

Dear colleagues,

The Arvind legacy is a long one; a story of perseverance that has always been fuelled by strong ethics and integrity. Truthfulness, honesty and a strong-belief in humanity continue to be the cornerstone of the Arvind experience. These ethical norms are our binding force that have helped us in our journey thus far.

However, as we expand at a global scale, amidst changing cultures and regulatory norms, it is essential for us to articulate and document our professional code of conduct. It will help us maintain high standards across jurisdictions we operate in. In a step toward this direction, a concurrent and contemporary set of policies have been created.

This Code of Conduct is inspired from our purpose of being catalysts for change, driven to do the right thing and create a world of possibilities for our stakeholders. It lays down the ethical principles that Arvind employees need to observe in their professional lives.

The Code, however, may not cover all situations wherein you are expected to make the right decision and hence I urge that when in doubt, reach out to your HR representatives for answers.

Understanding, internalizing and practicing these behaviours — expected of each one of us — will go a long way in ensuring Arvind continues to be the exemplary leader we have come to be known as.

Let us help build Arvind together.

Regards,

Sanjay Lalbhai

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## **ARVIND CODE OF CONDUCT**

### **SCOPE**

- All companies under the Lalbhai Group, collectively called as Arvind, ('ARVIND' or the 'Group') are committed to the prevention, deterrence and detection of fraud, bribery and other corrupt business practices.
- This code is more than a set of prescriptive guidelines issued solely for the purpose of formal compliance. It represents our collective commitment to our value system and to our core principles.
- It details out how we behave with our employees, or those who work with us; our customers; the communities and the environment in which we operate; our value-chain partners, including suppliers and service providers, distributors, sales representatives, contractors, channel partners, consultants, intermediaries and agents; our joint-venture partners or other business associates; our financial stakeholders; governments of the countries in which we operate; and our group companies.
- Every person employed by us, directly or indirectly, should expect to be held accountable for his/her behaviour. Should such behaviour violate this code, they may be subject to action according to their employment terms and relevant company policies. When followed in letter and in spirit, this code is 'lived' by our employees as well as those who work with us. It represents our shared responsibility to all our stakeholders, and our mutual commitment to each other.
- In this code, 'we or us' refers to our company, our executive directors, officers, employees and those who work with us, as the context may require.
- The term 'our group companies' in this code refers to all companies under the Lalbhai Group.

### **OUR PURPOSE STATEMENT**

ARVIND has always kept ethical values as an underlining approach to our business behaviour. Honesty, integrity and excellence have been our longstanding promise to our stakeholders. As we continue to live up to our promise in an increasingly complex business environment, there is a need to clearly lay out our professional conduct.

The ARVIND Code of Conduct is a living document and stems from our purpose of being catalysts of change, driven to do the right thing and creating a world of possibilities for our stakeholders. The guiding principles by which ARVIND lives this purpose are –

- We Unfollow - We think big and different. We are not held back by limits, we're fuelled by creativity. Our legacy of innovation is born of challenging convention, and we live up to it everyday
- We see things through - We have always seen things through. Even if things get tough, we dig in and live up to our stakeholders and we do it with speed
- We see glass as half full - Entrepreneurship demands optimism. That's why the glass is always half full for us. Our unbridled energy and positivity is the foundation of our enterprise.
- We do the right thing. Always - We have a history of doing the right thing. We never compromise on our ethics and value as we pursue our ambitions.
- It's bigger than us - We create value for our customers and society, we create value with society. Our business strive to address the pressing needs of our time with insight and empathy towards all our stakeholders

### **EMPLOYEE RESPONSIBILITIES**

- Demonstrate the ARVIND core values during the course of day-to-day business activities.
- Become familiar with the Code of Conduct and company policies and procedures.
- Comply with the laws, regulations, and company policies across businesses and countries in which the employee works in. If any of these standards appear to conflict, discuss the matter with the HR / legal team. Always adhere to the laws, regulations, company policies or procedures; and bring observance of any deviation to the notice of appropriate authorities.
- Never ask or allow another party, such as an outside agent, representative, or supplier, to perform an action that an ARVIND employee is not permitted to do.
- Raise questions or concerns about the company's business practices with the management or authorities that have been defined herein.

- Report suspected violations of the law, this Code of Conduct, or other company policies and procedures.
- Cooperate and provide complete and accurate information related to investigations of misconduct.

## MANAGER RESPONSIBILITIES

Managers have a profound effect on how their employees conduct business. Typically, employees learn from their managers which business practices are considered proper or improper. Therefore, each manager has additional responsibilities to set highest integrity standards in personal actions by:

- Communicating regularly and clearly about responsible business practices and their alignment with core ARVIND values.
- Communicating to employees the manager's availability to assist them with ethics and compliance questions, or reports of possible misconduct, without fear of retaliation.
- Treating all employees fairly. Also, helping employees understand that being fair does not always mean treating each employee exactly the same.
- Appropriately addressing an employee's report of suspected misconduct.
- When an employee raises a question or concern that may be difficult for the manager to resolve, do seek assistance.
- Appropriately responding to employees' conflict of interest situations to ensure business decisions are made in the best interest of the Company.

## POLICY DETAILS

### A. OUR COMMITMENT TOWARDS OUR EMPLOYEES:

#### **Equal Opportunity Employer**

1. ARVIND is committed to the principle of equal employment opportunity for all employees and to providing employees with a work environment free of discrimination and harassment.
2. All employment decisions at ARVIND are based on business needs, job requirements, individual qualifications, performance, merit, competence and potential without regard to race, colour, religion or belief, national, social or ethnic origin, gender (including pregnancy), age, physical, mental or sensory disability, HIV status, sexual orientation, marital, civil union or domestic partnership status, past or present military service, family medical history or genetic information, family or parental status, or any other status protected by the laws or regulations in the locations where we operate. We have fair, transparent and clear employee policies which promote diversity and equality, in accordance with applicable law and other provisions of this code. These policies provide clear terms of employment, training, development and performance management.

#### **Upholding Human Rights**

As an organization it is of utmost importance that we undertake our business with honesty and integrity and ensure a safe and conducive work environment for everyone, free of discrimination and harassment. We are committed to uphold and respect human rights across all our operations and businesses and are guided by the fundamental principles of human rights.

3. We do not use forced labour in any form. We do not confiscate personal documents of our employees, or force them to make any payment to us or to anyone else in order to secure employment with us, or to work with us.
4. We do not employ children at our workplaces.

#### **Kickbacks, Anti - Bribery and Anti - Corruption**

5. Bribes and kickbacks are illegal in almost every country. Any offer of a payment or anything of value to influence a business decision or government action could be considered a bribe or kickback. An employee must never offer, request, accept, or indicate willingness to accept such a payment. Use caution, as even some non-cash gifts could be perceived as bribes. Unofficial fees to government officials, known as 'facilitating' or 'grease' payments, are strictly prohibited.

6. Our employees and those representing us, including agents and intermediaries, shall not, directly or indirectly, offer or receive any illegal or improper payments or benefits that are intended or perceived to obtain undue favours for the conduct of our business.

