

ANTI-BRIBERY AND CORRUPTION POLICY

I. Introduction

This Anti-Bribery and Corruption Policy (“the Policy”) applies to all directors, officers, employees and temporary workers¹ (collectively, “you”) of The Leela Palaces Hotels and Resorts (Schloss HMA Pvt. Ltd.) and its wholly owned subsidiaries and associates (“we”, “us”, “our” or the “company”).

The Company and its affiliates are committed to operating with the highest ethical standards and this includes preventing bribery in our business activities. This Policy sets forth key principles and standards, as well as key supporting policies and procedures, with respect to addressing bribery risks in our business, which should guide your conduct.

This Policy should be read in conjunction with the Code of Business Conduct and Ethics (“the Code”), which serves as a guide for how you should conduct yourself as a member of our team.

II. Zero Tolerance Approach to Bribery

Do not give or receive bribes, including facilitation payments.

We have, over many years, built a reputation for conducting business with honesty and integrity. It is vital for us to maintain this reputation as it generates confidence in our business from our customers, clients, investors, investees, and other persons – which ultimately means it is good for business.

We do not pay bribes in furtherance of our business and expect that you will not do so on our behalf. We have a zero-tolerance approach towards bribery. This commitment comes from the highest levels of management, and you must meet this standard.

A bribe is anything of value that is offered, promised, given, or received to improperly influence a decision or to gain an improper or unfair advantage in promoting, enhancing, obtaining or retaining business. Bribery may not always be in the form of cash payments and may take many other forms, including:

- Gifts, travel, entertainment and hospitality;
- Political contributions, charitable donations or sponsorships;
- Employment opportunities, directorships, internships or secondments;
- Procurement and service contracts;
- Phony jobs, internships created for particular people, or “consulting” relationships;
- Excessive discounts or rebates; or
- Non-arm’s length loans, forgiveness of debt or other transactions.

Facilitation payments are also a form of bribe and are, therefore, not permitted. Facilitation payments are small payments made to secure or speed up routine actions or otherwise induce public officials or other third parties to perform routine functions they are otherwise obligated to

¹ For purposes of the Policy, “temporary workers” include non-full-time employees and consultants and contractors etc. that work on our premises.

perform, such as issuing permits, approving immigration documents or releasing goods held in customs. This does not include official, legally permitted statutory or administrative fees formally imposed and codified by government agencies for expedited service.

Please refer to the company's Anti-Bribery and Corruption Program that outlines the actions we take to prevent and detect bribery in our business. This Policy must be read alongside the Anti-Bribery and Corruption Program to understand all requirements applicable to you to ensure compliance with relevant laws and this Policy.²

III. Dealing with Public Officials

Interactions with public officials require enhanced scrutiny and sensitivity.

A public official is any person who is employed by or is acting in an official capacity for a government, a department, agency or instrumentality of a government or a public international organization, or any other persons so defined in the applicable laws of the jurisdiction in which we operate. This is a broadly defined term and includes elected or appointed persons who hold legislative, administrative, or judicial positions, such as politicians, bureaucrats, civil servants, and judges. It also includes candidates for political office, political party officials and persons who perform public functions, such as professionals working for public pension plans, public health agencies, water authorities, planning officials and agents of public international organizations, such as the United Nations or World Bank. A public official may also include employees of government-owned or controlled businesses, including sovereign wealth funds and state-owned utility companies. For example, if a government has an interest in a utility and exercises control over the activities of that utility, then the utility's officials are likely to be considered public officials. Third parties acting at the direction of these individuals and entities should also be considered public officials.

There is increased sensitivity and scrutiny of dealings with public officials because this has traditionally been an area where bribery activity is more likely to occur. Be cognizant of these risks in your dealings and interactions with public officials and consider how your actions may be viewed. For example, payments, gifts or employment to close relatives of public officials have been treated by enforcement authorities as direct payments to the public officials and, therefore, may constitute violations of law.

Hiring public officials or persons referred by public officials requires enhanced scrutiny.

Hiring public officials or applicants related to, or referred by, public officials could be seen as a bribe in certain situations and should be subject to enhanced review to ensure that the related risks are appropriately mitigated. Consult the Corporate Human Resources (HR) team for procedures related to identifying and mitigating these risks.

In practice, situations can be complex, and this Policy does not cover every circumstance that you may encounter. When in doubt, please contact the company's Audit & Risk Management team for assistance.

² All portfolio companies are expected to ensure that if they do not adopt this Policy and the ABC Program and accompanying documents as is, they must incorporate all requirements (i.e., refer to Appendix A, "Detailed Considerations," which must be implemented by the Company).

Refer to the ABC Program for additional requirements, particularly for portfolio companies in high-risk jurisdictions, pertaining to interactions with public officials.

