy	
Rationale	<p>IDFC Alternatives Limited has adopted an Anti Bribery and Corruption Policy (the “Policy”). The purpose of this Policy is to safeguard and promote legitimate business throughout the organisation and to prevent and prohibit corruption, bribery and similar acts in connection with the organisation.</p> <p>This document sets out the Process and Procedures to the Anti-Bribery and Corruption Policy of IDFC Alternatives Limited (“IDFC Alternatives” or the “Company”).</p>
Communication	<p>IDFC Alternatives will communicate the Policy and Practical Procedures and its approach for the implementation of the Policy to its employees and will publish this Policy on its intranet and implement an affirmation process.</p> <p>It will also communicate its approach to the implementation of the Policy to those that supply material goods & services to it both directly by correspondence and also by a clear statement on its website.</p> <p>Portfolio Companies will also be provided with the Policy and Procedures and any amendments thereto. IDFC Alternatives will make the senior staff of Portfolio Companies aware of the Policy and the obligations thereunder.</p>
Responsibility of Employee	<p>Gifts or Favours</p> <p>This applies to gifts and hospitality received from or offered to customers, suppliers and other business contacts. Small gifts – impersonal items of minimal financial value i.e. less than INR 10,000/- and gifts often of a promotional nature, such as a diary – from customers or suppliers (actual and potential) can be accepted and kept. Other gifts cannot be accepted without approval from his or her reporting manager.</p> <p>Employees should not accept gifts that, by their nature have the potential to cause reputational damage or embarrassment to IDFC. These may include cash, cash convertible gifts or any payment, favour or inducement that might improperly influence an official transaction.</p> <p>Bribery:</p> <p>IDFC Alternatives will not pay & will not accept bribes, either directly or via third parties, in any circumstances. Breaches or attempted breaches of this principle by an employee will be regarded as an act of gross misconduct.</p> <p>Employees should be responsible and never offer or accept any bribe or inducement, which may influence or appear to influence his or her actions. Nor should employees misuse his or her position within the Group or the information he or she gathers during the course of his or her duties to further his or her private interests or those of anyone else. In case of doubt of what constitutes a bribe or an instance of corruption, employees should speak to his or her reporting manager and the DCO.</p> <p>Facilitation Payments:</p> <p>Payment of 'Speed Money' or 'Fast Money' to expedite or 'facilitate' routine or non routine matters is against the values of IDFC Alternatives. These would include any payment made to an external party in relation to a matter or issue to facilitate a positive response.</p> <p>If an employee is aware of any such transactions, he or she should bring it to the notice of the Business Partner - HR and the DCO immediately.</p>
Approval for giving and taking Gifts &	<p>Small gifts, favours or hospitality of minimal financial value i.e. less than INR 10,000 and gifts often of a promotional nature such as a diary – from customers or suppliers (actual and potential) can be given and / or accepted and kept. Other gifts / favours / hospitality cannot be</p>