#### **Unlawful Harassment**

Unlawful harassment can take several forms, including verbal, visual or physical conduct that creates an offensive, hostile or intimidating work environment. Conduct directed at or by an ARVIND employee, or an employee of the company's customers, suppliers or business associates that can contribute to unlawful harassment includes, but is not limited to:

7. Verbal conduct such as epithets, derogatory jokes or comments, slurs or unwanted sexual advances, invitations or comments
8. Visual conduct such as derogatory and/or sexually oriented posters, photography, cartoons, drawings or gestures
9. Physical conduct such as assault, unwanted touching, blocking normal movement or interfering with work because of gender, race or any other protected characteristic
10. Threats and demands for sexual favours as a condition of continued employment or to avoid some other loss, and offers of employment benefits in return for sexual favours
11. Retaliation for having reported or threatened to report harassment
12. Employees who are aware of any suspected discrimination or harassment should report the matter to Human Resources.

#### **Dignity and Respect**

13. ARVIND can realize its vision only with full commitment and cooperation of our diverse workforce. Achieving success for all stakeholders will come only through respecting one another, valuing each of our colleagues' contributions, and treating each person fairly.
14. Our leaders shall be responsible for creating a conducive work environment built on tolerance, understanding, mutual cooperation and respect for individual privacy.
15. Everyone in our work environment must be treated with dignity and respect. We do not tolerate any form of harassment, whether gender-based, sexual, physical, verbal or psychological.
16. We respect our employees' right to privacy. We have no concern with their conduct outside our work environment, unless such conduct impairs their work performance, creates conflicts of interest or adversely affects our reputation or business interests.
17. We have clear and fair disciplinary procedures, which necessarily include an employee's right to be heard.

#### **Gifts and hospitality**

18. To prevent conflicts relating to gift giving/receiving, it is often helpful to discuss what is allowed with the Group HR Head or Group Ethics Officer at the start of a business relationship.
19. We are committed to strengthening all of our relationships with customers, suppliers, and other business associates. We do not provide/accept gifts or entertainment to improperly influence other persons' business decisions, and we do not make illegal or unethical payments. In all situations, we must exercise good judgment and moderation to avoid the appearance of inappropriate conduct.

#### **Freedom of Association**

20. We recognise that employees may be interested in joining associations or involving themselves in civic or public affairs in their personal capacities, provided such activities do not create an actual or potential conflict with the interests of our company. Our employees must notify the Group HR Head and seek prior approval for any such activity as per the 'Conflicts of Interest' clause of this code and in accordance with applicable company policies and law.

### **Assignment outside Employment**

The following are potential conflicts of interest related to an employee's activities separate from the company:

21. Serving as a director, officer, partner, consultant, manager, or in any technical capacity or any key role with an organization, even if only part of the time, that conducts, or is likely to conduct, business with or competes with the company.
22. Acting as a broker or other intermediary for another party in transactions currently or potentially involving the company or its interests.
23. Having any other employment, including running a separate business
24. Making presentations or submitting articles or other writings related to the employee's professional area. Before agreeing to such activity, the employee's manager should review the information and assess the situation. Also, the employee should inquire as to whether the business unit has a document or presentation review policy.

All the above activities (as mentioned in point 21 to 24) should not interfere with the employee's job performance.

### **Use of Company's Resources**

25. Using one's company position or title in connection with an outside activity that may infer the company's sponsorship or support.
26. Using the company's property or information or one's position with the company for personal gain.
27. Using any company supplies or facilities in connection with an outside activity, unless approved by the employee's manager.
28. Using company time for outside business or activities.
29. Employees should review any potential situations with their manager before they occur to ensure that these situations are not likely to become actual conflicts.

### **Conflicts of Interest**

30. Our employees and executive directors shall always act in the interest of our company and ensure that any business or personal association, including close personal relationships, which they may have, does not create a conflict of interest with their roles and duties in our company or its operations. Further, our employees and executive directors shall not engage in any business, relationship or activity, which might conflict with the interest of our company or group companies.
31. Should any actual or potential conflicts of interest arise, the concerned person must immediately report such conflicts and seek approvals as required by applicable law and company policy. The competent authority shall revert to the employee within a reasonable time as defined in our company's policy, so as to enable the concerned employee to take necessary action as advised to resolve or avoid the conflict in an expeditious manner.
32. In the case of all employees other than Executive Directors, the Chief Executive Officer/Managing Director shall be the competent authority, who in turn shall report such cases to the Board of Directors on a quarterly basis. In case of the Chief Executive Officer/Managing Director and Executive Directors, the Board of Directors of our company shall be the competent authority.
33. Notwithstanding such or any other instance of conflict of interest that exists due to historical reasons, adequate and full disclosure by interested employees shall be made to our company's management. At the time of appointment in our company, our employees and executive directors shall make full disclosure to the competent authority, of any interest leading to an actual or potential conflict that such persons or their immediate family (including parents, siblings, spouse, partner, children) or persons with whom they enjoy close personal relationships, may have in a family business or a company or firm that is a competitor, supplier, customer or distributor of, or has other business dealings with our company. For all new joiners, such declaration shall be made within 30 days of joining as per the form attached in the joining kit.
34. All employees of the company shall be required to disclose any conflict of interest within 90 days from the date of policy to the Group Ethics Officer.
35. If there is a failure to make the required disclosure and our management becomes aware of an instance of conflict of interest that ought to have been disclosed by an employee or Executive

Director, our management shall take a serious view of the matter and consider suitable disciplinary action as per the terms of employment. In all such matters, we shall follow clear and fair disciplinary procedures, respecting the employee's right to be heard.

### **Loans & Guarantees**

Loans and guarantees to employees by the Company could constitute improper personal benefits depending on the facts and circumstances. Loans by the Company to, or guarantees by the Company of obligations of, any director or executive officer or their family members are governed by the Law.

### **Integrity of Information and Company Assets**

ARVIND is committed to managing its assets and resources in a responsible manner. It does this on behalf of its shareholders and to protect employees, customers, products, property and information. This is achieved through line accountability that clarifies to every individual their role in minimising losses and disruption, and safeguarding Company integrity and reputation. This Policy, associated standards and procedures specify the requirements for the management of assets and resources; the maintenance of internal financial, regulatory and operational controls; the management of significant risks; and the protection of the business in the face of significant events.

- We must manage assets efficiently and effectively so that the Company realises their full value and complies with its obligations;
- We must identify and manage our information assets using good information practice;
- We must operate and maintain a robust internal financial, regulatory and operational control system that is designed to promote efficiency, prevent fraud and help ensure the reliability of financial statements and compliance with applicable laws and standards;
- We must identify, prioritise, manage and report risks to Company assets, employees or customers so that we achieve our business objectives, comply with legal requirements and safeguard shareholder value;
- We must be prepared to the fullest extent practicable to respond to significant events so that our critical business processes are maintained.

#### **36. Managing Information as an asset**

- For the purposes of this policy information is defined as "information that the employee creates or handles, in all formats including physical, electronic or verbal, or the use of other knowledge in the course of Company business".

