



**HR POLICY**

**POLICY NAME: CONFLICT OF INTEREST POLICY**

**REFERENCE No.: HR/CCSA/COI/01/2021**

**POLICY VERSION: HR/001/001**

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## 1. Introduction

A conflict of interest occurs **when an entity or individual becomes unreliable because of a clash between personal (or self-serving) interests and professional duties or responsibilities**. Such a conflict occurs when a company or person has a vested interest—such as money, status, knowledge, relationships, or reputation—due to which it puts its own personal interest ahead of the company’s interests. For the purpose of this policy, Cotton Connect Ltd. including its subsidiary and/or holding company and/or affiliates and/or group entities shall be referred to as “Company” or “CottonConnect”. All persons covered by this policy shall at all times maintain high standards of integrity in the performing their duties related to the Company.

### 1.2 Scope

This policy applies to all CottonConnect’s employees, contractors, trainees, interns, apprentices or any other person or entity working on behalf of CottonConnect anywhere in the world including but is not limited to Permanent or temporary staff, External service providers/contractors, Researchers, Consultants, Volunteers, Members of the Company’s governing bodies/representatives of CottonConnect (“Covered Persons”).

All Covered Persons will strive to avoid any conflict of interest between the interests of CottonConnect and their own personal/professional and business interests.

“Conflict of Interest” shall mean any situation in which a party has interests that could improperly influence that party’s performance of official duties or responsibilities, contractual obligations, or compliance with applicable laws and regulations

## 2. Policy Measures

The following are areas of Conflict of Interest which the Covered Persons are to take special note of

### 1. Additional Employment:

Any additional employment, by Covered Persons shall require clearance from the Country Manager and CEO. While additional employment like working with a spouse, helping a family member, being a Director on a the Board of an entity may be allowed after careful consideration and as per sole discretion of the Country Manager and CEO any work which is in conflict with the Covered Persons’ work at CottonConnect shall not be allowed.

### 2. Existing Vendor/Supplier relationships:

Conflict of Interest may occur when there is a personal relationship between the covered person and any vendor /supplier. This may occur due to a previous professional relationship, a family relationship or somebody who may be an acquaintance. The

Covered Person shall abide by the course of action as suggested by the Country Manager and Global HR Head.

**3. New Vendor /Supplier:**

Covered Persons may recommend vendor/Supplier/team members who they know personally or professionally. In the above case, the relationship has to be disclosed immediately to Country Manager and Global HR Head and the said Covered person to be excused from the selection process for such recommended vendor/Supplier/team member.

**4. Personal Gain:**

Conflict of interest occurs when there is a personal/professional/financial gain through a recommendation to the Company.

**5. Accepting Gifts:**

Exchange of gifts is a customary practice in many countries specially during festive occasions. However, accepting any gift which is of high monetary value and leads to a situation where a return favor is expected creates a favorable bias and conflict of Interest. Covered Persons should avoid accepting gifts of high monetary value from any person, wherever such gifts are given to a Covered Person with the intention of creating a Conflict of Interest in relation to the Company as defined in this policy. High monetary value gift for purpose of this policy may include the following:

The value of which exceeds GBP 20 / INR 1000 / CNY 200 for a gift.

What is considered as an acceptable gift may vary according to country and region. The intention behind the gift should always be considered and whether the gift is reasonable and justifiable. If it is not appropriate to decline the gift, the gift may be accepted provided it is declared to the Company and donated to charity.

**6. Relationship with Competitors**

Covered Persons should not own/ purchase a stake in any competitor entity of the Company without prior written consent unless it has been purchased through listed stock.

**3. Duty to Disclose**

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the country manager or global HR head.

#### 4. Reporting

Any Covered person, , may raise a complaint regarding Conflict of Interest.

Complaints may be raised by

1. Sending a mail to our grievances email ID: [grievancesandcomplaints@cottonconnect.org](mailto:grievancesandcomplaints@cottonconnect.org)
2. Sending a mail to Global HR Director: [geetanjali.solanki@cottonconnect.org](mailto:geetanjali.solanki@cottonconnect.org)
3. Raising the concern with your Line Manager
4. Raising the concern with your Country Manager

#### 5. Redressal

All complaints of Conflict of Interest are taken very seriously and CottonConnect does not tolerate any individual seeking a personal interest over company interest.

The email id mentioned above is regularly checked and any complaints received there or through any other channel are investigated thoroughly by a panel which consists of

- 1 Global HR Director
2. One member from the leadership team of the country
3. Translator in case required because of language

#### 6. Breach of Policy

Any breach of the Policy including failure to report potential violations of compliance principles or applicable law may result in disciplinary measures up to and including termination, suspension of employment/contractual relationship or penalty.

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