RESPONSIBLE CARE®
OUR COMMITMENT TO SUSTAINABILITY

DEEPAK NITRITE RESPONSIBLE CHEMISTRY

Gifts and Entertainment Policy

1 Introduction:

As a general principle, giving, offering or receiving of gifts and entertainment at Deepak Nitrite Limited (DNL), is not allowed. However, there may be occasions where to build goodwill and strengthen working relationships with our business associates, giving or receiving gifts and entertainment may be appropriate. Gifts and entertainment can be a legitimate way of showing appreciation for business relationships, but gifts and entertainment should never be given as a means of influencing another person's decision-making. Neither should DNL's employees allow the gifts or entertainment offered by others to influence their business decisions. In cases where, gifts, entertainment and travel are frequent or of substantial value, they may create the appearance of, or an actual, conflict of interest or illicit payment, or otherwise affect DNL's reputation.

2 Purpose:

This policy intends to help employees take the right decision when giving or accepting gifts, entertainment or travel, while conducting business on behalf of DNL.

3 Scope:

This policy is applicable to all Directors and Employees (both permanent and contractual) of Deepak Nitrite Limited (DNL).
This policy should be read in conjunction with DNL's Code of Conduct and Anti-Bribery and Anti-Corruption Policy.

4 Definitions:

a) Gifts.
A gift can be anything of value either received by a DNL employee or a member of his or her family from an external party or offered or given by a DNL employee to an external individual or a member of their family. The examples of gifts are given at Appendix.

b) Entertainment.
It is an event to which you accompany a third party. Event such as a meal, sports match or cultural event (e.g. a show or exhibition), and includes any travelling, accommodation and refreshments. When the host does not attend the event with you or when DNL is paying for the event and a DNL employee does not attend with the third party, the event is a gift and shall consequently follow the rules for gifts.

5 Policy

a. Yardstick for Gifts and Entertainment. Answer the following questions before taking a decision on giving or receiving any gifts and entertainment. Proceed further only if the answers to all questions are 'YES':

a) Is it for any proper purpose
b) Is not intended to secure an improper advantage or inappropriately influence the recipient.
c) Is it permitted by law
d) Do our policies permit this

e) Do the policies of the recipient allow this
f) Is it of reasonable in value
g) Is not meant for the family of the recipient
h) Cost is equal to or less than Rs 2500/- when in India and equal to or less than $ 100 outside India
i) It will not embarrass you or the company if other people in the company come to know of this

b. Gifts and Entertainment to Government officials.

a) All Directors and Employees are required to exercise great care while interacting with Government officials. All are expected to act with highest level of integrity.
b) Prior approval of the Chief Executive Officer should be obtained before giving any gift or provision of Entertainment to any Government official.
c) Gifts and entertainment of insignificant value such as branded giveaways (pens, notepads, diaries and calendars) or refreshments offered during meetings are not covered by this rule

c. Permissible Gifts.

a) Company branded giveaways
b) Gifts costing equal to or less than Rs 2500/- in India and $100 abroad
c) Gifts for which proper approval has been taken and record kept
d) Would not embarrass DNL or the gift giver if disclosed publicly
e) Would not influence, or appear to influence, the employee's ability to act in the best interest of DNL

d. Prohibited Gifts. The following gifts are never appropriate and should never be accepted or given:

a) Gifts of cash or gold or other precious metals, gems or stones
b) Gifts that are prohibited under applicable law
c) Gifts given as a bribe, payoff, kickback or as a 'facilitation' payment
d) Gifts the recipient knows are prohibited by the gift giver's or recipient's organization
e) Gifts given in the form of services or other non-cash benefits (e.g. a promise of employment)

e. Permissible Entertainment.

