

GLOBAL ANTI-CORRUPTION AND ANTI-BRIBERY PROCEDURE

Effective Date: 1st October 2024

Next Review Date: 15th November 2026



WE ARE A
**MODERNIZATION
ENGINEERING
COMPANY**

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1. Purpose

This Policy establishes Sonata Software Limited's global standards regarding the prevention of corruption. If the local laws, rules or regulations have stricter requirements, then those laws shall supersede the requirements stated in this policy.

2. Overview

Sonata Software Limited and its subsidiaries and affiliates worldwide (Sonata) are committed to doing business with integrity and the highest anti-corruption standards. All Sonata employees, officers, directors and partners and suppliers are expected to conduct themselves with honesty, fairness, integrity and high ethical standards, as well as abide by all anti-corruption/anti-bribery laws and avoid even the perception of impropriety.

As a global enterprise, Sonata Software Limited must comply with all applicable law of land, including the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA), and the Indian Prevention of Corruption Act, 1988 (PCA) and other similar anti-corruption laws around the world. These laws set prohibitions on giving bribes in any mode whether in the form of improper payments, gifts or inducements of any kind to or from any person, including government officials, public sector undertaking or private sectors, customers, suppliers, books and records requirements, and criminal and civil penalties for violations of it. Our Company is equally committed to the prevention, deterrence and detection of bribery and other corrupt business practices. Bribery and corruption can take in many forms including cash or gifts to an individual or family members or associates, inflated commissions, fake consultancy agreements, unauthorized rebates, non-monetary favours and false political or charitable donations. These actions may be undertaken directly or through a third party. It is illegal and immoral to, directly or indirectly, offer or receive a bribe.

Different statutes adopt different yardsticks to determine whether or not a particular act or omission is an offence thereunder; thus, an act may be an offence under one statute, but not under another. The FCPA makes it a federal crime for companies or individuals to bribe government officials in non-U.S. countries in order to obtain or retain business, or to secure improper business advantages. The FCPA also requires public companies or issuers (U.S. and non-U. S companies that trade securities on a U.S. stock exchange), to keep accurate books and records, and to have an adequate system of internal financial and accounting controls. The UKBA prohibits bribery in both the public and private sectors. Under the PCA, bribery of government officials and agents, whether directly or indirectly, is strictly prohibited in India.

It would also be pertinent to note the impending amendments proposed to be introduced upon enactment of the Prevention of Corruption (Amendment) Bill in India which are intended to strengthen the legislative framework of the PCA and include:

- 'supply' side of bribery (i.e. bribery giving) to be covered by making it a substantive offence under the PCA.
- a company could be held liable under the PCA as an offender if any person 'associated' with the company gives a bribe. However, a company would be able to defend itself by proving that it had in place adequate procedures (such as a robust Global Anti-Corruption and Anti-Bribery procedure) designed to prevent persons associated with it from undertaking such conduct; and
- every director, manager, secretary or other officer with whose 'consent or connivance' the offence was committed, to be made liable under the PCA.

In addition to the PCA, the following laws in India also presently apply to offences relating to or resulting in corruption and bribery and resolutions available in case of occurrence of corruption or bribery:

- (i) Indian Penal Code, 1860 ("IPC")
- (ii) Prevention of Money Laundering, 2002
- (iii) Central Vigilance Commission Act, 2003
- (iv) Lok Ayukta Acts of various states

The purpose of this model Global Anti-Bribery and Anti-Corruption Policy ("GACAB Procedure") is to ensure that our Company sets up adequate procedures in order to prevent our Company's involvement in any activity relating to bribery, facilitation payments, or corruption, even where the involvement may be unintentional. It requires employees, directors, officers of the Company and third parties subject to this Policy to recognize questionable transactions, behaviour or conduct, and to take steps to record, comply and follow procedures set in place to deal with such behaviour or conduct.

This GACAB Procedure constitutes a minimum standard. It must be complied with in any country in which our Company does business even when the policy is stricter than the anti-bribery laws that are applicable, including both applicable local laws and those laws with extra-territorial application. However, when applicable anti-bribery laws are stricter than this policy, such laws must be complied with.

