

GUIDANCE NOTE FOR BUSINESS ASSOCIATES**1 SCOPE**

All Business Associates are expected to familiarize themselves with this “Guidance Note” and other applicable policies of United Breweries Limited (“UBL/Company”). Business Associates are deemed to be aware of UBL’s compliance and ethical standards and understand why they are important. These should be reflected in dealings with UBL and need to be complied where the Business Associates represent (or are perceived to represent) or deal with UBL. This Guidance Note should be communicated to all employees of the Business Associate who will represent UBL at any forum.

‘Business Associates’ shall include UBL’s vendors, suppliers, agents, distributors, retailers, consultants, contractors, transporters, service providers and such other persons whether individuals or organizations, interacting with any of the Company’s offices or representatives.

2 COMPLIANCE

UBL expects its Business Associates to comply with Anti-Bribery/ Anti-Corruption Laws, Competition laws, Taxation laws, Data Privacy and Data Protection laws and other applicable laws, rules and regulations of India for the time being in force and as may be amended or enacted from time to time as well as of the countries in which UBL or the Business Associate has business dealing. Violations of laws, rules and regulations may subject an individual to criminal or civil liability, in addition to disciplinary action by the Company.

“Anti-Bribery and Anti-Corruption Laws” means the FCPA, the UK Bribery Act of 2010, the Prevention of Corruption Act, 1988, Prevention of Money Laundering Act, 2002 or any similar laws, rules or regulations enacted, administered or enforced in India or any of its States, or any other country or Governmental Agency having jurisdiction over the parties or their respective associate entities.

Business Associate shall comply with labour laws such as Employees’ State Insurance Act, 1948, Employees’ Provident Fund and Miscellaneous provisions Act 1952, Minimum Wages Act, 1948, Contract Labour (R&A) Act 1970, and any other Statute including Rules framed thereunder, which may be applicable and in force as at present or amended hereafter, or any new enactment / code which will become applicable.

Business Associate shall further comply with UBL’s Policy on Money Laundering and Sanctions and the Supplier Code which are available on UBL’s weblink: <https://www.unitedbreweries.com/investors>

UBL expects its Business Associates to treat its own employees fairly, keeping their safety as paramount with necessary support and training as may be deemed necessary by the Business Associate and compliance with such guidelines as may be communicated to the Business Associate from time to time.

3 DEALINGS**3.1 Meals, entertainment, sponsorship and gifts**

No gifts and entertainment should be provided for or on behalf of or in connection with UBL’s business to

any third party (Government or Non-Government). UBL’s Business Associates should not put UBL in a position as a recipient or giver of gift or entertainment. The only exception to the rule above is in the case of a ‘working meal’. Working meal is any refreshment and/or meal provided on-site (at the premises of the Business Associate) or at an off-site location provided such off-site working meal is of moderate/reasonable value. Business Associates are also expected to abide by UBL’s Gifts & Entertainment Policy available on its website <http://unitedbreweries.com/investors>.

UBL has adopted a policy which sets forth standards and guidelines for responsible consumption of alcoholic beverages considering applicable laws, regulations, compliance, safety and general conduct during office hours, events like seminars, conferences, get-together, official engagements with clients/ associates, lunch outs etc. As an organization it respects individual choices and realizes that consumption of alcohol beyond limits on a continuous basis even if it is outside of work, eventually impacts one’s performance on the job, and behaviour at workplace (related to discipline, confrontations, absenteeism) and leads often to reputational and financial risk for a company. Our concern is to ensure that all employees, whether that of UBL’s or its Business Associates report to work in a condition to perform their duties safely and effectively in the interest of their fellow workers, customers as well as themselves. For more details please refer to the “Code of Business Conduct & Ethics” which is available on UBL’s weblink <http://unitedbreweries.com/investors>.

3.2 Dealings with government officials

UBL expects that its Business Associates will always show great care when they deal with government, armed forces or other public officials for and on behalf of UBL as their actions could be misinterpreted and expose UBL or the Business Associate to the risk of breaching laws and regulations. Persons representing UBL must never offer, promise or give anything of value to anyone in this group, directly or indirectly, with the intention of influencing them in their work or in an attempt to obtain or retain business or a business advantage. This includes ‘facilitating’ payments. These are small payments or gifts given to a Government Official in order to get the official to do something within their official duties. It must be ensured that the information supplied on UBL’s behalf to regulatory agencies and government bodies is accurate, complete and provides a true and fair picture.