- a. **Accountability:** Accountable people recognising information as an asset. By agreeing and maintaining clear ownership and accountability for information we ensure appropriate levels of personal responsibility and management oversight throughout the information lifecycle.
- b. **Integrity:** Accurate information with trustworthy sources. By making sure that information is accurate, relevant and trustworthy we ensure it supports the integrity of decision making and end-to-end business processes.
- c. **Retention:** Keep what is needed, dispose of the rest. By keeping only information that supports well understood compliance and business objectives and disposing of what we no longer need in a timely way, we retain the information assets we need without incurring unnecessary business risk and cost.
- d. **Compliance:** Standards are understood and met. By assuring that information is compliant with the Company's legal, regulatory, fiscal, ethical and operational obligations we help to maintain our licence to operate and achieve our reputational goals.
- e. **Availability:** Accessible information enabling people. By making the right information available to the right people, at the right time, we improve our effectiveness and the quality of decision-making and enhance our ability to innovate for business value.
- f. **Protection:** Information is safeguarded through processes that are secure and understood. By agreeing and maintaining the appropriate access and other controls for information we ensure that the varied interests of relevant stakeholders including customers, shareholders and employees are protected.

**37. Records and Reporting**

All relevant information produced by the company, is considered as records, regardless of how the information is stored and maintained. Examples of records, not limited to, include financial, accounting, technical, sales reports; production information; research and development notes; personnel files; Safety, Health and Environmental (SHE) information; vendor and partner contracts; marketing information; electronic information and business plans. Employees should ensure that all company accounts and records:

- a. Are maintained accurately. The records should also clearly describe and identify relevant facts or true nature of the business transactions, assets, liabilities or equities.
- b. Are documented properly, classified timely and entries are recorded in books of accounts, in compliance with company adopted accounting principles.
- c. Related to accounting transactions and financial reporting comply with company accounting policies and generally accepted accounting principles and standards.

Employees must not intentionally record entries that are false, distorted, misleading, misdirected, deliberately incomplete or suppressed. Improper accounting and documentation and fraudulent financial reporting will violate company policies, legal and regulatory accounting standards. Such intentional actions will attract penalties, which will be civil and criminal in nature.

Employees should share the responsibility of maintaining and complying with all applicable internal controls laid by the company. These internal controls, viz. policies related to accounting, personnel, information security, etc., ensure proper use and protection of all business assets, including electronic and static information, accuracy and reliability of financial records and reports.

All ARVIND employees, including directors have to comply with all applicable anti-money laundering, anti-fraud and anti-corruption laws and follow established processes for prevention of any breach of applicable laws.

**38. Company assets:**

- a. Proper handling and protection with adequate care of company assets/resources is a fundamental responsibility of each ARVIND employee. While limited personal use of certain resources is sometimes permissible, employees should not take this privilege for granted as permanent, and pursue the same at all times or assume that they have a right to privacy, when using these resources.
- b. Company assets include, but are not limited to laptops, computers, mobile and related equipment, local area and wide area networks (including Internet access), information assets including electronic and static, emails, business software, business applications, databases, online storage, audio, video, physical and electronic data, including storage on cloud, records maintained, (which may be stored and/or in-use), telephone and voicemail systems, and personal digital devices. These also include intellectual properties, such as logos, brands, registered company names and associated website domain names, inventions and other relevant and applicable copyrights, owned by ARVIND.
- c. Employees must safeguard their allocated resources and protect critical company data stored on them. In addition, because of the sensitive information, these devices may contain, employees must follow all applicable company policies, including IT, Information Security and follow all procedures regarding computer protection and encryption, thereby protecting them from theft, abuse and fraud.
- d. Employees should comply with the following responsibilities:
  - i. Acquisition of IT assets: Use good and sensible judgment, when obtaining assets for the company's use. Acquire only those assets, which company is permitted to have and assists in growth of business. Finally, ensure that ARVIND gets a fair price, when purchasing assets, such as supplies and raw materials, capital machinery, information and technology assets etc.



- ii. Use and handling of IT assets: Use extreme care, when working with company provided assets to ensure that these critical resources do not lose their market value due to misuse or mishandle.
- iii. Safeguarding IT assets: Protect company assets from misuse by others, theft or mishandling. Company property and information should be stored in secure locations to prevent unauthorized and un-wilful access.
- iv. Sharing of information on IT assets: Electronic information on company assets should be shared with people or entities outside of the company, only when authorized and when doing so, it should not compromise the value of asset or breach of applicable IT laws, company IT policy or breach of applicable regulations of the said country.
- v. Follow procedures: Comply with installed security programs to safeguard physical property and other assets against unauthorized use or removal, as well as against loss due to criminal act or breach of trust.
- vi. Disposal of assets: Disposal of company assets, including IT assets, only after receiving proper authorization from management, and should be in line with IT policy and such accounting policies laid by the accounts department of ARVIND.
- vii. Misuse of assets: Help protect against misuse of company assets by following applicable whistle blower policies and raising concerns, at the right time and highlighting misuse of company assets.

**39. Company Records:**

Employees accountable for the management of Company records created during the course of our business activities throughout their entire lifecycle, including creation, use, management, storage and retrieval, archiving and disposal. It is the Company's policy to: value records as corporate assets; retain records required by law or regulation or having business or historical value; manage records efficiently; protect and hold records according to company standards; and dispose of records at the appropriate time.

- a. Recorded information represents official business records regardless of media form or other format characteristics, when created or received by the Company and considered as evidence of its functions, decisions, policies, operations and other activities.
- b. Records are important corporate assets to be safeguarded. Company records must have the appropriate level of protection from unauthorized use, disclosure, damage or loss.
- c. Adherence to efficient records management practices will help assure Company information is protected, accurate, useful and readily accessible whenever it is needed.
- d. All ARVIND employees shall not make any wilful omissions or material misrepresentation that would compromise the integrity of our records, internal or external communications and reports, including the financial statements, acquired in the course of conduct of his/her duties, to his/her personal advantage or to the advantage of his relatives or friends.
- e. All ARVIND employees and directors shall seek proper authorization from management, prior to disclosing company or business-related information, and such disclosures shall be made in accordance with the company's media and communication policy. This includes disclosures through any forum or media, including all social media tools, either from web or mobile.
- f. All ARVIND employees shall ensure that the data/information, including emails, documents, databases, audios, videos, storage of electronic media and company IP content furnished by him/her to any person within the company or any outside person/authority has integrity and is dependable and that such data/information is not in conflict with any fact(s) or figure(s) about the company, which he/she, as a person of reasonable prudence, is supposed to be aware of or could have made himself/herself aware of, by applying reasonable judgmental care before the dissemination of such data/information. They should ensure it is in accordance with applicable company policies on information security, Information Technology Act 2000 and subsequent IT Amendment Act 2008.
- g. Our employees and directors shall respect and protect all confidential information and intellectual property of our company. This includes advantage acquired or gained by using

fair means, including dealing in the shares/securities of the company, confidential/insider information, inter alia, includes the following:

- i. Financial information, such as profits, dividends and cash flows, issue of securities, such as bonus, rights etc., customer/supplier contact details, commercial information, bank details and other financial information.
- ii. Major events, such as acquisitions, divestments, launch of new products or services, Internal MIS reports for Board members, etc.
- iii. Restructuring plans, decisions regarding appointments of key personnel, etc.
- iv. Company business information in form of electronic media, includes internal emails, documents, databases, audio, video, supplier information, vide using USB pen drives, storage through external cloud storage and other prevalent means of data sharing practices.
- v. Any price sensitive information.
- vi. Our employees shall promptly report the loss, theft or destruction of any confidential information or intellectual property and data of our company or that of any third party, within 24 hours of such incident coming to their knowledge.

