

# Code of Conduct

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Dear Colleagues,

Upholding integrity and fairness in all our organisational and business dealings is of utmost importance to everyone in SRF. This commitment is firmly embedded in our Values. Our Values are not just strong words or theoretical concepts, they are a way of life. They represent a collection of habits that must be reflected in our day-to-day behaviour, shaping how we work, how we make decisions, and how we treat one another.

We embrace the concept of RINEW, which in SRF, stands for:

- **R**-Respect
- **I**-Integrity
- **N**-Non-Discrimination
- **E**-Excellence
- **W**-Well Being

This document goes a step further and talks about some of our values in action. It describes how we would like to strive to live up to our responsibilities. It is a step towards reinforcing the firm commitment we, as individuals and as a group share towards ensuring the compliance with ethical professional conduct expected from each of us. This document is also a step towards bringing in a commonality of understanding and transparency of the beliefs, values and the behaviours we cherish. Any violation of this Code of Conduct is liable to attract disciplinary action against the guilty.

Please note that the Code can't address every situation, and issues will continue to evolve in rapidly changing environment. For this reason, the situations covered in the document are only illustrative in nature and not exhaustive.

The Code has been supplemented with "questions" which an employee could ask himself/herself or seek clarification from his/her superior when faced with a doubt regarding any situation where the Code of Conduct comes into question.

This Code is also supplemented with guidelines on Values in action. Even when outside workplace, each one of us continues to be a Brand Ambassador to our organization. One should keep this in mind at all times and not indulge in activities that can potentially harm the image of the organization. While these Guidelines are illustrative and directional in nature, these may go a long way in improving the work environment, if followed by all.

Appropriate and ethical behaviour is important in its own right. However, it is also good for our business because it fosters customer loyalty. So take time to read this document. Embrace it and continue to live by the Code of ethical conduct that has served our Company so well.



**Geeta Shamrao Jadhav**

**President & CHRO**

**SRF Limited**

# Code of Conduct

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The broad areas covered under this Code of Conduct include:

## **1. Equal Employment Opportunity**

We are committed to establishing and maintaining a positive workplace that promotes equality diversity and equal growth opportunity and is free from discrimination. We expect all employees to value and respect each other and maintain an environment supportive of individual differences, where each of us can participate and contribute free from discrimination. We should be fair, honest and unbiased in our day-to-day work and rely on merit and performance as the sole basis for recruitment, appraisal, rewarding and promoting our people.

- There should be no discrimination in employment opportunities based on religion, caste, language, region, gender (male, female or transgender), age, color, sex, sexual orientation, etc.
- We should recruit, appraise, reward and promote on the sole basis of merit.

Questions employees should ask themselves:

- Am I being objective while evaluating a potential employee or am I giving undue weightage to factors like gender, language, etc.
- Am I being objective while appraising an employee and applying the same standards irrespective of gender, language, etc.

## **2. Sexual Harassment**

We are committed to providing a workplace that is free from harassment of any kind, gender based coercion, intimidation, or exploitation. We must not engage in unwelcome sexual conduct or make unwelcome sexual overtures to other employees and business partners.

- Harassment includes conduct of sexual nature (i.e., unwelcome physical contact, advances, looks, remarks, gestures, etc.) that creates an intimidating, hostile or offensive work environment.
- Harassment can also take the form of a person in a position of authority abusing the authority of his/ her position in hiring, appraisals, promotions, etc. in order to receive sexual favours.
- Harassment can occur within or outside of the workplace.
- Anyone, irrespective of gender, nature of employment, position in the organizational hierarchy, etc., should not be subject to any form of sexual harassment.

- Harassment is strongly condemned by the Company and the perpetrators would be guilty of misconduct & liable for disciplinary action. The Company policy on sexual harassment shall act as the guiding document.

Question employees should ask themselves:

- How would I feel if I was subject to the same treatment?

### **3. Substance Abuse**

We are committed to providing a safe and secure workplace that is free from the use of prohibited substances. The consumption or possession of prohibited substances may affect the health, productivity, work environment and much more.