The guidelines in this GACAB Procedure supplement the Sonata Code of Conduct and should be read in conjunction with:

- a) Code of Conduct
 - b) The Vigil Mechanism/Whistleblower Policy;
 - c) Any guidance published pursuant to this policy;
 - d) Any other relevant policies as may be implemented from time to time.
- Because no code of conduct or policy can cover every possible situation, our Company relies on the Designated Persons to use good judgment and to speak up when they have either questions or concerns.

3. Scope

The Global Anti-Corruption and Anti-Bribery Procedure (the "Procedure") policy applies to the entire Sonata Software workforce, operations, subsidiaries and affiliates, in terms of all dealings and transactions in all countries where Sonata Software operates. The entire Sonata Software workforce, including others acting on behalf of Sonata Software, are required to read, understand, and abide by this policy.

4. Procedure Statement(s)

In alignment with laws around the world, we at Sonata Software do not promise, offer, give or authorize, directly or indirectly, a bribe or anything of value to anyone – including any government officials/employee, representative of a government, including state-owned enterprises and/or state-controlled entities, private (non-government) officials, or employees of any business – to attempt to improperly influence any act or decision to obtain or retain business, or to secure any improper advantage for Sonata Software. Corruption violates the public's trust, threatens economic and social

development, and hurts fair trade. To combat with the corruption, most countries have enacted anti-corruption/anti-bribery laws and regulations. These laws make it a crime to give, pay or promise “anything of value” (bribes) to:

- influence an act or a decision to obtain, retain and/or direct business, or
- secure an improper advantage of any kind.

5. Definition

i. Bribe

A bribe is not just cash in an envelope passed under a table. It includes the offer, promise, giving, demand or acceptance of an undue advantage as an inducement for an action which is illegal, unethical or a breach of trust. As per the International laws and Sonata procedure define a bribe as “anything of value” such as: providing lavish/inappropriate gifts cards, home repairs, tickets to a theater or sporting event, guest passes to a private club, a no-bid contract, a summer job for a teenage family member, free limo/courtesy car service rides, and more, where given to obtain an improper advantage. Bribery includes advantages provided directly, as well as indirectly through an intermediary. Just offering a bribe is also a violation, even if the transfer does not occur.

ii. Corruption

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

iii. Public Official (Government Official or Public Servant)/ Foreign Public Official

In the Indian context, a public official would include (but not be limited to) the following:

- a. any person holding a legislative, executive or administrative office of the government (domestic or foreign), or acting in the official capacity for or on behalf of a legislative, executive, or administrative office of the government (domestic or foreign), whether appointed or elected, whether permanent or temporary, whether paid or unpaid, irrespective of that person’s seniority.
- b. any person in the service or pay of the government or of a corporation established by or under a central, provincial or state statute, or an authority or a body owned or controlled or aided by the government or a government company or is remunerated by the government by fees or commission for the performance of any public duty;
- c. any person authorized by a court of justice to perform any duty, in connection with the administration of justice, including a liquidator, receiver or commissioner appointed by such court;
- d. any judge, including any person empowered by law to discharge, whether by himself/herself or as a member of any body of persons, any adjudicatory functions;
- e. Every arbitrator or other person to whom any cause or matter has been referred for a decision or report by any Court of Justice, or by any other competent public authority;
- f. Every person in the service or pay of the Government or remunerated by fees or commission for the performance of any public duty by the Government;
- g. any person who performs a public duty, including for a public agency or public enterprise, or provides a public service, as defined in the domestic law of the country and as applied in the pertinent area of law; and
- h. any other person defined as a “public official” under the domestic law. “State” means all levels and subdivisions of governments (i.e., local, regional, or national and administrative, legislative, or executive).

Foreign public official

Under non-Indian GACAB procedure, what constitutes a "foreign official" or "foreign public official" is interpreted broadly and includes the officials from all branches of government, as well as public international organizations, regardless of whether the official is a paid or unpaid employee. The term also includes political parties, party officials, and candidates for public office. Further it includes employees or agents of state-owned or state-controlled enterprises and means any person acting in an official capacity on behalf of any government department, agency, instrumentality, or corporation, family members of the official, as well as a political party official or any candidate for political office.