a) When it is infrequent
b) It reasonably related to a legitimate business purpose (e.g., accompanying a customer or supplier to a local theatre/sporting event or attending a business meal)
c) It is not given as a bribe, payoff, kickback or facilitation payment (e.g., in order to obtain or retain business or to secure an improper advantage)
d) It does not create the appearance (or an implied obligation) that the entertainment is entitled to preferential treatment, an award of business, better prices or improved terms of sale or service
e) It is in good taste and occurs at a business appropriate venue
f) It is reasonable and appropriate in the context of the business occasion;
g) It would not influence, or appear to influence, the employee's ability to act in the best interest of DNL.
h) It is disclosed, if applicable, in the Gift Register
i) It is duly approved, if applicable, by the Departmental Head.

f. Not permissible Business Entertainment.

a) Entertainment that can be viewed as excessive in the context of the business occasion
b) 'Adult' entertainment, or any event involving nudity or lewd behavior
c) Entertainment that can be viewed as creating any affiliation of DNL brand with any particular political party
d) Entertainment that the recipient knows that the gift-giver is not permitted to give

e) Entertainment that would involve a breach of any applicable law
f) Boarding and travel expenses for any kind of entertainment will not be given or received

6 Procedure for Gifts and Entertainment.

a) Approvals:

1. No Gifts (other than branded giveaways) and entertainment will be given by a DNL employee without proper approval
2. Employees will take approval on mail from the 'Department Head' for giving Gifts and Entertainment, cost of which is within the stipulated in this policy. Mail will specify recipient, occasion and approximate cost. Copy of this mail along with the approval mail will be submitted to finance department as supporting documents for the reimbursement claim
3. Any gift or entertainment planned to be given by the DNL employee for an amount above the stipulated limits, the Head of the Department will obtain approval on mail of the Chief Executive Officer giving reasons for this exception

b) Gift Register.

1. A central gift register will be maintained at all locations for record of gifts and entertainment given or received beyond the stipulated value.
2. Gift register will record following details:
    a. Employee name
    b. Description of gift, relevant date
    c. Identity of the gift giver
    d. Approximate value of the gift
    e. Context / business purpose of the gift
    f. Authority which has given approval
    g. Whether accepted or declined
    h. If accepted, reason/s for the same
    i. If declined, reason/s for the same
3. Going forward we will develop an interactive gifts and entertainment register on the intranet. Each employee giving or receiving gifts and entertainment, will be required to update the same. Giving and receiving gifts and entertainment will, thus, become transparent.

c) Procurement of DNL Branded Giveaways.

1. At the beginning of every financial year, Head Corporate Communication will procure samples of branded gifts and get them approved from the CEO. Approved gifts will be circulated to each location.
2. Each location head will place firm requirement of respective branded gifts with the Head of Corporate Communication. Same will be bought in bulk and distributed to each location by Head Corporate Communication.
3. Each department will maintain proper record of the branded giveaways. It will be subject to internal audit.

7 Reporting Violation:

Anyone who becomes aware of violation of this policy is encouraged to report the same through Whistle Blow mechanism.

8 Policy governance:

a) These guidelines shall come into effect from 15th July 2025.
b) Internal employees for entry and exit purposes in Office shall use Security Gate where the bio-metric machine is installed.
c) New joinees during their period of induction for settling assistance shall be exempted from the provisions of Late-coming & Early-going as mentioned in the policy.
d) The management reserves the right to exclude any employee from the scope of applicability of above policy guidelines for Corporate Office.
e) The policy deployment shall be reviewed once in a year from effective date.

Note: - Any clarification/ justification regarding the interpretation of this policy shall be done with Corporate HR only.

Any deviation from this policy shall not be entertained by the Organization.

President – Human Resource
June 15, 2025

Appendix

Examples of Gifts

Some examples are as under:

- Cash or cash equivalent (such as gift, prepaid or stored-value cards or vouchers)
- Shares, stocks or securities
- Participation in share offerings
- Tickets and gift certificates
- Artwork
- Jewelry
- Equipment
- Electronics (e.g. mobiles, laptops, cameras)
- Delicatessen products (e.g. food, tea, alcohol, cigarettes)
- Loans
- Prizes
- Transportation
- Use of vehicles
- Donations to charity
- Discounts
- Favorable terms for a product or service
- Use of vacation facilities or hotels
- Home improvements