



## Preamble / Objective

This Code of Conduct and Business Ethics (the "Code") sets forth legal and ethical standards of conduct for the entire team members of Harman Finocem Limited, ("Harman Finocem" or the "Company") and its subsidiaries and ensures compliance with legal requirements under 'Corporate Governance'. Harman Finocem Limited Code is designed to deter wrongdoing and to promote:

- Honest, fair and ethical conduct, including ethical handling of conflicts of interest between personal and professional relationships;
- Protection and Proper Use of Corporate Assets & Confidential Information;
- Compliance of governmental laws, rules and regulations;
- Prompt internal reporting or violations of the Code to an appropriate person or persons identified in the Code

Team Members must conduct themselves accordingly and seek to avoid improper behaviour. If one has any questions regarding this Code or its application to him in any situation, one should contact the Chairman and Managing Director or the Compliance Officers (appointed by the Company under Corporate Governance Regulations),

### 1. Honest and Ethical Conduct and Fair Dealing

Team Members should endeavour to deal honestly, ethically and fairly with the Company's suppliers, customers, competitors and employees. Statements regarding the Company's products and services must not be untrue, misleading, deceptive or fraudulent. Team Members must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practice.

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was obtained without the owner's consent, or inducing such disclosures by past or present employees of other companies is prohibited.

To maintain the Company's reputation, compliance with our quality processes and safety requirements is essential. In the context of ethics, quality requires that our products and services reflect our ethical obligations. All operations must be conducted in accordance with all applicable regulation.



## 2. Conflicts of Interest

The following pertains to all conflicts of interest other than those relating to transactions between Harman Finocem Limited and its affiliates/subsidiaries. Team Members must act in the best interests of the Company. All team Members must refrain from engaging in any activity or having a personal interest that presents a "conflict of interest".

A conflict of interest occurs when their personal interest interferes, or appears to interfere, with the interests of the Company. A conflict of interest can arise whenever our Team Members, take action or have an interest that prevents them from performing the Company duties and responsibilities honestly, objectively and effectively. In order to avoid conflicts of interest, our Team Members must observe the following restrictions, which are not to be construed as a comprehensive list:

- a. Team Member should not use Company's name, property, proprietary or confidential information or goodwill for personal gain or for the gain of others.
- b. No Team Member or close relative of a Team Member should engage in any activity as an officer, employee, contractor, supplier or consultant with any enterprise (other than Harman Finocem Limited's affiliates/ subsidiaries) that competes with the Company ("close relative" means a spouse, dependent child or parents).

Conflicts of interest are prohibited as a matter of Company policy. It is responsibility of the individual to disclose any material transaction or relationship that reasonably could be expected to give rise to a conflict of interest to the Chairman and Managing Director or the Compliance Officer(s). Conflicts of interest may not always be clear-cut, so if one has a question, one should consult with them.

## 3. Confidential Information

The disclosure of confidential information regarding Harman Finocem's business, financial, legal, regulatory or scientific operations, whether intentional or accidental, can adversely affect the financial stability and competitive position of Harman Finocem and the job security of its employees.

On account of this risk or harm to Harman Finocem, individuals must not, during the term or their employment by, service or affiliation with Harman Finocem or thereafter, disclose to third parties any confidential information obtained during the course of employment, service or affiliation without confidential disclosure agreement or confidentiality provision.

"Confidential Information" means all non-public information in Harman Finocem's possession, whether through internal or external development, that might be of use to competitors, or harmful to the financial stability or competitive position of Harman Finocem if disclosed, including but not limited to:





- Discoveries, inventions, improvements and innovations, whether patentable or copyrightable or otherwise
- Methods, processes and techniques, including manufacturing process information
- Shop floor practices
- Formulae, compounds and compositions
- Personnel data
- Computer software
- Equipment
- Customer lists
- Financial, pricing and accounting data
- Supplier data (names or suppliers, pricing, sources of supply, anticipated requirement)
- Results of regulatory inspections/audits
- Business plans and updates to business plans
- Potential acquisitions, licenses or other business deals
- Potential divestitures
- Potential equity interests
- Research, clinical and pharmacological data
- Regulatory filings and approval data
- Marketing and sales information

#### **4. Corporate Opportunities**

No Team Members shall exploit for their own personal gain, opportunities that are discovered through their position with the Company; use for themselves corporate information or property unless the same is disclosed prior to use, in writing to the Chairman and Managing Director.