Improper performance

Breach of an expectation that a person will act in good faith, impartially or in accordance with a position of trust amounts to improper performance. This would also include obtaining, agreeing to receive, accepting, or attempting to obtain, an undue advantage for acts to be performed properly

6. Restrictions

A. Payments or "Anything of Value":

Except as otherwise provided in the Procedures, no offers, payments, promises to pay or authorizations to pay any money, make any gifts or provide "anything of value" may be made by or on behalf of the Company to any employees, agents, representatives or officials of any organization, whether a private company, a government-owned (or even partially owned) company, a political party or any other entity or organization. While the Procedure broadly prohibits from providing anything of value to representatives of private and government organizations to influence a business decision, you should be aware that the FCPA and the laws of other countries are placed on a higher scrutiny on payments or efforts to provide anything of value to officials of foreign governments and officials of foreign political parties. With respect to foreign officials, the following acts are generally prohibited:

- (i) Influencing any act or decision of such person or party in his, her or its official capacity;
- (ii) Inducing such person or party to do or omit to do any act that violates that person's or party's lawful duty; or
- (iii) Inducing such person or party to use influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality.

For purposes of this analysis, a "foreign official" is "an officer or employee of a foreign government or any department, agency or instrumentality thereof, or of a public international organization (such as the World Trade Organization), or any person acting in an official capacity for or on behalf of any such government or department, agency or instrumentality, or for or on behalf of any such public international organization." A "foreign official" includes not only a person who performs traditional governmental or administrative functions, but also an employee of an entity in which a governmental body has an ownership interest (even a minority interest). Such employee could still qualify as a foreign official even if he or she performs business-related functions as an employee of such entity engaged in commercial, rather than governmental, activities. For example, an

employee of a state owned enterprise could be a “foreign official” for purposes of the FCPA.

Level of Knowledge required for a Violation: Actual knowledge of a violation is not required to violate the Global Anti-Corruption Laws. If an individual knows or even has reason to know that an illegal act is likely to occur, there is sufficient knowledge to potentially violate one or more of the Global Anti-Corruption Laws. Deliberate avoidance of knowledge, willful blindness or conscious disregard of such knowledge will not avoid liability.

B. Facilitation Payments.

What is a Facilitation Payment?

A “facilitation payment” is a payment to a government official designed to secure or speed up a routine government action to which the applicant is entitled, such as: processing a visa, scheduling an inspection, securing mail pick-up or delivery, or getting utilities connected. This is sometimes described as “greasing the wheels” or “grease payments.”

In recognition of the importance of complying with the Global Anti-Corruption Laws, the Procedure prohibits all facilitation payments (also known as “grease payments,” except in the limited circumstances allowed under the FCPA in the USA. A “facilitation payment” is a personal payment to a government official or clerk, which is primarily made for the purpose of expediting or ensuring the performance of a routine government action.

Under the Accounting Provisions of the FCPA, a facilitation payment must be properly recorded in the Company's books and records in order to assure compliance with the law.

Except as described below, Sonata Software does not permit the payment of facilitation payments anywhere in the world. Facilitation payments are also expressly prohibited, and treated as bribes, by certain anticorruption laws (UK, Canada, Brazil, etc.) and many other countries and multi-country anti-corruption conventions (such as the Organization for Economic Cooperation and Development (OECD Convention)).

Limited Exceptions

A facilitation payment must only be paid as a final resort and with approval by Sonata Legal (and with approval within your management chain at the level of Vice President or above, and disclosure to the Chief Financial officer) if:

- there is no alternative and the expected delay will have a significant impact on the business
- it is in a country or situations in which such payments are customary and not expressly prohibited by law which is enforced in comparable cases
- the amount is modest given the facts and circumstances of the situations.