- We must not come to the workplace/Company premises or conduct Company business under the influence of any prohibited substances.
- We must not carry or consume such prohibited substances at our workplace/ Company premises/or while conducting Company business.
- While we do not encourage the use of alcohol, there may be business meetings, office gatherings or similar occasions where alcohol might be consumed. It is advisable that we do not conduct official business when our judgement is likely to be impaired.

Questions employees should ask themselves:

- How would a customer/vendor feel if he came to know that the SRF representative he was interacting with was under the influence of a prohibited substance?
- What is the potential harm that I can bring to the Company by carrying out official work under the influence of any prohibited substance, since everyone knows that judgment is clouded during such times?
- How would I feel if a colleague misbehaves with me under the influence of alcohol or prohibited substances?

### **4. Company Assets and Services**

Our shareholders trust us to manage, use and protect Company assets appropriately. We will ensure that Company assets and services should be used only for legitimate business purpose by authorized employees and not be misused. Assets include tangible assets such as equipment, computers, phones, photocopiers, etc., as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc. Services can include hired vehicles, courier services, etc.

- Company assets and services are to be used for business purpose. Limited personal use may be permissible provided it:
  - does not interfere with our work responsibilities or business operations

- does not lead to inappropriate costs to the Company. For example:
  - If a hired vehicle is being used by the family members or for other personal purposes like sight-seeing, etc., expenses should be borne by the employee.
  - Personal couriers, personal photocopying on a large volume, etc., should be borne by the employee.
- is not for any profit or contrary to law or Company policy.

## **5. Company invention/innovation**

Any invention/innovation in current processes developed during the employment period will be treated as Company asset and employees must ensure that the property rights for such invention/innovation are secured.

- We should promptly disclose to the management any invention/innovation (technical development/improvement) developed during Company time using Company resources. If required patent for the same will be taken.
- Disclosure of such invention/innovation outside the Company is prohibited

## **6. Protection and appropriate use of Company's information**

Information that we use in our business is a vital asset in better serving our customers and competing in the market place. Rooted in the idea of “empowering” employees, we are following a policy of allowing access of information in the public domain to as many people as possible, while at the same time maintaining confidentiality wherever required.

Employees are encouraged to share all information received from internal and external sources with all who may need to know. The guiding principle should be communicated more, rather than less with the team members. For example, Company's goals, plans, declared quarterly results, people administrative policies should be widely shared with the employees and externally wherever relevant.

At the same time following should be kept in mind while sharing information:

- Sensitive information (such as profitability analysis, product wise costing, pricing, market share information, compensation package, personal appraisal or any other employee related information) should have restricted viewing for confidentiality reasons.
- Confidentiality of sensitive information till it comes in the public domain should be maintained. For example, quarterly results, changes in annual compensation, planned acquisitions and alliances, price changes, etc., should be kept confidential till publicly announced.
- One should not engage in gossip or conjecture on any issues which are still under discussion, and one happens to be in a privileged position to know about it because of his/her role.

Questions employees should ask themselves:

- Is the information that is being disclosed available in public domain?
- Will the disclosure of this information affect SRF's business interests adversely?
- Will discussing matters that I happen to have information on because of my role, or speculating about something lead to diminished morale and/or hurt someone's interests unfairly?

## **7. Insider Trading**

Pursuant to the guidelines issued by SEBI, SRF has framed a "Code of Conduct for Prevention of Insider Trading". The basic principle that governs the Code is that insiders (which includes employees), are not permitted to deal in the Company shares, either directly or through their relatives/friends, while they are in possession of price-sensitive information that is not available with public.

The detailed Code of Conduct for Prevention of Insider Trading, which is to be complied by all employees is available separately on SRF intranet/with Corporate Governance process.

