

## CODE OF ETHICAL STANDARDS & BEHAVIOURAL CONDUCT

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## INTRODUCTION

Orient Electric Ltd. - a CK Birla Group company, is committed to highest standards of integrity - professional and financial - and business ethics in the operation of its business. The Company is also committed to create a workplace, at all of its working locations, that, all the times, is free from harassment and discrimination, where co-workers are respected, and provided an appropriate environment so as to encourage good performance and conduct.

The nature of this Code is not meant to cover all possible situations that may occur. It is designed to provide a frame of reference against which to measure any activities. Employees should seek guidance when they are in doubt about the proper course of action in a given situation, as it is the ultimate responsibility of each employee to "do the right thing", a responsibility that cannot be delegated. Employees should always be guided by the following basic principles: - avoid any conduct that could damage or risk Orient Electric Ltd. or its reputation; - act legally and honestly; - put the Company's interests ahead of personal or other interests. For the purposes of this Code, references to "employees" include employees, associates, officers and Chief Executive Officer.

## SECTION 01: RESPECT

The Company's greatest strength lies in the talent and ability of its associates. Since working in partnership is vital to the Company's continued success, mutual respect must be the basis for all work relationships. Engaging in behaviour that ridicules, belittles, intimidates, threatens or demeans, affects productivity, can negatively impact the Company's reputation. Employees are expected to treat others with the same respect and dignity that any reasonable person may wish to receive, creating a work environment that is inclusive, supportive and free of harassment and unlawful discrimination.

## SECTION 02: EQUAL EMPLOYMENT OPPORTUNITY

The talents and skills needed to conduct business successfully are not limited to any particular group of people. Company has a long-standing commitment to a meaningful policy of equal employment opportunity. The Company's policy is to ensure equal employment and advancement opportunity for all qualified individuals without distinction or discrimination because of race, color, religion, gender, sexual orientation, age, national origin, disability, covered veteran status, marital status or any other unlawful basis. As part of this commitment, the Company will make reasonable accommodations for applicants and qualified employees.

## SECTION 03: SEXUAL HARASSMENT AND OTHER DISCRIMINATORY HARASSMENT

Sexual harassment and other discriminatory harassment are illegal and violate Company policies. Actions or words of a sexual nature that harass or intimidate others are prohibited. Similarly, actions or words that harass or intimidate based on race, color, religion, gender, sexual orientation, age, national origin, disability, covered veteran status, marital status or any other unlawful basis are also prohibited.

## SECTION 04: CONFLICT OF INTEREST

Employee shall avoid situations in which their personal interest could conflict with that of the company, Employee shall disclose to the appropriate authority all cases of conflict of interest or potential conflict of interest between the person and the Company.

Employee shall neither directly or indirectly, give any official favours for personal purposes nor spend any money of the Company for personal purposes.

## SECTION 05: CORPORATE OPPORTUNITY

Employee owe a duty to Company to advance its legitimate interests. Employee are prohibited from competing with the Company and from using corporate property, information or position for personal opportunities or gain.

## SECTION 06: OUTSIDE ACTIVITY- OFFICER OR DIRECTOR OF ANOTHER BUSINESS

Employee may not serve as a director, officer, trustee, and partner or in any other principal position of another for-profit or publicly held organization or company without the prior approval of Company's Chief Executive Officer (or a designee). Employee should obtain approval from Company's Chief Executive Officer (or a designee) before agreeing to serve on the board or in a principal position of a trade or professional association or of a non-profit organization. In any event, these outside activities must not impact in any way Employee daily job responsibilities in Employee current position.

## SECTION 07: SECOND JOB

Unless the Company otherwise consents in its sole discretion, Employee will devote entire resources and full and undivided attention exclusively to the business of the Company during the term of employment with the Company and shall not accept any other employment or engagement (honorary or otherwise).

## SECTION 08: VENDORS, SUPPLIERS AND CONSULTANT

All vendors, suppliers and consultants shall be approved in accordance with Company policies and procedures. Company's business relationships must be totally based on their ability to competitively meet the Company's business needs. If Employee association with a current or prospective Company vendor, supplier or consultant is of a nature that gives rise, or potentially gives rise, to a conflict of interest, the Company may have to refrain from entering into the relationship and, in any event, Employee must not be involved in any way with approving, managing influencing the Company's business relationship.

## SECTION 09: GIFTS AND ENTERTAINMENT

The occasional exchange of inexpensive gifts and modest forms of entertainment that have no special significance attached and are reasonable in nature, frequency and cost, are normal in business and help build strong and trusting relationships with customers, suppliers and other business partners. However, receiving such gifts or entertainment must never affect employee judgment or decision-making, nor should they be offered in return for favourable treatment from others.