Any facilitation payments must be accurately described and documented in the appropriate accounting books and records as “facilitation Payments”

C. Hospitality Expenses.

Under certain restricted circumstances and consistent with the FCPA, certain "hospitality" expenses, such as transportation expenses, hotel accommodations, meals, entertainment, and nominal gifts may be made available to government officials. All such hospitalities must be:-

- (i) directly related to the Company's business;
- (ii) reasonable in amount and bona fide;
- (iii) offered only in connection with the promotion, demonstration or explanation of the Company's products or services or the execution or performance of a contract with a foreign government or agency thereof; and
- (iv) permitted under local law.

The provision of any such hospitalities should be infrequent, because the cumulative effect of regular hospitality may create the appearance of improper conduct. Appendix A to the Procedures lists a number of rules that must be considered when offering business hospitalities to "foreign officials". Proper internal Company approvals must be secured before incurring such expenses and internal reporting and document retention procedures must be following with respect to any such expenditures. It is important to note that no de minimis or minimum value is recognized under the UK Bribery Act, which means that even a single dollar of improper expenditures could violate the anti-bribery laws.

The Term directly related to Company's Business shall be interpreted under the following guidance – The less business conducted at any event, the higher the risk it could be viewed as a personal benefit to the guest. To mitigate this risk, Sonata applies an 80/20 rule: If 80% of the agenda is business presentations in a business setting, it is a low risk business event. Any guest can be invited (including government and competitive bid cycle guests). If more than 20% of the agenda is networking and entertainment, it is a higher risk "Hospitality Event." High risk guests (government and competitive bid cycle guests) cannot be invited.

D. Accounting Provisions.

Records must be kept in reasonable detail to accurately and fairly reflect transactions and dispositions of assets. False, misleading or incomplete entries in such records or in other documents are prohibited. No undisclosed or unrecorded fund or account may be established for any purpose. A system of accounting controls must be maintained that provides reasonable assurances that:

- (i) transactions are executed in accordance with management authorization
- (ii) transactions are recorded so as to permit preparation of accurate financial statements and to maintain accountability for assets;
- (iii) access to assets is permitted only in accordance with management authorization; and
- (iv) appropriate auditing functions are conducted

E. Transactions with Third Parties, Consultants and Other Intermediaries.

The term "third party" includes any individual or organization, who/which comes into contact with the Company or transacts with the Company, and also includes actual and potential clients, vendors, consultants, retainers, agents, advisors, distributors, business associates,

partners (including academic institutions), contractors, suppliers or service providers who work for and on behalf of the company.

The Company may be held responsible under the various Global Anti-Corruption Laws if agents, consultants, distributors, lobbyists, partners, joint venture partners or other third parties ("Third Parties" or "Third Party") improperly provide anything of value to influence a decision when acting on behalf of or in connection with its representation of the Company or its products or services. For that reason, it is important to conduct due diligence on such Third Parties and not disregard or ignore facts that indicate a probability that such party may improperly provide anything of value or otherwise act improperly. In order to minimize this risk, the Company has rigorous evaluation standards for entering into any Third Party relationship.

In accordance with Sonata's due diligence process, all Third Parties must meet the following standards:

- (i) Reputable - requisite experience and expertise;
- (ii) Credible - business references should be obtained if possible;
- (iii) Financially stable - adequate resources to fulfill commitments;
- (iv) Commitment to comply with law - Third Party agrees to comply with all applicable laws and to not make improper payments.
- (v) Execute an Acknowledgement of and agreement with the principles of the SONATA Global AntiCorruption and Anti-Bribery Procedure.

In connection with establishing business relationships with a Third Party (ies), each employee involved in the selection process shall endeavor to perform an appropriate due diligence investigation to confirm that there is no record of improper or unethical practices on the part of the Third Party. Proper documentation must be retained in order to demonstrate that an appropriate investigation was conducted. Procedures may vary according to country. In countries where corruption risk is limited, information available from public sources may be sufficient. In locales with high corruption risk, it may be necessary to hire private investigators to verify the reputation, credibility and financial stability of a Third Party. Before hiring a private investigator for this purpose, you must obtain the prior approval of the Legal Head.

Any payment to a Third Party (ies) must be commensurate with the amount of work performed and not at a level that could induce a Third Party to perform improper acts or that could create a perception that improper acts have occurred. Payments or the provision of anything of value to Third Parties must be reviewed carefully in accordance with the above guidelines prior to being issued and must be referred to the Legal Head if the review unfavorable information or "red flags".