3.3 Dealings with non-government people or businesses

Most of UBL’s business relationships are with private individuals and businesses and the Business Associates must be equally careful with such parties so that UBL’s actions represent complete integrity. Business Associates must never offer or accept something of value for and on behalf of UBL, where there is an intention of improperly influencing a business decision.

3.4 Sponsorship, Charitable and Political Contributions

No Business Associate shall make any charitable,



political or other contribution on behalf of UBL under any circumstances or provide any sponsorship. UBL expects that its Business Associates will take great care to keep their personal, political and charitable activities entirely separate from work.

4 **CONFLICT OF INTEREST**

Conflict of interest arise when a personal interest interferes or even appears to interfere, with the best interests of UBL. Even the appearance of a conflict can be damaging, and Business Associates must avoid situations where a conflict of interest may occur.

Any transaction by the Business Associate with a related party involving a Director or Key Managerial Personnel (KMP) or an employee of the Company needs prior approval of the board of directors (the “Board”). Therefore, it is the duty of all Business Associates to disclose the details of related party transactions and ensure necessary compliance.

The definition of “relative” and “related party transaction” are provided in the Companies Act, 2013 and the same may be referred to in applicable situations for clarity.

5 **PROPRIETARY AND CONFIDENTIAL INFORMATION**

Proprietary and confidential information are valuable and required to be protected while dealing with the Company. Business Associates acknowledge that it shall safeguard all Confidential and Proprietary Information of the Company with utmost care as it would safeguard its own information. Losing proprietary or confidential information means losing competitive advantage or ability to grow, and could lead to reputational damage, and financial claims.

Confidential Information means information belonging to the Company and any confidential agreement with a third party or person and which are not publicly available, which may include any or more of the following:

- 1) Any non-public information about operations which gives the Company an advantage over others in the field.
- 2) Contracts and agreements of material value including confidentiality agreements.
- 3) Acquisition, expansion, restructuring plans, etc.
- 4) Trade secrets, innovative process and inventions.
- 5) Product development, research documents.
- 6) Marketing plans, distribution network, development plans and business plans/strategy.
- 7) Commercial information viz., client/vendor details; pricing, campaigns, etc.
- 8) Know-how, recipes, formulas, etc.
- 9) Undisclosed financial results, projections, budget and plans.
- 10) Legally privileged information.
- 11) Employee personal data and other similar information.

Proprietary information includes intellectual property such as trade secrets, patents, trademarks, designs and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases,

records and unpublished financial data. Unauthorized use or distribution of this information is not only a violation of the Company’s policy but could also be illegal and result in civil and/or criminal liabilities.

6 **RECORD KEEPING & AUDIT**

6.1 UBL’s Business Associates are required to maintain the following:

- a) Record of payments received from or made to UBL with adequate supporting documentation;
- b) Record of payments made on behalf of UBL with adequate supporting documentation; and
- c) All documentation in relation to provision of services to or on behalf of UBL.
- d) Provide UBL documents and information as it may require from time to time.

6.2 Business Associates shall cooperate with UBL and/or its auditors for any audit of its records of transaction with UBL when required by UBL if UBL suspects improper activities in any transaction carried out for and on behalf of UBL or if there is any action on UBL which requires UBL to provide information of UBL’s transactions with Business Associates.

7 **VIOLATIONS OF THIS GUIDANCE NOTE**

Business Associates must:

- Have a clear commitment against corruption in all its forms, anti-competitive practices and meet requirements of all relevant legislations.
- Understand that non-compliance of this guidance note will constitute a breach.
- Support UBL’s management in legal, operational, reputational and compliance risks by being compliant with UBL’s standards.
- Raise and discuss concerns, if any, with UBL management.

Violation of this Guidance Note or any of the applicable policies has the potential to cause significant damage to UBL’s reputation and business. If one believes that violation of or deviation from, the aforementioned has occurred, he/she must report the incident with details on the Company’s whistleblowing portal. The Whistleblowing Policy for Registered Vendors “Speak-up for UBL Vendors” available on the following weblink of the Company <http://unitedbreweries.com/investors> may be referred to for further information.

8 **CONTACTS**

The UBL Compliance Team is available to provide you with help and assistance on any issue relating to this Guidance Note. For further information and support please email ublcorporate@ubmail.com.

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