

Code of Business Ethics & Conduct

ABOUT USHA MARTIN

At Usha Martin we expect that all our employees and officers will treat each other, our customers, and our suppliers with goodwill, trust, and respect. As a Company, we value honesty, high ethical standards and compliance with laws, rules and regulations.

Policy Objective

The objective of this policy is to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct and help foster a culture of honest and accountability.

Policy Scope

All employees of Usha Martin Limited

Policy Guidelines

- All employees will be required to abide by all the staff rules, regulations, policies and local laws which are in force for the time being or may be framed from time to time.
- The employees are required to inculcate the following Official Conduct practices to safeguard the organization's values and never compromise or alter them for any reason.

Business Practices

Compliance with laws, rules and regulations

- All employees shall comply with all applicable laws, rules and regulations.
- Any employee, who is unfamiliar or uncertain about the legal rules involving Organization Code of Conduct, should consult the Compliance Officer.

Fair Dealing

- An Employee should deal fairly with customers, suppliers, competitors and employees of the organization. They should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing practices.

Conflict of Interest

- The Employees are expected to dedicate their best efforts to advancing the organization's interests and towards making decisions that affect the organization based on the organization's best interest independent of outside influences.
- A conflict of interest occurs:
 - When an employee acts or has interests that may make it difficult to perform his or her work objectively and effectively.
 - On receipt of improper personal benefits by a member of an employee's family as a result of his/her position to his or her responsibilities in the organization.
 - On receipt of non-nominal gifts or excessive entertainment from any person/organization with which the organization has current or prospective business dealings
 - When an Employee has any significant ownership/interest in any supplier, customer or competitor of the organization.
 - When an Employee has a consulting or employment relationship with any supplier, customer, business associate or competitor of the organization.

- Employees should avoid ‘conflicts of interest’ with the organization. In case there is likely to be a conflict of interest, (s)he should make full disclosure of all facts and circumstances thereof to the Department Head and obtain a prior written approval for the same. 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, 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, the company shall follow clear and fair disciplinary procedures, respecting the employee’s right to be heard.

Honest and Ethical Conduct

- An Employee shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct not only on organization's premises and offsite but also at organization sponsored business, social events as well as other such places.
- They shall act in the best interests of the organization and their conduct should be free from fraud and deception.
- Their conduct shall conform to the best-accepted professional standards of conduct.

Confidentiality

- The Employee must safeguard confidential information acquired during their association with the Company. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company, if disclosed. The Employees of the Company must maintain confidentiality of the information and shall not use confidential knowledge for their direct or indirect personal advantage or for the advantage of any other entity in which they have a direct or indirect interest, except when disclosure is authorized or legally mandated.

Insider Trading

- An employee of UML shall not use or proliferate information which is not available to the investing public and which therefore constitutes insider information for making or giving advice on investment decisions on the securities of the Company on which such insider information has been obtained.

Such insider information might include the following:

- acquisition and divestiture of businesses or business units
- financial information such as profits, earnings and dividends
- announcement of new product introductions or developments
- asset revaluation
- investment decisions/plans
- restructuring plans
- major supply and delivery agreements
- raising finances

Health, Safety and Environment

- All Employees shall comply with health and safety procedures and instructions relevant to work and/or about which they have been trained or notified.
- Only undertake work that they are trained, competent, medically fit, sufficiently rested and alert enough to do.
- Promptly report to local UML management any actual or near miss accident or injury, illness, unsafe or unhealthy condition, incident, spill or release of material to the environment, so that steps can be taken to correct, prevent or control those conditions immediately.
- In case of breach of safety rules/norms/procedures by any employee, the management will

initiate disciplinary action and a show cause notice will be issued to such employee for the same.

Protection and Proper Use of Organization's Assets

- Organization's assets should be used only for legitimate business purposes
- All Employees should protect organization's assets & property and ensure its efficient use. Theft, carelessness, and waste of the organization's assets and property have a direct financial impact on the organization's profitability.