Each Third Party (ies) should sign a contract containing appropriate provisions to document their commitment to compliance with the applicable Global Anti-Corruption Laws and this Procedure. The Legal Head should be consulted for appropriate language. In addition, appropriate and reasonable efforts must be made to educate Sonata's Third Parties of the compliance requirements under this Procedure.

F. Obligations to Report.

- 1) **Employees:** Employees must immediately report any suspected or actual violations (whether or not based on personal knowledge) of applicable law or regulations to the Head of Legal. Once an employee has made a report, the employee also has an obligation to update the report as new information comes into his or her possession. Under no circumstances shall the reporting of any such information serve as a basis for retaliatory actions against the employee making the report if that employee has acted in good faith and did not participate in the reported activity. If the reporting employee participated in activities which violate Company policies or procedures or the law, the Company will consider the circumstances and determine an appropriate course of action. Any outside inquiries regarding the Company's practices under the Global AntiCorruption Laws, including oral or written requests for information must be promptly referred to the Sonata Head of Legal for response in the first instance. Sonata's Head of Legal, Head of HR and Chief Financial Officer are the only employees who may authorize a Company reply to such inquiries.
- 2) **Third Parties:** All Third Parties are expected to report any suspected or actual violations (whether or not based on personal knowledge) to either their Sonata business contact or the Sonata Legal Head.

G. Charitable and Political Contributions

Donations to charitable organizations are ordinarily regarded as good corporate citizenship, those made to organizations in which government officials possess a role, such as trustee, cause concerns under international anti-corruption laws. Similarly, the FCPA and the U.S. authorities have taken the position that a donation made to a charity associated with a government official is considered a benefit for that official. Any donation made to a charity associated with a government official must be in accordance with the CSR Policy. Donations to charity may also be considered a gift, it is required to disclosure and approval, as referenced above).

Political parties and candidates are considered government officials. Therefore, no political contributions can be offered or made on behalf of Sonata Software, unless pre-approved by the Managing Director & CEO of the Company and other necessary approval as required under local law. Political contributions can come in any form, including:

- monetary items
- non-monetary items (such as loaned or donated equipment, free technology services, or a donation of an employee's time)
- use of corporate resources (such as: facilities, email, stationery, personnel time)

Accordingly, no assets, including time at work, use of Sonata Software premises or equipment, or direct monetary payments, may be contributed to a political candidate, political action committee, or to support or oppose a ballot measure without the written permission of Sonata Government Affairs.

Before making such a contribution, the Designated Persons should ensure that:

- a. Such charitable contributions are not dependent on, nor made to win, a business deal.

- b. The contribution is always made to the charity and not to any particular individual, except where donations or grants are provided, pursuant to the Company's CSR policy.
- c. Contributions should be given to entities where the end use of the contribution is known and/or controlled.
- d. Contributions should only be made to charitable organizations which are registered under the laws of the country.
- e. As far as possible, background checks on the charitable organizations should be carried out in all cases specially to ensure that the charity does not act as a conduit to fund illegal activities in violation of anti- money laundering laws, anti-terrorism laws and other applicable laws.
- f. Only such charitable contributions shall be made that are legal and ethical under local laws and practices.

H. SPONSORSHIPS

Sponsorships are closely allied to the various types of community / business activities undertaken by our Company. These could range from sponsoring educational scholarships to local sports teams. Any sponsorship must be for genuine business or charitable objectives without any element of quid pro quo. Any such sponsorship must be transparent, duly approved, properly documented and duly reported as per our Company's CSR Policy.

I. MERGERS AND ACQUISITIONS

- i. A company that does not perform adequate due diligence regarding compliance with anti-bribery and anticorruption procedures of the target company prior to a merger or acquisition may face both legal and business risks. Our Company will undertake appropriate and reasonable due diligence on the reputation and integrity of any business in which it makes investments.
- ii. Our Company, when it is acquiring a potential target, will train new employees, re-evaluate third parties under company standards and where appropriate, conduct audits on new business units.

