

Anti-Bribery and Anti- Corruption Policy

Preamble

IIFL Securities Limited (hereinafter referred to as 'IIFL Securities', 'The Company') is committed to doing open and fair business by following highest standards of ethics and corporate governance. The Company has a zero-tolerance approach to bribery, corruption and other forms of unfair practices and is committed to act professionally, fairly and with integrity in all their business dealings and relationships wherever they operate.

IIFL Securities is also steadfast to implement and enforce effective systems to counter bribery and corruption in any form.

The Company mandates compliance with all applicable anti-bribery and anti-corruption laws in which it operates. This policy is aligned with the Company's code of conduct and other internal policies and to the Prevention of Corruption Act, 1988, Indian Penal Code, 1860, Prevention of Money Laundering, 2002, Central Vigilance Commission Act, 2003; Lok Ayukta Acts of various states etc.

This policy should be read in conjunction with the Company's Gifts policy. As it has been widely acknowledged that corporate gifts and hospitality, whether lavish or not, can be used as a subterfuge for bribery and corruption, it is therefore important that compliance with this policy includes adherence to the rules within the internal Gifts' policy as well as following the spirit of the Company's zero-tolerance approach to bribery and corruption.

Purpose:

The purpose of the policy is to:

- set out the Company's responsibilities, and those of anyone working for and on their behalf, in observing and upholding its position on bribery and corruption in government and non-government (private commercial) dealings.
- provide information and guidance to those working for the Company, including but not limited to the entire supply chain and any third party (or their affiliated enterprises conducting business with the Company) on how to recognize and deal with bribery and corruption issues.

Scope:

This Policy applies to all stakeholders, or any other person associated with IIFL Securities and who may be acting on behalf of the Company.

Definitions

Bribe is anything of value, including money, gifts and entertainment, other business courtesies, hospitality, or personal gratification given, offered, or received in an attempt to influence a person's behaviour, in order to obtain or retain business, or to secure an unfair benefit or advantage.

'Corruption' is the "abuse of entrusted power for private gain". Corruption is deceitful behavior that people in positions of power exhibit for personal gain.

'Facilitation payment' means small unofficial payments paid to speed up an administrative process or secure a routine government action by an official. However, facilitation payments should be contrasted

with official, lawful, receipted payments (typically to an organization rather than an individual) to expedite certain functions, e.g., where there is a choice of fast-track services to obtain a passport.

'Third party' means any individual or organization who has business dealings with the Company and includes actual and potential business associates, customers, contractors, subcontractors, business partners, suppliers, distributors, business contacts, agents, technical and other consultants and government bodies and officials or any other person associated with or acting on behalf of the Company.

'Kickback' means an unethical payment intended as compensation for preferential treatment or any other type of improper services received.

'Family' includes spouse, parent, child, sibling, grandparent, grandchild, mother or father-in-law, or other family member who live along with or otherwise financially dependent on the employee, or on whom the employee is dependent financially.

'Stakeholders' include but not limited to individuals, directors, employee working at all levels and grades (whether permanent or temporary), consultants, business partners, vendors, service providers, suppliers, contractual staff, apprentices, direct selling agents, and any other person/ entity acting for on behalf of IIFL Securities.

Guiding Ethical Principles

Policies and guidance document is limited in its coverage with reference to real time circumstances. The Company therefore provides some guidance below to help a person make decisions about appropriate business conduct. If one can answer yes to following quick questions, then the circumstance is favourable to proceed ahead with:

- Is the action legal?
- Is it right and honest?
- Is the action consistent with the terms and spirit of this policy and the values as a business?
- Does it avoid creating a sense of obligation?
- Can one justify this to the manager, the responsible person and to the family?
- Would one feel comfortable if the action became public knowledge?

Boundaries

The employees and third-party service providers of IIFL Securities are prohibited from:

- Offering or suggesting a Bribe, or authorizing the offer or suggestion of a Bribe
- Receiving and giving Bribes
- Criminal Breach of trust.
- Cheating
- Charity in order to obtain commercial advantages.
- Soliciting or accepting a Bribe to influence a decision, to obtain unauthorized access to confidential information, or to commit or omit to do an act, whether or not the outcome would have been the same without the Bribe
- Making facilitation or grease payments

- Using another party to conduct any of the above
- Using vendors or suppliers that do not have any past records on bribery and corruption
- Processing funds known to be, or reasonably suspected of being, the proceeds of bribery or corruption

Forms of Bribery

There can be numerous types or forms of bribery (including kickbacks) and corrupt practices, but the following areas pose the greatest risk as identified by the Company:

Fee payments

Where an agent or intermediary is used to make introductions to officials of public or government bodies and agencies, steps must be taken to ensure that any fee paid by the Company is proportionate to the activity being performed and in accordance with local law and the requirements of this anti-corruption policy.