IV. Third Parties

Third-Parties are not permitted to pay bribes on our behalf.

The company may be scrutinized and/or prosecuted for failing to detect and prevent bribery by a person associated with it. This includes any individual or entity that performs services for or on behalf of the company. Employees should avoid doing business with third parties who do not have a zero tolerance approach to bribery.

This means due diligence should be undertaken on contractors, joint venture partners, agents and other third-parties to establish their anti-bribery credentials, where warranted by the assessed level of risk. This due diligence could include meeting with them to better assess their business practices and anti-bribery and corruption policies / controls and making commercially reasonable inquiries into their reputation and past conduct. Other risk mitigation strategies, such as including anti-bribery language in agreements, should also be implemented, as appropriate.

Please refer to the company's Third-Party Sourcing, Payment and Risk Management Policy for further details.

V. Gifts, Meals and Entertainment

The giving or receiving of gifts, meals and entertainment should be proportionate and reasonable for the circumstances, for legitimate purposes only, and not with a view to improperly inducing a third-party to misuse their position, as a quid pro quo for official action or with linkage to an official decision.

Please refer to the company's policies covering gifts, entertainment, political contributions, charitable contributions, etc. for additional details.

If you are in doubt as to whether proposed gifts, meals or entertainment to be given or received are appropriate, please consult the company's Audit & Risk Management Team for assistance.

VI. Charitable Donations

Do not solicit or offer donations to clients, suppliers, vendors, public officials or others in a manner which communicates that a donation is a prerequisite for future business or that the offer of a donation is intended to obtain or retain business and a business advantage.

Please refer to the company's policies covering gifts, entertainment, political contributions, charitable contributions, etc for further details.

VII. Political Contributions and Lobbying

Do not offer or make contributions to political parties, officials and/or candidates that might influence, or be perceived as influencing, a business decision.

Consult the applicable Political Contribution, Donations and Sponsorship Policy and get prior written approval from the Audit & Risk Management team before making any political contributions on behalf of the company.

Do not engage in any lobbying activities on behalf of the company without specific authorization.

If you are in doubt as to whether a proposed political contribution is appropriate, please consult the company's Audit & Risk Management team for assistance.

VIII. Record-Keeping

Record all our transactions in a complete, accurate and detailed manner so that the purpose and amount of the transaction is clear.

In addition to prohibiting bribery, anti-bribery legislation and other laws expressly require accurate and complete recordkeeping and the establishment and maintenance of an adequate system of internal controls. One purpose of these provisions is to prevent companies from concealing bribes and to discourage fraudulent accounting practices.

All transactions should be recorded completely, accurately and with sufficient detail so that the purpose and amount of any such payment is clear. No undisclosed or unrecorded funds or assets of the company should be established for any purpose. False, misleading, or artificial entries should never be made in the books and records of the company for any reason.

IX. Reports and Complaints

Internal reporting is critical to the company's success, and it is both expected and valued. You are required to be proactive and promptly report any suspected violations of this Policy, or any illegal or unethical behaviour of which you become aware, including, but not limited to, any situations where a public official or other party requests or appears to request an inappropriate benefit³. The confidentiality of reported violations will be maintained to the fullest extent possible, consistent with the need to conduct an adequate review and subject to applicable law. No retribution or retaliation will be taken against any person who has filed a report based on the reasonably good faith belief that a violation of the Policy has occurred or may in the future occur.

Employees may report actual or potential misconduct or violations of the Policy to their supervisor / reporting manager in the first instance, since their supervisor / reporting manager is generally in the best position to resolve the issue. Alternatively, you may contact the Hotel or Corporate HR Department or the company's Audit & Risk Management team to report any actual or potential misconduct or Policy violations, or if you have any specific or general questions. In the event you do not want to report violations to your supervisor, HR Department or the Audit & Risk Management team, you can always make a report through the company's reporting hotline. See the Code of Business Conduct and Ethics and Whistleblowing Policy for our reporting hotline information, which is managed by a third-party and allows for anonymous reporting of suspected violations.

³ Document and report to supervisors and/or internal counsel any situations where a public official requests—or appears to request—a personal or other inappropriate benefit; for instance, when a public official suggests to:

- Retain a specific vendor
- Offer a job to a friend or relative
- Make a specific charitable contribution
- Provide meals, gifts or entertainment
- Make a payment to expedite required approvals or permits
- Or when you encounter other suspicious behavior, especially when a public official or agency has a questionable reputation

Disciplinary Action for Policy Violations

Please note that we reserve the right to take disciplinary action for Policy violations that fits the nature and particular facts of the violation. This could, in the most severe circumstances, include immediate termination for cause and, if warranted, legal proceedings may be brought against you.