Gifts Register	<p>given or accepted without approval from his or her reporting manager.</p> <p>Reporting Manager would intimate the approvals granted to DCO for information and records</p> <p>IDFC Alternatives will keep records of the gifts and corporate hospitality given and received by its staff over INR 10,000. These records will be reviewed regularly.</p>
Reporting & Compliance	<ul style="list-style-type: none"> ❖ All the complaints, suspicion, or any other concerns shall be raised by any person on the discovery of any corrupt practice or bribery or any such malpractice, to the DCO and CEO of IDFC Alternatives. ❖ The DCO / CEO of IDFC Alternatives shall exercise such powers in the interest of the organisation and not opposing the Policy. ❖ Any serious instances of corruption or bribery or any such other act shall be liable to be under probe through appropriate disciplinary act or beyond that. If the said act amounts to a serious offence then the organisation shall have the discretionary powers to take appropriate steps – civil or criminal depending upon the intensity and nature of the act. ❖ The DCO shall order to further investigate or might investigate into such matters so also order to take appropriate steps, The DCO shall take upon such acts which shall be necessary in the investigation process of the suspected transaction. ❖ It shall be obligatory for all employees to adhere and abide by the Policy. They shall actively report to the DCO and CEO of IDFC Alternatives about any such instance whether about to occur or has occurred in the past. ❖ Due care and caution has to be exercised in case of any transactions being entered into by the associated person himself or any other person in his knowledge and such transaction being under the scope of risk factors. <p>Whistle blowing</p> <p>No employee will suffer demotion, penalty or other adverse consequence for refusing to pay or accept a bribe even if such a refusal may result in IDFC Alternatives losing business or failing to win a deal.</p> <p>IDFC Alternatives regards the reporting of any instance of bribery or attempted bribery as a legitimate example of ‘whistle blowing’ and affirms that no employee will suffer demotion, penalty, or other adverse consequences for reporting examples of or suspicions of the offer or request for or the receipt or payment of bribes. Further, the employees shall be updated on the Whistleblower Policy and their responsibilities under the same.</p>
Portfolio Companies	<p>IDFC Alternatives will seek to encourage an equivalent Policy in other business entities with which it has a significant business relationship.</p> <p>IDFC Alternatives will require that every business (the “Portfolio Companies”) in which the capital of the funds managed by it is invested, adopts and implements policies to prevent bribery, corruption and financial crime in accordance with local laws, international best practices and the Policy.</p> <p>Due diligence</p> <p>IDFC Alternatives will include a consideration of the bribery and corruption risk and the steps taken to manage and mitigate that risk as part of its due diligence when making investments into portfolio companies.</p> <p>IDFC Alternatives will pro-actively work to support portfolio companies to create, adopt and</p>

	<p>implement policies to prevent bribery, corruption and financial crime in accordance with local laws.</p> <p>Transactional Documents Going forward, IDFC Alternatives will incorporate representations and warranties into the legal documents recording the investments, confirming that -</p> <ul style="list-style-type: none"> the portfolio company will not make or receive any payment that puts it in breach of this Policy and Principles and that, the portfolio company has adequate procedures for preventing their own staff engaging in the receipt or payment of bribes, kickbacks etc.; to the best of their knowledge and belief the portfolio company has not in the past paid bribes and covenants and promises not to pay bribes and other forms of unlawful payment in the future; and the portfolio company will comply with the reporting obligations designed to assist IDFC Alternatives in monitoring the conduct of portfolio companies.
<p>Third Party Vendors, Contractors and Associates</p>	<p>IDFC Alternatives requires screening procedures to be carried out on those of its third party vendors, agents, advisers, contractors, intermediaries, and other representatives who supply material goods and services to it ("Associate/s") to protect IDFC Alternatives from the risk of it being associated with illegal or corrupt payments (or of payments purportedly being made on its behalf) and to ensure that the highest ethical standards are maintained. All Associates to be on-boarded as per IDFC's Outsourcing and Vendor Management Procedures.</p> <p>Associates are bound by the Anti Bribery and Corruption Policy. No third party vendor can enter into an agreement with the external party on behalf of IDFC Alternatives, unless formally agreed otherwise. Any instance of an Associate or an employee of an Associate being asked to act as a principal for any dealing will be considered as a misconduct and call for disciplinary action.</p> <p>Payments to a third party vendor will be made in accordance with the terms of the contract.</p> <p>IDFC Alternatives requires that Associates are made aware of its Anti-Bribery Principles and Practical Procedures and are required to confirm that they will not make or receive any payment that put it in breach of those Principles and that such Associates have adequate procedures for preventing their own staff engaging in the receipt or payment of bribes, kickbacks etc.</p> <p>Transactional Documents In respect of material Associates, as prescribed from time to time, IDFC Alternatives to incorporate into the contract / legal documents recording the representations and warranties of the Associate confirming that it will not make or receive any payment that puts it in breach of this Policy and its principles and that such Associate has adequate procedures for preventing its own staff engaging in the receipt or payment of bribes, kickbacks etc.</p>
<p>Responsibility of Reporting Manager / Head of Business Unit / Head of Department</p>	<p>The Reporting Manager / CEO IDFC Alternatives Limited/ Head of Department or Division ("HOD") has additional primary responsibility to assess the risk of bribery and corruption occurring or potential of occurring and implement the appropriate preventative measures.</p> <p>The Reporting Manager / CEO IDFC Alternatives Limited/ HOD would continuously monitor Gifts and Entertainments received / given by the employees and ensure compliance with the prevailing HR Policy on gifts and entertainment as well as this Policy. The said Gifts and Entertainment Policy would be reviewed and amended, if required, in order to strengthen the Anti-bribery and corruption monitoring process</p> <p>The Reporting Manager / CEO IDFC Alternatives Limited / HOD may take the direct support from the DCO among others, to track all identified risks & their mitigation and, the implementation and supervision of this Policy and Procedures. Thereby, maintaining high standards of internal control and risk containment measures. It shall be mandatory for the Reporting Manager / CEO IDFC Alternatives / HOD to constantly monitor their respective business performances measured along-with the Policy.</p>