No such fee payments can be made without the express approval of business line management who may obtain advice from Compliance or, if necessary.

Bill payments

Payment of inflated bills to vendors without actual delivery of work or service.

Charitable donations

When funds are donated in the name of the Company for charitable purposes, appropriate due diligence must be conducted to ensure that, where a public official or public body is associated with the charity, written agreement is obtained.

Any charitable donation must always be made directly to a recognized charitable organization and not via another party or individual. In case of doubt refer to line management who may obtain advice from Compliance officer.

Public officials

Appropriate due diligence must be conducted when public officials, their relatives or their close associates are invited to any entertainment provided by IIFL Securities, or when payments are made to them by or on behalf of the Company.

Political donations

No political contribution to a candidate for public office, an elected official, a political party or political action committee, can be made, on behalf of the Company without prior approval from the Compliance Officer.

Offers of employment

Care must be taken when providing work experience or employment to people that is connected to, or are relatives of, senior public officials. Although it is not prohibited to employ such staff it is important to avoid any perception that any hiring is for an improper purpose. Where such a hiring is being considered, approval from business line management must be obtained.

Gifts and hospitality

Employees may accept gifts and hospitality only in conformity with the Company's Gift Policy.

Record Keeping and Internal Controls

- The Company shall maintain books, records and accounts that conform to the highest professional standards of accuracy and consistency and that, in reasonable detail, accurately and fairly reflect the Company's transactions.
- The Company shall maintain internal controls to prevent and detect potential violations of this Policy or of applicable laws. All persons must completely and accurately document the amount of all transactions, including payments made on behalf of or expenses incurred by the Company.
- Violation of this Policy, may result in legal /disciplinary action.

Reporting and Action

All stakeholders are encouraged and required to report any knowledge or suspicion of the request for, offering, giving or receiving of a corrupt payment at the earliest possible stage. If they are unsure whether a particular act constitute bribery or corruption or if they have any other queries they should immediately contact the concerned Business Head or Regional Business Head or Functional Head or Head- Legal or Head - Human Resources. The concerns regarding the non-adherence of this Policy can be raised in accordance with the Whistle Blower Policy of the Company available on the official website of the Company i.e. www.iiflsecurities.com. The designated email id for the same is iiflsecwhistleblower@iifl.com.

The Whistle Blower Policy of the Company sets out the process that will then be followed and the protections that a Whistle Blower can expect should they raise such concern or complaint in relation reporting to any actual or suspected breach of this Policy.

Responsibilities

1. Audit Committee

The Audit Committee shall be responsible for ensuring that this Policy complies with the Company's legal and ethical obligations, and that the employees are aware of and comply with it through regularly scheduled mandatory training and appropriate systems and controls.

2. Business/Functional Heads

- a) Must ensure those employee reporting to them
 - i. Are made aware of, understand and adhere to this Policy
 - ii. Complete their allocated training
- b) Must monitor the work of their teams and address issues that fall under the ambit of the Policy as and when they arise
- c) Are responsible, in coordination with the Legal department and Internal Audit, the results of periodic assessments of compliance with this policy, ensuring they are addressing both external and internal key risk factors in respect of bribery and corruption in relation to their business unit/function.
- d) Must ensure that accurate records of all documentation linked to the giving or receiving or gifts and hospitality, must be accurately maintained and periodically reviewed by Internal Audit function.

3. **Human Resources Function** has responsibility for notifying new employees about this Policy at their induction and ensure appropriate training is imparted to all employees as per this Policy.
4. **Legal Department** has primary and day-to-day responsibility for implementing this Policy, and dealing with any queries on its interpretation.
5. **Internal Audit** is responsible for monitoring the compliance of the business with this Policy during their routine business audits.

Training And Communication

- All employees would receive a mandatory training regarding the implementation and adherence to the policy as a part of their new-hire induction program as well as annual refresher through various means.
- The policy shall be easily accessible on company's' website/intranet/employee handbook/code of Conduct.

Review

The Legal Department will annually review the effectiveness and implementation of this Policy. Any amendments shall be placed before the ESG Committee/Audit Committee/Board for approval.

Last amended January 23, 2023	Reviewed by Audit Committee
Process Owner Legal Department	Approved by Board of Directors