## **8. Use of E-mails and Internet**

SRF encourages use of internet and e-mail by its employees for the conduct of business. They can be used for personal purpose also, provided they do not interfere with the normal working of the employee. Following should be kept in mind while using e-mail/internet:

- No employee should use SRF's internet facilities to deliberately visit objectionable site (pornographic, gambling, etc.) or propagate any virus.
- Employees are prohibited to use the Company messaging system to send material containing viruses, offensive content within and outside SRF.
- Mass mailing for the purpose of greetings, advertisements, spams, religious messages etc. is prohibited.

For details on the usage of e-mails and internet, employees should refer to the IT security policy which is available separately on SRF intranet/with the IT process.

## **9. Protection of Company's logo or trademark**

A trademark or logo enables the Company to build an identity and reputation among the customers and any other parties. Employees should not use Company's name, logo, motto or trademark for personal benefit in any manner whatsoever. Also, all employees must take utmost care to ensure that the Company's logo and/or trademarks are not utilised in a manner that will show them in bad light, e.g., making caricatures of the logo, deliberately soiling the logo, or throwing it on the ground, etc.

## **10. Gifts and Entertainment**

Gift giving and receiving practices vary among different cultures. Therefore, it is more important to consider the intent with which a gift is being given/received rather than considering the monetary value of the gift for taking a decision regarding accepting/rejecting a gift. We will only receive gifts that promote goodwill with our business partners and do not improperly influence or appear to influence our decisions and actions.

- We will not accept a business related gift that is cash or cash equivalent (e.g., gift certificate or coupon are not acceptable).
- Employees may accept and offer nominal gifts, which are promotional in nature or are customarily given for special events/festivals. Employees should use their own discretion while labelling a gift 'nominal', and whenever in doubt, must consult their Reporting Manager or HR for clarification.
- Honoraria/gifts received for guest lectures at institutes can be accepted. However, for details on other kinds of association with the Academia, please refer the policy on Relations with Academia, which will be applicable in such cases.
- All gifts with an estimated value greater than Rs. 2000 (in case of domestic parties) or USD 100 (in case of international parties) should be disclosed to the Reporting Manager.

Questions Employees should ask themselves:

- Is it likely that I might end up favouring a supplier because of the gift he has given me?
- How often has the supplier given a gift during this year?
- Are gifts given by SRF of a comparable level in a similar situation?
- Would I be hesitant to share information about the gift which I have got with colleagues?
- Would refusal to accept a gift be construed as being discourteous?

## **11. Conflict of interest**

Our personal or other non-business activities and interests, including our relationships with others, may inappropriately affect our work responsibilities. These conflicts of interest can undermine our business judgement and our responsibility to the Company and adversely affect SRF's interests. We should avoid conflicts of interest, or even the appearance of such conflicts, to ensure that our actions are in the best interest of SRF.

- We should not conduct business with a supplier/customer of which the employee or his/her relative is principal officer or representative, resulting in a benefit to him/her or his/her relative.
- We should not perform outside work or otherwise engage in any outside activity or enterprise that may interfere in any way with job performance or create a

conflict with the Company's best interests. For example, while doing consultancy for a supplier would lead to conflict of interest, giving a guest lecture at a management institute would not constitute conflict of interest.

- Employees are under a continuing obligation to disclose to their supervisors any situation that raises the possibility of a conflict or disparity of interest between the employee and the Company. Disclosure of any potential conflict is the key to remaining in full compliance with this policy. For example, one should disclose if one has taken/given a house on rent from/to a supplier, or a colleague.

Questions employees should ask themselves:

- Can my outside business or financial interest adversely affect my job performance or judgment on behalf of the Company?
- Does my relation with third parties with whom SRF is dealing influence the outcome of the contract negotiated with the third party?

## **12. Work related expenses**

Benefits offered under the Company policies are there to facilitate the working of the employees and we must use these benefits honestly.

- Employees may seek reimbursements as per the policy for expenses that are reasonable, actual and authorized.
- Presenting fraud declarations/bills is not expected from any employee. Claims are to be made only for the actual expense incurred and not based on entitlement for a particular expense. For example, if one travels by 2<sup>nd</sup> class, whereas he is entitled to AC fare, the claim can be only for the 2<sup>nd</sup> class fare. Similarly, if two persons share a hotel room, then both the persons should claim the actual expenses on shared basis.