J. BOOKS, RECORDS, AND INTERNAL CONTROL REQUIREMENTS

- i. Accurate and complete recordkeeping is essential for successful operation of our Company, as well as to our ability to meet our legal and regulatory obligations. Each Designated Person has a responsibility to be accurate, complete and honest in what he/she reports and records to meet the regulatory requirements, as well as in all internal and external documents of the Company, including accounting records, time cards, expense reports, invoices, payroll records, safety records, business records, performance evaluations, etc.
- ii. All business units and entities must maintain an effective system of internal control and monitoring transactions. Certain monitoring controls are identified in our policies, specifically regarding approval of travel and entertainment expenses. It is the responsibility of the Designated Persons to be knowledgeable about control procedures and ensure compliance. Designated Persons are required to ensure that all expense claims relating to hospitality, gifts or charitable donations are submitted in accordance with applicable policies and specifically record the reason for the expenditure.
- iii. Any expenses must not be hidden or purposefully misclassified/misrepresented. Many serious global bribery and corruption scenarios are found to involve inaccurate record-keeping. To prevent this, international anticorruption laws generally require detailed

and accurate accounting records for transactions, including cash and bank accounts. All Designated Persons must ensure that we maintain accurate books, records and financial reporting.

- iv. Designated employees are required to maintain all financial records and have appropriate internal controls in place which will evidence the business reason for making payments to or receiving payments from third parties.
- v. In addition, any undisclosed or unrecorded company funds, or "off-book funds", are any funds inappropriately established or retained in a non-Sonata Software account (including a partner, agent, supplier or consultant) where the use of the funds continues to be directed by Sonata Software employees without any proper transparency, authorization, documented terms and conditions, and appropriate accounting treatment on Sonata's books and records in accordance with the company's policies. Off-book funds can be created in any number of ways with customers, partners, and marketing or other vendors, including, but not limited to: nonstandard discounting, unrecovered rebates or credits, misuse of sales/marketing incentive funds, excess vendor payments (including prepayments), or any other efforts to control the company's funds outside of the company's established financial record keeping processes. The establishment, retention or use of off-book funds (and any attempt to circumvent or manipulate processes, systems or data associated with off-book funds), whether intentional or inadvertent, and even if ultimately used for an appropriate business expense or purpose, would be a serious violation of Sonata Software's Code of Conduct, and this Global Anti-Corruption and Anti-Bribery Procedure, and can result in severe disciplinary action(s).

K. Employees Responsibilities

It is the personal responsibility of all employees to acquaint themselves with the legal standards, restrictions and responsibilities applicable to their assigned duties and comply with the Procedure and to contact Legal Head in a timely manner to resolve any questions or concerns regarding a proposed action. Any questions or concerns must be resolved prior to proceeding with any questionable transactions.

- i. **Training**
The online Global Anti-Corruption training is required for all Sonata employees working in certain functions such as Sales, Marketing, Services, Legal and Finance. However, all employees are encouraged to take this training.
- ii. **Penalties** Violations of anti-corruption laws can cause criminal, civil and regulatory penalties including fines and/or imprisonment, and even the perception of impropriety can damage the reputation of Sonata and its employees. If an employee violates anti-corruption laws or this policy, it may result in disciplinary action, including termination of his/her employment.
- iii. **Questions, Concerns or Reporting Potential Violations** Employees who see something suspicious are required to say something, even if it is their manager or other superior who may be violating the policy. When employees are contacted by Legal or the Ethics Office, they have an obligation to cooperate with investigations into ethical misconduct. Failure to cooperate and provide honest, truthful information may result in disciplinary action, including termination of employment.

Sonata will not tolerate retaliation against anyone who, in good faith, reports a concern or cooperates with a compliance investigation. Managers or other employees

who retaliate against any other employee will be subject to disciplinary action, up to and including termination. Any suspected retaliation should be reported immediately.