#### **Drug, Alcohol and Weapon Abuse**

40. To meet our responsibilities to employees, customers and investors, the Company must maintain a healthy and productive work environment. Substance abuse, or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs and alcohol while at work is absolutely prohibited.
41. The possession and / or use of weapons / firearms or ammunition on company premises or while conducting the business of the Company is strictly prohibited, except with the prior permission of the company or as otherwise required by applicable law. Possession of a weapon can be authorized only for security personnel when this possession is determined necessary to secure the safety and security of Company's staff and employees. The provision of written permission by the Company, however, is not meant to be an indication that the Company claims any responsibility or liability for a person's possession and / or use of a weapon / firearm or ammunition and does not authorize the person to possess and / or use such weapon / firearm or ammunition on the Company's behalf. In addition to obtaining written permission from the Company, any person in possession of a weapon / firearm or ammunition on Company premises, is solely responsible for obtaining, and must have and maintain, any and all licenses / permissions that are required by applicable laws and regulations in the relevant jurisdiction. The person in possession of the weapons / firearms or ammunition maintains sole responsibility for ensuring that their possession and / or use of such weapons / firearms or ammunition is in conformance will all such laws and regulations.

#### **Insider Trading**

42. Any information that is not known to the general public at large and which may impact the share price of our company, if disclosed, is considered to be inside information. Our employees must not indulge in any form of insider trading nor assist others, including immediate family, friends or business associates, to derive any benefit from access to and possession of price sensitive information that is not in the public domain. Such information would also include information about our group companies, our clients and our suppliers. Every employee, having access to price sensitive information, who wishes to trade in the securities of the company needs to take specific approval from the Secretarial Department. Please refer separate policy on insider trading for further details.

#### **Employee Separation**

Employees who leave the company must:

43. Promptly return all company assets, including physical materials and ARVIND information assets, such as computers, mobile phones, calling cards, access cards, keys, business cards and electronic storage media.
44. Not make or take copies of information related to ARVIND when departing.
45. Not disclose non-public information related to ARVIND to others even after leaving the company.

46. Failure to comply with this obligation may result in severe civil and criminal penalties.

### **Safety & Health**

We prioritize safety at all the stages of our business activities and are committed to provide safe and healthy workplace to all our employees and other stakeholders than can be impacted by our business. All employees are bound by our Safety policy and would comply with the procedures set out at every facility. We expect full commitment from all our employees and business partners in ensuring safety in everything we do.

## **B. OUR COMMITMENT TOWARDS OUR CUSTOMERS:**

### **Products and Services**

1. We are committed to supplying world-class products and services that meet all applicable standards.
2. The products and services we offer shall comply with applicable laws, including product packaging, labelling and after-sales service obligations.
3. We shall market our products and services on their own merit and not make unfair or misleading statements about the products and services of our competitors.
4. We shall comply with all relevant export controls or trade sanctions in the course of our business.

### **Fair dealings with suppliers, customers and competition**

5. Fair Dealings With Suppliers:
  - a. Our suppliers are valued partners in the success of our business. Our relationships with them is characterized by honesty and fairness. Suppliers are selected on a competitive basis based on total value, which includes quality, service, technology and price.
  - b. Terms and conditions defining our relationship with suppliers are communicated early in the supplier selection process and agreements to such terms and conditions, or any acceptable modifications, are reached before work begins.
  - c. Included in these standard terms and conditions are ARVIND's policies regarding payment terms, confidentiality, and the use of intellectual property, worker health, safety and labour practices, and environmental requirements.
  - d. Supplier Diversity:
    - i. Supplier Diversity is a fundamental business strategy for ARVIND.
    - ii. Our consumers, customers and suppliers become more and more diverse every day, so our success depends on our ability to understand diverse consumers' needs and to work effectively with customers and suppliers around the world.
    - iii. Diversity is the uniqueness that everyone – from suppliers to employees to corporate officers – brings to fulfil ARVIND's Purpose, Values and Principles. We will continue to expand and build our Supplier Diversity results.
6. Fair Dealings with Customers:
  - e. ARVIND recognizes that our customers have individual needs and expectations representing unique opportunities for mutual success. ARVIND treats all customers equitably and does not give any customer an unfair advantage over another competing customer.
  - f. The Company does not discriminate by customer size, type, channel, or business strategy
7. Fair Competition

We believe in competing fairly because we all benefit from fair, free and open markets. We compete strictly on the merits of our products and services and make no attempts to restrain or limit trade.

  - g. ARVIND's goal is to win consumers for its products by virtue of the products quality and value, and not by creating unfair disadvantage for its competitors
  - h. We never discuss such matters as prices, pricing strategies, product or marketing plans, or terms of sale with competitors. Should a prohibited subject come up during the course of a trade association or other meeting, we must leave the meeting and inform our leadership or legal counsel.
  - i. We do not enter into agreements with our competitors concerning prices, production volumes, customers or sales territories

- j. We do not link purchase of one product to another or compel suppliers to buy from us to retain their ARVIND business.
- k. We do not disparage the products or services of a competitor.
- l. We collect competitive information through proper public or other lawful channels but do not use information that was obtained illegally or improperly by others, including through misrepresentation, invasion of property or privacy, or coercion.
- m. We support the development and operation of competitive open markets and the liberalisation of trade and investment in each country and market in which we operate.
- n. We shall not enter into any activity constituting anti-competitive behaviour, such as abuse of market dominance, collusion, participation in cartels or inappropriate exchange of information with competitors.

We shall not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of facts or any other unfair dealing practice.

#### **Payments for Products and Services**

- 8. Sales-related commissions, rebates, discounts, credits and allowances are customary business payments. Employees should avoid illegal or unethical payments and must comply with applicable currency exchange controls and tax regulations.
- 9. Payments that the company makes or receives should be:
  - a. Reasonable in value, relative to the goods or services provided and to industry norms.
  - b. Competitively justified.
  - c. Properly documented, such as in a negotiated agreement. The documentation should clearly define the nature and purpose of the transaction. (When an agreement is not practical, the approving business or function should prepare and file a memorandum that explains the payment. The legal department should review this memorandum.)
  - d. Made by cheque, bank transfer or credit note to the business entity listed on the original sales agreement or sales invoice, as per payment terms defined in the agreement.
  - e. Payable to the business entity, not its individual officers, employees, or agents, or payable to another business entity.
  - f. Prepared and sent only to the business or its designated entity's place of business or bank account, and the relevant country as listed on the original sales agreement or sales invoice.
  - g. Free of any falsification, misrepresentation, or deliberate overbilling in any document (including invoices, consular documents, letters of credit, etc.). This includes suppression or omission of documents or of information in documents, and deliberate misdirection of documents.
  - h. Charged to the business entity or product benefiting from the payment. The company should provide full visibility regarding any payments and should not charge the payment to a non-related account. Otherwise, this action could be perceived as trying to hide the expense from proper scrutiny.
  - i. In accordance with standard, written trade terms, including paid commissions, rebates, credits, discounts or allowances.
  - j. The person approving each transaction is responsible for understanding the full transaction to ensure it is appropriate to the situation and complies with company policy.
  - k. Never make payments that may appear to violate tax, exchange control or other laws. If unsure of a payment's legality, or to request an exception to this policy, seek approval from the Legal department and Chief Financial Officer.