#### **5. Compliance with Laws, Rules and Regulations**

Team Members are required to comply with all applicable laws, rules and regulations. In order to assist the Company in promoting lawful and ethical behaviour, the Team Members must report any violation or law, rules, regulation or the code of conduct to the Chairman and Managing Director or the Compliance Officer(s).



## 6. Protection and Proper Use of Corporate Assets

Team Members should seek to protect the Company's assets. Carelessness and waste have a direct impact on the Company's financial performance. Team Members must use the Company's assets and services solely for the legitimate business purposes of the Company and not for any personal benefit or the personal benefit of anyone else. Company equipment should not be used for non-Company business or activity.

The obligation of Team Members to protect the company's assets extends to its proprietary information. Proprietary information includes intellectual property such as customer data or information, trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering and manufacturing ideas, designs, databases, records, salary information and any unpublished financial data reports. Unauthorized use or distribution of this information would violate Company policy and could also be illegal resulting in civil or even criminal penalties.

## 7. Gifts and Gratuities

The purpose of business entertainment and gifts in a commercial selling is to create goodwill and sound working relationships, not to gain unfair advantage with suppliers and customers. No gift or other favours should ever be offered, given, provided or accepted by any Team Members, or close relative of Team Member unless it

- is not a cash gift
- is consistent with customary business practices
- cannot be construed as a bribe or payoff
- does not violate any laws or regulations.

This policy does not bar acceptance of courtesies or invitations to social or sports events which are customary and proper under the circumstances and in keeping with good business ethics so long as no obligation is involved in such acceptance. Any gifts should not be accepted and shall be returned immediately and be reported to supervising/ reporting authority. If immediate return is not practical, they should be given to the Chairman and Managing Director or any or the Compliance Officer(s) for charitable use or such other use as the Company believes appropriate in its sole discretion.

Common sense and moderation should prevail in business entertainment engaged in on behalf of the Company. Team Members should provide, or accept, business entertainment to or from anyone doing business with the Company only if the entertainment is infrequent, modest and intended to serve legitimate business goals.





## 8. Electronic Media Usage

Harman Finocem provides access to and use of electronic mail, voicemail, the Intranet, the Internet, and other electronic media for business purposes. This is provided to make it easier for Team Members of Harman Finocem to communicate with each other and with appropriate outside parties including contractors, suppliers, customers and government agencies. Harman Finocem's electronic media is not to be used for any purposes that violate applicable laws, rules and regulations and Harman Finocem standards, policies or procedures. This includes transmission of threatening, obscene or harassing materials. Incidental personal use of electronic media that does not interfere with Harman Finocem's business or a team member's performance or his/ her abilities is acceptable, as long as such use does not include illegal, unethical or otherwise offensive subject matter. Except as otherwise provided by applicable law, no officer or team member has any right to privacy regarding use of or access to any electronic media provided by or through Harman Finocem. The company may monitor or access employee use of its electronic media at any time in accordance with applicable law.

## 9. Non-Discrimination

We regard the diversity of our employees as a tremendous asset. We are firmly committed to providing equal opportunity in all aspects of employment and will not tolerate any illegal discrimination or harassment of any kind including but not limited to derogatory comments based on racial or ethnic characteristics and unwelcome sexual advances. Discrimination in employment is illegal under Indian laws and a violation of Harman Finocem's policies. It is the Harman Finocem's policy to recruit, hire, promote, assign, compensate and train qualified persons without regard to race, color, religion, sex, national origin, ancestry, age, marital status, sexual orientation or disability. A Team Member engaging in discrimination will be subject to disciplinary action including termination of employment and / or liable to indemnify the Company for the loss incurred by the Company on account of such action / inaction and / or forfeiture of the termination benefits, if any (or to say to the extent of the loss suffered by the Company on account of his engaging in discrimination).

## 10. Health, Safety, Drug & Alcohol Use

The Company strives to provide each Team Member with a safe and healthy work environment. Each Team Member has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices or conditions.



