

## **LEMON TREE HOTELS LTD. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY**

### **Scope & Applicability:**

Lemon Tree Hotels Ltd. (LTH) is committed to applying the highest standards of ethical conduct and integrity in its operations. LTH takes a zero-tolerance approach to bribery and corruption<sup>1</sup> and is committed to acting professionally, fairly and with integrity in all business dealings and relationships. The policy is applicable to all the directors, employees, officers, contractors, consultants, contractors, trainees, seconded staff, casual workers, volunteers, interns, agents, or any other person associated with LTH (collectively referred to as 'Employees' in this Policy).

### **Policy:**

LTH is bound by all laws (including money Laundering laws) relevant to countering bribery and corruption applicable to us

LTH condemns bribery and corruption in any form. LTH does not support nor solicit unlawful payments or receipts towards any portion of a contract and/or financial agreement.

LTH does not currently make any contributions or give other support (direct or indirect) to political parties or individual politicians. We do not offer any company funds or assets as donations, directly or indirectly, to any specific political party, candidate or campaign. In the future, should LTH make such contributions, it will be made on an impartial basis subject to approval of the independent directors of the Board.

LTH is committed to making a positive difference in the communities in which we operate. As part of this commitment, we will consider requests from local organizations to contribute to local cultural activities or contribute to the development of local infrastructure near our projects and/or properties. Such requests will be carefully considered to ensure that the contributions made will be used for intended and lawful purposes. No charitable contribution, sponsorship or similar contribution shall be given unless it is a part of the corporate social responsibility activities and it has been pre-approved by the Compliance Officer, or such other person designated in writing by the CSR Committee/ Board of Directors of the Company.

With regards to business development and expansion, the following activities are inter-alia undertaken to avoid any bribery and/or corruption at the time of a new asset/property/hotel being acquired by LTH:

- 1) Finalization of city/land.
- 2) Due diligence of land/property.
- 3) Verification of antecedents of owner and their credibility.

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<sup>1</sup> See [glossary](#) for practices considered a breach of this policy.

- 4) Completion of all statutory compliances, prior to the hotel opening.
- 5) Getting all mandatory licenses in place before the commencement of hotel operations.
- 6) Internal and external surveys.

**Gifts and Hospitality:** All relationships must be on an arm's length basis. This policy does not prohibit normal and appropriate gifts, hospitality, entertainment and promotional or other similar business expenditure, such as calendars, diaries, pens, meals and invitations to theatre and sporting events (given and received), to or from third parties. However, the key determining factor for appropriateness of the gift or hospitality and/or its value would be based on facts and circumstances under which such gift or hospitality is provided.

To avoid committing a bribery offence, the gift or hospitality must be:

- a. Reasonable and justifiable in all circumstances
- b. Intended to improve the image of LTH, better present its products and services or establish cordial relations

The giving or receiving gifts or hospitality is acceptable under this policy if all the following requirements are met:

- a. It is not made with the intention of influencing a Third Party to obtain/ retain business or a business advantage or to reward the provision or retention of business or a business advantage or in explicit or implicit exchange for favors/ benefits or for any other corrupt purpose.
- b. It complies with local laws and customs.
- c. It does not include cash or a cash equivalent (such as gift certificates or vouchers)
- d. It is appropriate in the circumstances. For example, in India it is customary for small gifts to be given at Diwali time.
- e. Taking into account the reason for the gift or hospitality, it is of an appropriate type and value and given at an appropriate time.
- f. It is given openly, not secretly and in a manner that avoids the appearance of impropriety.

**Facilitation payments and kickbacks:** Neither an employee nor any person acting on behalf of Lemon Tree shall make or accept facilitation payments or "kickbacks" of any kind.

Employees are encouraged to raise concerns about the bribery issue or suspicion of malpractice at the earliest possible stage. If employees are unsure whether a particular act constitutes bribery or corruption or if employees have any other questions, queries or concerns related to this policy, please write in to [ESG@lemontreehotels.com](mailto:ESG@lemontreehotels.com). Further, details regarding the procedure on reporting of concerns is mentioned in the LTH Code of Conduct and Vigil Mechanism

(<https://www.lemontreehotels.com/factsheet/AmendedLTHCodeofConductandVigilMechanism.pdf>)

## Glossary

Practice	Definition
Bribery	offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty.
Facilitation Payment	small bribe known as a 'grease payment' or a 'speed payment' typically solicited to facilitate or expedite the performance of a routine transaction or service to which the person or company making the payment is legally entitled to receive.
Kickbacks	are typically payments made to commercial organizations in return for a business favour/advantage.
Money Laundering	illegal process of making large amounts of money generated by a criminal activity, such as drug trafficking or terrorist funding, appear to have come from a legitimate source