#### **Dealings with customers**

- 10. Our dealings with our customers shall be professional, fair and transparent.
- 11. We respect our customers' right to privacy in relation to their personal data. We shall safeguard our customers' personal data, in accordance with applicable law.

**Business across borders**

12. Each location where ARVIND conducts business may have distinct laws and regulations and unique ways of transacting business. We must abide by local customs while we honour our ARVIND core values and uphold our standards. Therefore, each of us must understand the relevant laws and regulations that help safeguard the reputation of ARVIND as a responsible global conglomerate.

a. Export control:

Employees need to understand and follow national and multinational laws and other rules for exporting products, services and technologies from one country to another. Export rules not only pertain to transferring products between countries but may also restrict the following:

- i. Using business knowledge outside of the employee's country, such as when providing technical assistance to others.
- ii. Transferring technical data to someone in another country, such as through the internet, e-mail, conversations, meetings and database access. This restriction applies to sharing information with other company employees as well as non-employees.
- iii. Transporting company assets with certain technology, such as a computer an employee takes on a business trip to another country.

Some exports may require a government export license. In certain circumstances, export control laws may not allow companies or individuals to directly or indirectly deal with particular countries, companies, or individuals. These rules apply to transactions among ARVIND, its affiliates, joint ventures, and subsidiaries, and between ARVIND and other companies.

At times, export control laws in certain regions may conflict. To avoid problems, employees should consult the legal team as early as possible about local laws on exporting products, services, and technology.

b. Customs and import:

Customs rules safeguard each country's domestic industries, homeland security, and trading rights, while also preventing prohibited items from entering a country. These rules apply to transactions between ARVIND and its affiliates, joint ventures, and subsidiaries, and between ARVIND and outside companies. The rules require ARVIND to determine the correct classification, value, and country of origin of all of its imports. Employees must be able to demonstrate, with proper documentation, that ARVIND exercised reasonable care to ensure its imports comply with all applicable laws. This step requires that, at minimum, employees report complete, accurate, and detailed information regarding every imported product, its places of manufacture, and its full cost. Virtually all countries in which ARVIND operates have these requirements.

**C. OUR COMMITMENT TOWARDS OUR FINANCIAL STAKEHOLDERS**

1. We are committed to enhancing shareholder value and complying with laws and regulations that govern shareholder rights.
2. We shall inform our financial stakeholders about relevant aspects of our business in a fair, accurate and timely manner and shall disclose such information in accordance with applicable law and agreements.
3. We shall keep accurate records of our activities and shall adhere to disclosure standards in accordance with applicable law and industry standards.

**D. OUR COMMITMENT TOWARDS OUR VALUE CHAIN PARTNERS**

1. We shall select our suppliers and service providers fairly and transparently.
2. We seek to work with suppliers and service providers who can demonstrate that they share similar values. We expect them to adopt ethical standards comparable to our own.
3. Our suppliers and service providers shall represent our company only with duly authorised written permission from our company. They are expected to abide by the code in their interactions with, and on behalf of us, including respecting the confidentiality of information shared with them.

## **E. OUR COMMITMENT TOWARDS THE COMMUNITIES AND ENVIRONMENT**

### **Communities:**

1. ARVIND and its employees have a long-standing commitment to being good citizens and neighbours in all the places where we do business around the world. We believe we have a responsibility to society to use its resources – money, people and energy – wisely.
2. We are committed to good corporate citizenship, and shall actively assist in the improvement of the quality of life of the people in the communities in which we operate.
3. We engage with the community and other stakeholders to minimise any adverse impact that our business operations may have on the local community and the environment.
4. We encourage our workforce to volunteer on projects that benefit the communities in which we operate, provided the principles of this code, where applicable, and in particular the 'Conflicts of Interest' clause are followed.

5. **Charitable Contributions**

We have always looked at the upliftment of the society and contributed towards the betterment of the environment. We support various causes such as education and research, social welfare, disaster relief and other similar social causes. However, the following should be kept in mind before making any contribution.

- a) The recipient is a registered, tax-paying, recognized organization.
- b) The contributions are permissible under applicable local laws.
- c) Contributions are made without demand or expectation of business return.
- d) Beneficiaries of such contributions should not be related to the directors or executive officers of Arvind or any of the group companies under Arvind.
- e) Contributions shall not be made to the private account of an individual.
- f) Any amounts contributed or donations made towards charitable causes shall be fairly and accurately reflected in Arvind's books of accounts.

If any employee wishes to contribute, the same shall be done in the personal capacity and shall not represent the company.

### **Environment:**

6. In the production and sale of our products and services, we strive for environmental sustainability and comply with all applicable laws and regulations.
7. We seek to prevent the wasteful use of natural resources and are committed to improving the environment, particularly with regard to the emission of greenhouse gases, consumption of water and energy, and the management of waste and hazardous materials. We shall endeavour to offset the effect of climate change in our activities.

## **F. OUR COMMITMENT TOWARDS THE GOVERNMENTS**

It is ARVIND's policy to comply fully with all applicable laws and regulations governing contact and dealings with government employees and public officials, and to adhere to high ethical, moral and legal standards of business conduct.

### **Political non-alignment:**

We shall act in accordance with the constitution and governance systems of the countries in which we operate. We do not seek to influence the outcome of public elections, nor to undermine or alter any system of government.

The company's funds or assets shall not be used as contribution for political campaigns or political practices under any circumstances without the prior written approval of the directors.

Employees must always make it clear that their views and actions are their own and not those of the Company and employees must never use Company resources to support their personal choice of political parties, causes or candidates.

If our work includes meetings with government, elected officials, all of which might be construed as 'lobbying', we must be aware that such activities are regulated. We should not claim to represent our Company at such meetings unless we are specifically designated by the Company to do so.

If you have any questions concerning government relations, contact ARVIND's legal department.

#### **G. OUR COMMITMENT TOWARDS OUR GROUP COMPANIES**

We seek to cooperate amongst group companies, including joint ventures, by sharing knowledge, physical resources, human and management resources and adopting leading governance policies and practices in accordance with applicable law including adherence to competition law, where relevant.

We shall strive to achieve amicable resolution of any dispute between group companies, through an appropriate dispute resolution mechanism so that it does not adversely affect our business interests and stakeholder value.

We shall have processes in place to ensure that no third party or joint venture uses the ARVIND name/brand to further its interests without proper authorisation.