Violence and threatening behaviour is not permitted. Team Member should report to work in a condition to perform their duties, free from the influence of illegal drugs or alcohol. The use of illegal drugs or alcohol in the workplace is absolutely prohibited.

### 11. Sexual Harassment

Sexual harassment is illegal under Indian laws and a violation of the Company's policies. A Team Member engaging in sexual harassment will be subject to disciplinary action up to and including termination or employment and/or liable to indemnify the Company for the loss incurred by the Company on account of his such action/inaction and/or forfeiture of the termination benefits, if any (or to say to the extent of the loss suffered by the Company on account or his engaging in sexual harassment)

### 12. Prohibition of Child Labour

The Company strictly prohibits the use of child labour and adolescents in any form i.e. children below the age of fourteen years is termed "Child" and between age of fourteen to eighteen years is termed "Adolescent". Employment of child labour is a criminal offence as per 'The Child Labour (Prohibition and Regulation) Act, 1986' in factories and hazardous employment.

### 13. Accountability for Adherence to the Code

All Team Members and Senior Management personnel are responsible for adherence to this Code.

- **Internal Investigations:** Harman Finocem will promptly investigate all alleged violations and potential violations of this Code, or of any related company standard, policy or procedure. Any allegations will be treated confidentially, to the extent consistent with the company's interests and its legal obligations. All are expected to cooperate in the investigation or an alleged violation of the Code. If Harman Finocem determines that corrective action is necessary to fix a problem and avoid the likelihood or its recurrence, it will promptly decide what steps to take, including legal proceedings when appropriate.
- **Disciplinary Action:** To the extent legally permissible under applicable law, appropriate disciplinary action will be taken, in relation to this Code or any related company standard, policy or procedure.
- **Certification:** All Team Members must certify, in writing or electronically, that they have received, read, understood and shall abide by this Code.





#### 14. Duty to Report Violations

Team Members are responsible for reporting in good faith to the Company any circumstances that they believe may constitute a violation of this Code, as well as any other Company policies. One should direct policy violations to the Chairman and Managing Director or the Compliance Officer(s), in writing and only the Chairman and Managing Director or the Compliance Officer(s) will know about his identity. The Company will investigate any matter so reported and will take appropriate corrective action. There will be no retribution against individuals for reporting in good faith of policy violations. However, individuals will not be protected from possible disciplinary action if matter reported is with a malicious intent (bad faith) or if the individual has otherwise engaged in misconduct.

#### 15. Freedom of Association

Harman Finocem Ltd., respects and supports the right to Freedom of Association of its employees. It is the fundamental human right and it is protected by Article 11 of the Human Rights Act. Also as per Trade Union Act, 1926 every employee has a right of freedom of association. Hence, we as an employer protect right of Freedom of Association of our employees.

#### 16. Waivers of this Code of Business Conduct and Ethics

While some or the policies contained in this Code must be strictly adhered to and no exceptions can be allowed, in other cases exceptions may be possible. Any Team Member and Senior Management personnel who seek an exception to any of these policies must contact the Chairman and Managing Director of the Company or the Compliance Officer(s). Any waiver of this Code or any change to this Code may be made only by the Chairman and Managing Director.

#### 17. Dissemination, Annual Review and Amendment

This Code shall be distributed to Team Members and Senior Management Personnel of the Company upon commencement or his or her employment or other relationship with the Company and shall also be distributed whenever any change is effected to the Code, and each Team Member and Senior Management shall certify that he or she has received, read and understood the Code and has complied with its terms every year.

The Company reserves the right to amend, alter or terminate this Code at any time without giving any reason. The Company will make public disclosure as and to the extent required by applicable laws, rules and regulations, or amendments of this Code

This document is not an employment contract between the Company and any or its Team



*Harman Finocem Limited, Aurangabad*




**Policy : Company Code of Conduct**

Members or Senior Management personnel and does not alter Harman Finocem's employment policy.

**CERTIFICATION**

I, do hereby certify that:

1. I have received and carefully read the Code of Conduct and Business Ethics of Harman Finocem Ltd.
2. I understand the Company's code of Conduct.
3. I have complied and will continue to comply with the terms of the Code of Conduct and have reported or will report any known violations or the Code according to the procedures Outlined in the Code.

Prepared By	Approved By	
		
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Cluster HR Head	Director	Director

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