L. Global Anti-Corruption and Anti-Bribery Procedure Compliance
Procedure compliance requirements are as follows:

- a. Compliance Effective Date
This Global Anti-Corruption and Anti-Bribery Procedure is effective on the 'Last Revision Date' as indicated on the title page hereof.
- b. Compliance Measurement
Compliance with all Sonata policies is required. Compliance with this procedure is verified through various methods, including but not limited to, active monitoring of the expense reimbursement and gift tracking systems, reports from available business tools, internal and external audits, self-assessment, reports of potential violations and/or other feedback to the policy owner.
- c. Compliance Exceptions
Any exceptions to the Anti-Corruption and Anti-Bribery policy must be approved by Sonata Legal and the Higher Management Authority.

Non-Compliance Deviations or non-compliance with this procedure, including attempts to circumvent the stated procedure/process by bypassing or knowingly manipulating the process, system, or data, may result in disciplinary action, up to and including termination, as allowed by local laws.

7. Appendix

The following rules govern the offering of gifts, entertainment and business hospitalities to Foreign Officials in specific circumstances.

- (i) Business Gifts, entertainment, and hospitality may be acceptable sometimes if they are reasonable, proportionate, made in good faith and has been used in the normal course of business activity.
- (ii) However, frequency of gifts and hospitality (including travel and entertainment) or of substantial value must be carefully monitored as the cumulative effect of it may give rise to the appearance of improper conduct/illicit payment on part of the management and/or employee.
- (iii) In the case of visits or similar activities by foreign government officials or employees, written invitations and itineraries must be prepared and sent to the foreign officials, to enable them to consult with and obtain approval from their superiors and to give them the option to decline. Prior written approvals or confirmations from the invitee's superior or other authorized officials or file memoranda reflecting relevant conversations in this regard should be retained.
- (iv) Therefore refreshments, meals or mementos given or received should be of reasonable value and appropriate in accordance with the guidelines as are permissible by Sonata.
- (v) Cash gifts or per diem payments are not permitted under any circumstances. Gifts bearing the Company logo or other items of small dollar value that are distributed for promotional or commemorative purposes are permitted. Prior approval by Sonata's Legal Head is required for hospitality offered to spouses, children and/or family members of foreign officials.
- (vi) Working luncheons and dinners of reasonable value are permitted and meals and entertainment for goodwill of Sonata are also permitted so long as the cost is reasonable,

consistent with local business practices and properly recorded in compliance with the Sonata expense reporting/reimbursement procedure, with specific reference to the venue, the names of the officials who attended and details regarding the business/opportunity that was discussed.

- (vii) As a general guide, the giving or receiving of gifts or hospitality may be acceptable if it meets all the following requirements:
- a) Is bona-fide and made in the normal course of business and does not create an appearance that the gift giver is entitled to any preferential treatment, an award of business, better prices, or improved terms of sale or service or any other favour from Sonata;
 - b) Would not influence, or appear to influence, or cause a conflict of interest for the gift giver or receiver;
 - c) Complies with local laws and customs (including cultural and religious festivals) and is not prohibited under applicable law;
 - d) Does not include any form of services or non-cash benefits such as promise of employment;
 - e) Does not include cash or cash equivalents, gold or other precious metals, gems or stones;
 - f) Is fully documented and supported by original receipts and accurately recorded in the books of accounts;
 - g) Disclosure of the same does not cause embarrassment to the giver or receiver or to the company in question;
 - h) Is given openly, not secretly and in a manner that avoids the appearance of impropriety.

In addition to the above stated procedure, each employee of Sonata is required to be in compliance with the specific guidelines set out in the Company's Global Anti-Corruption and Anti-Bribery Procedure.

Revision History

Version	Date of approval	Drafted/ Revised by	Reviewed by	Approved by	Changes
Version 1	7 th August 2018	Global C&B head	Legal Head	Head of HR	i. Initial draft
Version 1.1	15 th November 2019	Global C&B head	Legal Head	Head of HR	No changes
Version 2	1 st October 2024	Global C&B head	Legal Head	CHRO	Template change No changes in the policy
2.1	14 th July 2024	Global C&B head			Template change No changes in the policy
2.2	12 th November 2025	Global C&B head			Template change No changes in the policy



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AHEAD**

THANK YOU

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