## **13. Accuracy in reporting**

For proper management decision-making, maintaining the integrity of our records and reports is essential. This requires transparency and reliability in the reporting within the organization.

- We will prepare financial reports and records within the organization accurately and truthfully. We will not knowingly suppress any Company information while preparing financial reports.



## **Violations of the Company's Code of Conduct**

From time to time an employee may have some questions, concerns or problems regarding the application of the Code of Conduct by fellow employees/organisation. An employee who encounters such difficulties is encouraged to discuss them with the immediate superior/process owner/anyone else that he/she trusts. If, for some reason, this is not feasible or appropriate, the issue(s) should be raised with one of the following, as appropriate:

1. Ethics Helpline/Values Steering Committee, through either:
  - Email, or
  - Phone
2. President & CHRO
3. Business CEO
4. Complaint Officer (in cases of issues related to Transgender persons)

If the employee does not wish to disclose his/her identity, they can do so via the helpline system that would be made available in each unit. The Company is committed to protect such employee from any unfair termination or prejudicial employment practices. Please refer to the Company's Whistleblower Policy for details on procedure of complaint resolution and protection of the Whistleblower.

## RINEW: Our Values

Value	Definition	Guiding Principles
<b>Respect</b>	We believe in building and nurturing relationships with all by treating them with respect and dignity	<ul style="list-style-type: none"> <li>• We will stand by our commitments</li> <li>• We will ensure that transacting business with us is easy</li> <li>• We will treat each individual with respect and dignity</li> <li>• We will encourage people to express their opinions frankly</li> <li>• We will promote a culture of accessibility at all levels and positions</li> <li>• We believe in the innate potential of each employee</li> <li>• We will listen and respond to the voice of our shareholders and investors, and will strive to deliver sustained results that will satisfy them</li> <li>• We will set high standards in corporate governance</li> <li>• We will make continuous efforts to enrich the quality of life of the community of which we are a part</li> <li>• We will strive to grow in harmony with nature and the needs of the society</li> </ul>
	We will not compromise on our ethical and moral standards	<ul style="list-style-type: none"> <li>• We will not indulge in any action that brings the organization into disrepute</li> <li>• We will not indulge in any financial malpractice</li> <li>• We will never misuse the resources of the company</li> <li>• As employees, we will be open in our dealings with each other</li> </ul>
	We will provide equal opportunities to all	<ul style="list-style-type: none"> <li>• We will not discriminate on account of gender (male, female or transgender), caste, religion, region, nationality, language, sex, sexual orientation and physical disabilities, subject to appropriateness of the role</li> <li>• We will not tolerate behavior or beliefs that promote discrimination and/or damage the social fabric of the organization</li> <li>• We will encourage meritocracy</li> </ul>
	We will pursue excellence in all that we do	<ul style="list-style-type: none"> <li>• We will encourage contribution through team work</li> <li>• We will use the SRF management way as a means to achieving excellence</li> <li>• We will encourage creativity and innovation by individuals and teams</li> <li>• We will continuously invest in our resources, systems and processes so that our long term organizational capability is not compromised.</li> <li>• We encourage employees to display initiative and passion in all that they do</li> </ul>

Well Being		<ul style="list-style-type: none"> <li>• We believe that people should put in efforts beyond the 'call of duty' as and when required</li> <li>• We will set challenging targets for ourselves and our teams</li> <li>• We encourage people to seek and provide support to each other</li> <li>• We believe in simplicity in our communication, and in the systems and processes that we design and implement</li> </ul>
	We believe that happy employees are key to organizational success	<ul style="list-style-type: none"> <li>• We demonstrate our care and concern by being there in times of need for the employee &amp; his/her family</li> <li>• We believe that our people should experience joy in their day to day working life</li> </ul>