Training & Development	<p><u>Training and awareness</u> An ongoing awareness programme to all employees is a key enabler to convey awareness of this Policy, relevant legislations, their obligations & expectations as well as an effective preventive control. Awareness is developed through periodic assessment, training and frequent communications.</p> <p>The Group Compliance Department will design requisite awareness programmes which would be held periodically (including web-based training).</p> <p><u>Affirmation process</u> The Company would also have an affirmation process (atleast annually) to, acknowledge that the respective employee has read, understood and complied with this Policy.</p>
Governance Framework	<p>The DCO will have the basic responsibility of implementation, monitoring & reviewing the Anti-Bribery and Corruption Policy and placing the same to the Board of Directors and / Audit Committee annually for review and amendments, if any, needed in the Policy.</p> <p>The DCO will have the responsibility to review reports of bribery / corruption received and refer the matters for inquiry / investigations, as appropriate, in consultation with the directions of the top management / process laid in this regard, and for further reporting to regulatory authorities, as may be required and for further attendant actions.</p> <p>The DCO will conduct incisive scrutiny of reports received by them from various BU / Divisions and capture bribery / corruption emanating signals. The DCO will also ensure that the audit functions of the Company, including concurrent audits are tuned to expose bribery / corruption infected and bribery prone areas.</p> <p>The Reporting Manager / BU / HOD will play a crucial role in discharging their oversight responsibility in a proactive manner</p> <p>DCO may refer case(s) of bribery / corruption to the Group Compliance and Group Operational Risk Management Committee ("GORC"), for analyzing the lacunae and weaknesses in systems and procedures and suggesting improvements thereon to enable the better evolving of control mechanisms by the functional departments concerned. The suggestions for improvement of systems emanating from the GORC will be conveyed by head of ORM to the functional departments like the Finance, Credit Risk, Technology, etc. who are responsible for effecting improvement in controls, systems and procedures and will pursue with them for implementing the suggestions of the GORC.</p> <p>Periodic review of the "Whistle Blower Policy" would be to promote the culture of openness in the Company and to enable the employees to disclose improper practices and suspicious actions to the Management.</p>
Governance Framework Review & Reporting	<p><u>Information to Senior Management</u> The DCO will, atleast on a quarterly basis, keep the Senior Management of IDFC Alternatives informed of the steps taken to implement the Principles and the Practical Procedures of this Policy, and of the conclusions of any reviews and of any material findings arising out of the work of implementation of this Policy.</p> <p><u>Review</u> The DCO will monitor, review and at least annually report to the IDFC Alternatives Board of Directors and/or Audit Committee on:</p> <ol style="list-style-type: none"> 1. the effectiveness of and adherence to the Policy, its Principles, the Practical Procedures and the steps taken by IDFC Alternatives to implement them; and

2. the operation and effectiveness of those policies and procedures designed to prevent bribery and corruption within the portfolio companies of the funds managed by it.

The DCO will ensure that records are maintained of such reviews and the consequent reports to its Senior Management.

A copy of the annual report will be made available to the next following Advisory Committee if required.

Reporting

The Agenda for the Audit Committee Meetings of IDFC Alternatives will include a report on the workings and effectiveness of this Policy including the number of reports of bribery and corruption received and a short summary of any investigations into them.

The DCO shall convey the directions and guidance given by the Audit Committee of the Board and the Board of Directors to the employees of IDFC Alternatives and its subsidiaries and other functional departments for carrying out necessary actions thereon, obtain action taken reports from them and place them for the information of the Audit Committee of the Board and the Board of Directors.

Authority to change and amend Process and Procedure

The DCO shall communicate the any changes in process and procedure in implementation of the Anti-Bribery and Corruption Policy.