#### **GRIEVANCE REDRESSAL**

##### **Getting Assistance & Raising Concerns**

1. We encourage our employees, customers, suppliers and other stakeholders to raise concerns or make disclosures when they become aware of any actual or potential violation of our code, policies or law. We also encourage reporting of any event (actual or potential) of misconduct that is not reflective of our values and principles.
2. All suspected violations can be reported **anonymously** through:
  - a. Web portal - [www.in.kpmg.com/ethicshelpline/arvind](http://www.in.kpmg.com/ethicshelpline/arvind)
  - b. Toll free number – 1800 200 8301
  - c. Email - [arvind@ethicshelpline.in](mailto:arvind@ethicshelpline.in)
3. Avenues available for raising concerns or queries or reporting cases could include:
  - d. immediate line manager or the Human Resources department of ARVIND
  - e. designated ethics officials of ARVIND
  - f. the 'confidential reporting' third party ethics helpline (on 1800 200 8301)
  - g. any other reporting channel set out in our company's 'Whistle-blower' policy
  - h. any other reporting channel set out in ARVIND's POSHA Policy
4. We do not tolerate any form of retaliation against anyone reporting any concerns. Anyone involved in targeting such a person will be subject to disciplinary action.
5. If you suspect that you or someone you know has been subjected to retaliation for raising a concern or for reporting a case, we encourage you to promptly contact your line manager, Group Ethics Officer, the Human Resources department, the MD/CEO.
6. The company provides resources to assist all employees who encounter ethics and compliance issues that are difficult to resolve.
7. An employee's manager or supervisor is the first and best resource, since this person is familiar with the employee's duties. If the manager or supervisor is not available, or if the employee is not comfortable discussing the matter with his or her manager, the following resources are also available:
  - i. The employee's Business, Function, or Site Leadership.
  - j. The employee's Group Ethics Officer.
  - k. Legal or Finance HOD's
  - l. Human Resources, especially regarding workplace issues and policies, such as non-discrimination, non-harassment, and employee privacy.

### **Addressing Possible Misconduct**

8. **Corrective Action & Investigations:** To ensure prompt, consistent enforcement of this Code of Conduct, the company will investigate reported instances of misconduct, such as violations of the law, regulations, or company policies and procedures. Where misconduct is identified, responsible individuals will be held accountable and disciplined, as applicable, up to and including employment termination and possible civil or criminal action. Making an intentionally false accusation of wrongdoing is considered misconduct.
9. **Non-retaliation:** We must maintain an environment where concerns and potential problems are brought forward. ARVIND will not tolerate retaliation against anyone who, in good faith, raises a concern, reports suspected misconduct, or provides information related to an inquiry of suspected misconduct. The company will investigate any instances of possible retaliation, and discipline employees who have retaliated against someone who has reported possible misconduct.

### **Consider compliance as a personal responsibility**

10. It is the responsibility of each employee to read carefully and understand the code, to comply with the code and to avoid any activity or interest which might compromise the employee or the company. All employees must conduct themselves accordingly and seek to avoid even the appearance of improper behaviour.
11. When confronted with a questionable decision or behaviour; it will not be taken into consideration, if the employee in question blames 'the company' or 'somebody else' or 'ARVIND' for the questionable decision/behaviour. Only the said employee will be held responsible as it is his/her actual responsibility and duty to not to get involved in any such improper situation.

### **Asking Questions**

12. In case you have questions or you are in doubt as to whether a specific conduct complies with the code, you should discuss the same with your supervisor or your manager. Alternatively, you can submit your question to the Group Ethics Officer or Business Head.
13. A good basis to assess whether a given conduct might be inappropriate is to ask yourself whether the conduct might be embarrassing to the company or the employee involved if the details were fully reported in the news. If it might, you will be well advised to seek clarification through one of the above mentioned channels.

### **Sanctions**

14. Employees who fail to comply with the code, including supervisors who fail to detect or report wrongdoing, may be subject to disciplinary action up to and including termination of employment.
  - a. actions that violate the code,
  - b. requesting others – directly or indirectly – to violate the code,
  - c. failure to promptly raise a known or suspected violation of the code,
  - d. failure to cooperate in company investigations of possible violations of the code,
  - b. threatening or engaging in retaliation against another employee for reporting a (suspected) violation of the code.
15. Moreover, it is important to understand that a violation of certain standards contained in the code or in the laws and regulations may expose the employee(s) involved or ARVIND to civil liability and damages, regulatory sanction and criminal prosecution, including prison terms and fines. ARVIND is responsible for satisfying the regulatory reporting, investigative and other obligations that may follow the identification of a violation. ARVIND may not be able or willing to represent you in any criminal investigation or to protect you from these penalties



## SUPPORTING INFORMATION

16. Making Better Decisions
  - a. When facing a difficult situation for which an appropriate answer may not seem clear, the following questions may help assess the issue.
  - b. Before acting, review the situation with your supervisor to ensure he or she agrees with your intended resolution.
  - c. What is the potential ethics issue I face?
17. Could I potentially violate
  - d. A law or regulation?
  - e. The ARVIND guiding principles?
  - f. The ARVIND Code of Conduct?
  - g. An ARVIND rule, policy, or procedure?
  - h. An ethical standard of my profession?
  - i. My personal sense of ethical conduct?
18. What are my specific responsibilities in this situation?
  - j. What are my ethical responsibilities as an ARVIND employee?
  - k. What are the ethical responsibilities of my job?
  - l. Do I have ethical responsibilities as part of a professional or trade group?
19. Who is possibly affected by this issue?  
Customers? Shareholders? Suppliers? Colleagues? Local communities? My family and myself?
20. What resources can help me resolve this issue?
  - m. Relevant laws and regulations (contact Legal for help)
  - n. The ARVIND guiding principles
  - o. The ARVIND Code of Conduct
  - p. ARVIND policies and procedures
  - q. Professional, trade, or industry standards
  - r. Resources (see OneArvind)
21. What possible course of action should I consider?
  - s. What would my family think of my actions?
  - t. How would my action look if the facts appeared on the front page of a newspaper?
  - u. How might others want to be treated?
  - v. How would I explain my actions to a colleague?

### **Remember**

It is our commitment to protect our reputation and our brand equity by adhering to the values and principles set out in this code. By doing so, we strengthen our unique culture and identity.

‘Good faith’ means having a reasonable belief that the information you have provided is truthful. It does not mean having ‘all the evidence’ about the potential violation or case reported.

We do not tolerate harassment in any form and therefore we expect every employee to discourage such misdemeanours in the workplace.

Violation by even a single employee of any law relating to anti-bribery, anti-corruption, anti-competition, data privacy, etc. could result in severe financial penalties and cause irreparable reputational damage to the company.

As a general rule, we should not accept gifts or hospitality from a business associate.

We must respect the property rights of others by never misusing their assets, intellectual property or trade secrets, including the copying or downloading of unauthorised software, trademarks, copyrighted material or logos. We should never make unauthorised copies of computer software programs or use unlicensed personal software on company computers.

A conflict of interest could be any known activity, transaction, relationship or service engaged in by an employee, his/her immediate family (including parents, siblings, spouse, partner, and children), relatives or a close personal relationship, which may cause concern (based upon an objective determination) that the employee could not or might not be able to fairly perform his/her duties to our company.

Striving for excellence in the standards of our work and in the quality of our goods and services is a core ARVIND value. It is the unwavering practice of this value that builds and sustains customer trust in our brand.