What constitutes good business practice with respect to gifts and entertainment varies by industry, business unit and location. Gifts from agents / business partners to individual clients of other than the minimum value are generally regarded as "rebates" and as such are prohibited. No gifts to employee valued at more than INR 500 would be allowed. Gifts to Employee valued between INR 500 or forms of business entertainment that exceed reasonable and customary practices should be politely declined, unless approved in advance by Employee functional head for sound business reasons.

## SECTION 10: COMMUNICATION OF CONFLICT

All potential and actual conflicts of interest or material transactions or relationships that reasonably could be expected to give rise to such a conflict or the appearance of such a conflict must be disclosed. If Employee have any doubt about whether a conflict of interest exists after consulting this Code, Employee should seek assistance from the appropriate persons or entities identified in the Human Resources section, so that Employee can make that determination.

Company and its associates will not directly or indirectly engage in bribery, kickbacks, payoffs or other corrupt business practices, in their relations with governmental agencies, customers and vendors.

## **SECTION 11: PROTECTION AND PROPER USE OF COMPANY ASSETS**

The assets of Orient Electric Ltd. shall not be misused; they shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorized. These include tangible assets such as equipment and machinery, systems, facilities, materials and resources, as well as intangible assets such as information technology and systems, proprietary information, intellectual property, and relationships with customers and suppliers.

## **SECTION 12: CONFIDENTIALITY**

Company is committed to preserving customer and employee trust. All information, whether it is business, customer or employee-related, must be treated in a confidential manner, and disclosing it is limited to those people who have an appropriate business or legal reason to have access to the information. Employee need to take special precautions when transmitting information via e-mail, fax, the Internet or other media. Remember to treat all such communications as if they were public documents and printed on letterhead.

In addition, Company meetings are confidential. Employee may not use audio or video equipment to record these meetings without the specific prior authorization of the head of department.

## **SECTION 13: TECHNOLOGY**

Safeguarding computer resources is critical because the Company relies on technology to conduct daily business. Software is provided to enable employee to perform employee job. Employee cannot duplicate, distribute or lend software to anyone unless permitted by the license agreement.

Company provides electronic mail (e-mail) and Internet access to assist and facilitate business communications. All information stored, transmitted, received, or contained in these systems is the Company's sole property and is subject to its review at any time. All e-mail and Internet use must be consistent with Company's policies, practices and commitment to ensuring a work environment where all persons are treated with respect and dignity. Because these systems provide access to a worldwide audience, Employee should act at all times as if employee are representing Company to the public, and should preserve Company's system security and protect its name and trademarks.

Employee must act responsibly and adhere to all laws and Company policies when using e-mail or the Internet.

Employee must use Employee computer appropriately in accordance with Company standards and be sure to secure both the computer and all data from loss, damage or unauthorized access, reporting all instances of unauthorized access to the Information Technology Department.

## **SECTION 14: ETHICAL CONDUCT**

Every employee of Orient Electric Ltd. shall exhibit culturally appropriate deportment at the work place, and deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be so by third parties.

Every employee shall be responsible for the implementation of and compliance with the Code in his / her environment. Failure to adhere to the Code could attract severe consequences, including termination of employment.

## **SECTION 15: HEALTH SAFETY AND ENVIRONMENT**

Orient Electric Ltd. shall strive to provide a safe, healthy, clean and ergonomic working environment for its people. It shall prevent the wasteful use of natural resources and be committed to improving the environment.

Orient Electric Ltd., in the process of production and sale of its products and services, shall strive for economic, social and environmental sustainability.

## **SECTION 16: PUBLIC REPRESENTATION OF THE COMPANY**

Orient Electric Ltd. honours the information requirements of the public and its stakeholders. In all its public appearances, with respect to disclosing company and business information to public constituencies such as the media, the financial community, employees, shareholders, agents, franchisees, dealers, distributors and importers, Orient Electric Ltd. shall be represented only by specifically authorized directors and employees. It shall be the sole responsibility of these authorized representatives to disclose information about the company or the Group.

## **SECTION 17: THIRD PARTY REPRESENTATION**

Parties which have business dealings with the Orient Electric Ltd. but are not members of the company, such as consultants, agents, sales representatives, distributors, channel partners, contractors and suppliers, shall not be authorized to represent Orient Electric Ltd. without the written permission of the Orient Electric Ltd., and / or if their business conduct and ethics are known to be inconsistent with the Code.

Third parties and their employees are expected to abide by the Code in their interaction with, and on behalf of, Orient Electric Ltd.

## **SECTION 18: REGULATORY COMPLIANCE**

Employees of Orient Electric Ltd., in their business conduct, shall comply with all applicable laws and regulations, in letter and spirit, in all the territories in which they operate. If the ethical and professional standards of applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

### **NOTE:**

The terms of Code of Ethical Standards & Behavioural Conduct does not provide a full, comprehensive and complete explanation of all the rules that employees are bound to follow. Employees have a continuing obligation to familiarize themselves with all applicable laws, company policies, procedures and work rules.