## FREQUENTLY ASKED QUESTIONS

**Que: A former company employee and ex-boss of Amar (Executive, Finance department), has requested Amar to extract certain confidential Company reports on which they worked together. Amar also discovered that his ex-boss is being favoured by his other colleagues in the Finance department, for similar requests. What should Amar do?**

**Ans:** Under no circumstances should Amar give the former employee the information he has asked for, which is confidential in nature. Amar should also pro-actively stop his peers from violating the company's code by sharing company's confidential information with the former employee. Amar is also obliged to report this to the Group Ethics Officer immediately and appropriate action should be undertaken by the Group Ethics Officer.

**Que: I feel that my supervisor is treating me unfairly for reporting a concern to the Group Ethics Officer. What should I do?**

**Ans:** Retaliation against anyone who raises a concern is in violation of the code. You should therefore promptly report this action of your supervisor to the Group Ethics Officer or the CEO/Business Head of your company/division or via the company's confidential reporting system.

**Que: While working on a customer project, you receive a call from your colleague. He used to manage that customer account before you took over his role. He recalls that he had worked with the customer on developing a new ordering system which he thinks would be beneficial for another customer and requests you to send him the details of the project. What should you do?**

**Ans:** You must not share this information without getting an approval from the customer. You are not permitted to use a customer's assets, including software for another customer or for any other personal use as well.

**Que: You are in a relationship with a colleague who has been recently been inducted into your team and will now be reporting to you. What should you do?**

**Ans:** Romantic or close personal relationships with an another employee where a reporting relationship exists and one is responsible for evaluating the other's performance, is likely to create a conflict of interest. In such a situation, you should report the potential conflict to your immediate superior (or reporting manager).

**Que: You are in the process of selecting potential vendors for a project. One of the three finalists is a group company. In reviewing the final proposals, you rank the group company second out of the three proposals based on pricing and total cost of ownership, and select the first-ranked vendor. Is this the right decision?**

**Ans:** Yes. You should select the vendor that, on its own merits, is the vendor that is most appropriate for your company's requirements. You should not select a group company only because of its affiliation.

**Que: Shravan (Head-Procurement) is approached by a vendor who is ready to extend special discounts to the company to get them empanelled as a listed vendor. Market study reveals that the vendor had significant number of children working as labourers, which is against the labour law of the country. Should Shravan award the contract to the vendor and make profit for the company?**

**Ans:** We choose our suppliers based on price, quality, delivery, service, reputation and their environmental and business practices. We also expect our suppliers to support our core labour standards and abide by all applicable local and international laws. Considering this, Shravan should not go ahead by awarding a contract to the vendor.

Que: **You are in the role of Regional Sales Manager within the company. You have become a member of an 'informal group', on an instant messaging service, whose members are the regional sales heads of our company's competitors. The administrator of the group has requested an in-person meeting to informally discuss market conditions and brainstorm on 'pricing strategy' from an industry perspective. What should you do?**

Ans: Any meeting with company's competitors, especially to discuss 'pricing strategy', could be an attempt to promote an anti-competitive practice or manipulate pricing. You should respond by declining this invitation and exiting the 'informal group'. You should also report this incident to your reporting manager (or immediate superior) and your Legal department team.

Que: **You are responsible for maintaining the organization's customer database. One of your friends is starting a business venture and requests you to share a few particulars from this database for marketing purposes of his business. He assures you that he would keep the data as well as his source confidential. Should you do so?**

Ans: No. You should respect the confidentiality of customer information and not share any part of the database with any person without any prior-authorisation.

Que: **Our organization has recently announced the launch of a new business initiative/line. In connection with this, your friend who is a journalist with a leading business newspaper has asked you to share some information that can be covered in his forthcoming article. He has promised that he will maintain your anonymity. Should you be giving him this information?**

Ans: No. You should not share any such information with the media, even if it is assured that the source of the information would remain anonymous. Only authorised personnel within the company are permitted to speak to the media and provide information of the nature.

Que: **A job requirement needs extensive travel. One of the candidates is a perfect fit for the role vis-à-vis the educational qualifications and overall experience. However, the candidate is a single parent. As a result, I feel such a situation shall significantly hinder the candidate's ability to cope with the needs of the job. What should I do?**

Ans: In accordance with the Code of Conduct policy, the decision to recruit an employee should be purely based on merit. One should not make an assumption that the candidate shall not be able to meet the travel requirements that will come as part of the job. All eligible candidates should be provided with an equal opportunity to demonstrate or justify that they can cope with the requirements that will come as part of the job. Being a single parent cannot be a basis on which the decision should be taken. And an employee's personal situation should not be held against him/her at any stage of recruitment or during the course of his/her ongoing employment within the company.

Que: **You are a purchasing manager in the procurement department of your company. You receive an invitation from a supplier to attend a premier sporting event as their guest. This particular supplier is one of the vendors who has submitted a proposal for an open tender issued by your company. Should you accept the invitation?**

Ans: No. You should not accept the invitation in the given scenario. Since you are in a key decision-making role for the tender, any unusual benefit that you receive would be perceived as an incentive that can compromise your objectivity.

Que: **Kiran, a supplier relationship manager, has been invited to attend a supplier conference (all expenses paid) in Paris. Is this acceptable? Kiran wants to extend his stay by 3 days and call his spouse to plan a vacation around Paris. What should Kiran do?**

Ans: Kiran should consult his reporting manager (or immediate superior) and seek his/her approval before accepting the invitation. The reporting manager will need to assess the need of accepting such an invitation. Also he/she will need to understand if it is bound to impair Kiran's independence on the basis the facts of the invitation. Yes, Kiran can call his spouse and plan a vacation provided all expenses related to the extended stay, for him as well as for his spouse, are borne by him and not by the organizer of the conference.

Que: **Jitesh, from the finance team, has learned that the Company is negotiating with another company regarding a possible strategic alliance. He has inadvertently shared this information with an acquaintance. Has he violated the code? What should he do now?**

Ans: Jitesh has violated the code if he has shared the information with an acquaintance, who is not authorised to receive such information. If a violation has occurred, Jitesh must immediately inform the recipient that the information is confidential and that it should not be shared with anyone else or used by the recipient in whatsoever capacity. In particular, the recipient must not trade in the stock of either the company or its client, until either of them publicly disclose the transaction. He must also promptly report the violation to the Group Ethics Officer.

Que: **Himani, who works with the R&D team, recently hired an employee who previously worked for one of the company's competitors. Can Himani ask the employee for non-public confidential information about this competitor which will give the company a competitive edge?**

Ans: Every employee has an ethical and legal responsibility to keep their previous employer's non-public information confidential. By asking the newly hired employee to reveal information that violates his/her professional integrity, Himani will be placing the new employee and the company in an embarrassing position. Such behaviour is inconsistent with the company's values and is a violation of the code.

Que: **Rujuta (an executive working with the Legal department) sometimes uses her Company provided data card to access the internet for downloading high volumes of movies and songs. Is it okay to use the data card for such personal use?**

Ans: We are allowed an occasional personal use of company assets and information technology as long as it does not compromise company's interests, adversely affect our job performance, or result in an undue abuse of the company's resources. However, using the company provided data card for downloading high volume movies and songs (if the access is beyond the occasional permitted usage), then it will be considered as an abuse of company's resources and hence, a violation of the code.

Que: **Mansi's (a management trainee) reporting manager has asked her to record an unconfirmed sale in the quarterly report to meet the target and is offered an out of turn promotion to do the same. Should Mansi record this sale?**

Ans: No, it is important to record all the costs and revenues in the correct time period. Reporting a sale that has not yet been made can lead to misrepresentation of financial statements. Mansi should decline to accept her manager's offer and also report this to the Chief Financial Officer and the Group Ethics Officer immediately.

Que: **Your organization is submitting a proposal to a company with whom you were previously employed. You have confidential information pertaining to your previous employer, which you believe will help your present employer in winning the contract. Should you share this sensitive information?**

Ans: No. You should not share this information with your company since it relates to confidential information of a third party. Your company respects its employees' duty to protect confidential information that they may have relating to their previous employers.

Que: **Our organization states that the employees should exercise caution during the course of social media usage. Why is there such a policy?**

Ans: External communication should be handled sensitively. It must be carefully managed as the information put out with reference to our company or any of its businesses needs to be clear, truthful and should not violate any undertakings that has been given to other parties. In each businesses, there are managers present who are responsible for validating and authorizing different types of statements (or information) that needs to be shared to the external environment or the outside world. These managers should be consulted before sharing the information with the external world. In using social media, in particular blogs or social networking sites; one should maintain great caution while talking about our organization or the businesses that we do.

Que: **I am working as an accountant in the finance department. Due to my artistic skills, have received an offer to pen cartoons for a children's publication for which I would receive compensation. I plan to undertake this activity during weekends. What should I do before accepting this offer?**

Ans: Before accepting the offer, you should refer to the company policy that is present. The policy of the company clearly demarcates that one needs to disclose before taking up the activity. You will need to disclose the activity to your immediate superior (or reporting manager), basis which the company will determine if the activity will have an adverse

impact on company's interests. On confirmation from the company that it does not do so, you shall be free to take up the activity. It is also your duty to bring to the attention of the company whenever there is any change in the situation you have disclosed.

**Que** You head the procurement function within our company. You have tight budgetary constraints for a project that you are working on. In order to complete the project within the targeted costs, you intend to request your supplier to provide you an exceptional discount on this project order on the understanding that you would 'make it up to him' in future orders. Would you be violating the code?

**Ans:** Yes, you would. Incentive/an inducement in any form, including future benefits to the supplier, can compromise your ability to act objectively and in the best interests of the company and therefore, must be strictly avoided.

**Que:** A local educational institution has invited Manoj (Finance Team) as a guest faculty on weekends to give lectures to students in return for a nominal fee. Should he accept the invitation or will it constitute violation of the norms related to external employment?

**Ans:** Manoj can accept the invitation from the educational institution as long as it does not conflict with the interests of the company and provided he does not conduct such lectures during the business/working hours of the company. As per the code, Manoj shall not engage in any vocation, training, employment, consultancy, business transaction, or any other activity; which is in direct conflict with the interests of the Company, in any capacity whatsoever. He will need a prior approval from the Human Resources representative of the function. A disclosure to his reporting manager (or immediate superior) is also required.

**Que:** You have access to revenue numbers of different business units/lines. During a course of conversation with you over evening drinks, your friend enquires about the financial performance of the company. You do not share detailed information with your friend, but share approximate revenue figures. Is this conduct appropriate?

**Ans:** No, it is not. You are not permitted to share financial information of the company with others who are not associate with the organization in any capacity. Financial information should always be safeguarded and disclosed only on a need-to-know basis after obtaining pre-requisite approvals. Sharing of any sensitive information which is not generally available with the public can also lead to a violation under insider trading laws.

**Que:** One of Kamal's colleagues regularly arrives at work under the influence of alcohol. Kamal knows that he is undergoing mental trauma in his personal life but by working under such the influence of alcohol, he can pose a risk to himself as well as his colleagues. What should Kamal do?

**Ans:** The use of alcohol is likely to be affecting the colleague's well-being and the quality of his work. It is obligatory on Kamal's part to report the same to the Group Ethics Officer who will deal with the matter objectively and sensitively.

**Que:** Rahul recently identified that his procurement manager has been fraudulently awarding contracts to his preferred vendors in return for kickbacks. When he confronted him about this, he threatened him with 'bad consequences'. What should Rahul do?

**Ans:** Rahul should immediately report this matter to the Group Ethics Officer without any fear or hesitation. The Company management will ensure that he is not a victim of retaliation. The code clearly states that any type of retaliation or bullying will not be tolerated and will lead to a disciplinary action.

**Que:** Ravi (Manager) who is involved in selection of 'direct selling agents' was offered a ticket for a cricket match (Market value: INR 40,000) from one of the agents as a gift. Ravi refused the gift promptly. The agent persisted with the gift by saying that his brother was entitled to tickets for family and friends free of cost and hence, the ticket had not cost him anything. Ravi accepted the gift. Is Ravi right in doing so?

**Ans:** We should promptly refuse to accept or offer gifts or entertainment even though the agent had not incurred a cost for procuring the ticket.

- Que: **My supervisor has asked me to do something which I believe may be illegal. I am afraid if I don't do what am told, I could lose my job. Should I do it?**
- Ans: No. Breaking the law is never an option. Discuss the situation with your supervisor to be certain that you both understand the facts. If your concerns are not resolved, contact a higher level supervisor, the Group Ethics Officer, the Legal department or report them via the company's confidential reporting system, if available.
- Que: **Shruti's (a junior executive) manager has made a comment on her dress that made her feel uncomfortable and embarrassed in front of her colleagues. Being a junior employee in the organisation, she could not object in front of her colleagues. What should she do?**
- Ans: Shruti is entitled to work in an environment which is free from intimidation, hostile, or offensive behaviour. If she feels uncomfortable with any comment made by anybody in the organisation, then she is entitled to report the same to the Human Resource (HR) representative of her function and the same will be investigated upon keeping the identity of the complainant confidential. Appropriate action will be taken against her manager, if the behaviour is proved to be a sexual harassment.
- Que: **Kalpesh's (Department-Head) daughter has recently completed her studies with good results and has expressed an interest in working for the company. Can she be considered for any position?**
- Ans: In order to avoid conflict of interest, the company will generally not hire Kalpesh's daughter in the same chain of command and function in which he is working. She can be hired for any other function provided that she has undergone the routine HR process of hiring, and provided Kalpesh has not been in a position to directly or indirectly influence her selection process.
- Que: **Kiran (Procurement manager) is offered a taxi by a supplier, to visit the supplier's office in Delhi as a gesture of hospitality. Will this be considered as 'gift and entertainment'?**
- Ans: No, as per the code, routine business courtesies which are offered as a gesture of hospitality may not be considered as 'gift and entertainment'. However, Kiran should ensure that the hospitality does not lead to any obligation or favour.
- Que: **You are attending a customer meeting with a colleague, and your colleague makes an untruthful statement about the company's services. What should you do?**
- Ans: You should aid/ help your colleague in correcting the inaccuracy during the meeting if possible. If this is not possible, raise the issue with your colleague after the meeting to enable him/her to correct any misrepresentation that would have been shared with the customer.