Disciplinary Practices

- Employees and members of their immediate families may not accept gifts from any person(s) or firm(s) who deal with the organization where the gift is being made in order to influence them or where acceptance of the gift could create the appearance of a conflict of interest
- Employees are required to produce true information regarding name, age, qualification, previous experience, or any other matter germane to the employment at the time of taking the employment or any change in information during the course of the employment.
- Employees should abstain from willful insubordination or disobedience, whether or not in combination with others, of any lawful orders of a superior
- No employee should take up any employment except for the employment with the organization, whether full time, part time or as a visiting faculty without obtaining permissions in writing from the organization in this regard. Prior permission has to be sought from respective Head of Department and the Head - HR in this regard.
- Employees shall not make any statement or representation in any media with respect to the organization in any manner without obtaining permissions in writing from the organization in this regard. Prior permission has to be sought from the Wholetime Director/Plant Head / appropriate authority in this regard.
- Employees should avoid habitually late or irregular attendance and suitable action may be taken by the organization in case of non-compliance by the employee.
- Employees shall not refuse any transfer anywhere in India and/or from one department, Plant and/or establishment to another whether existing or which may be setup in future
- Employees should avoid any negligence leading to financial loss of the organization.
- Employee shall abide with the defined Dress Code of the company.
- Dress Code :
 - A. The establishments/plants where a uniform for the employee on duty is defined, the employee will wear the same while reporting for duty.
 - B. The establishments/plants where there is no uniform, the following shall be the dress code :
 - Smart casuals such as shirt / pant for men and sari, churidar, Kurta for women
 - No slippers for men will be allowed.
 - Jeans & T-Shirt can be allowed on Friday or weekend.

Freedom of Association

- An employee shall in his private life be free to pursue an active role in civic or political affairs, provided such activities do not create an actual or potential conflict with the interests of our company. Employees must notify 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.

Personal Data & Privacy

- Employee must ensure personal data is handled appropriately while collecting, using or storing personal data:

- Only collect data that is adequate and relevant and use it solely for the purpose for which it is collected.
- Be transparent with individuals in relation to how their personal data is used.
- Obtain consent from individuals in accordance with local law.
- Keep personal data up to date correcting inaccurate information when requested and respecting individual legal rights.
- Keep personal data confidential and secure.
- Act responsibly and ethically considering the risk to individuals in using their personal data and take steps to mitigate such risk.
- Do not retain personal data for longer than necessary to achieve the business objective or meet minimum legal requirements.
- Do not transfer personal data outside the country in which it is collected without advice from their Legal team, as there may be legal restrictions/ requirements relating to the transfer.
- Do not Collect and use personal data for purposes that are not reasonably expected by our consumers and employees.

Use of Information Technology

- Employees should use UML equipment and systems, or personal devices to access information at UML, responsibly and securely in compliance with all relevant laws and regulations. Employee must abide with guidelines for use of IT detailed below:
 - Ensure UML equipment is used appropriately and protected from damage, loss or theft.
 - Use a password or PIN to lock unattended UML equipment, or any personal device used to access UML information.
 - Immediately report to the IT Team the loss or theft of any UML equipment, or any personal device used to access or store UML Information.
 - Ensure any removable UML IT equipment is secured when left in the office overnight, is locked away or put out of sight when left unattended at home, in a hotel or in a vehicle. When travelling, always keep it with you.
 - Comply with copyright law and respect all applicable licenses for any graphics, documents, media and other materials stored on or accessed with UML systems or equipment.
 - Follow the appropriate IT request process to install any software or applications on their UML equipment.
 - Must not try to disable, defeat or circumvent UML security controls, including but not limited to firewalls, browser configuration, privileged access, antivirus and the deletion of system logs.
 - Must not use UML systems or UML equipment to intentionally access, store, send, post or publish material that is:
 - ✓ Pornographic, sexually explicit, indecent or obscene.
 - ✓ Promotes violence, hatred, terrorism or intolerance.
 - ✓ Is in breach of local, national or international laws.
 - Must not use UML systems or UML equipment to intentionally defame, slander or lower the reputation of any person or entity or their goods or services.

Anti-Money Laundering

- UML and its employees must ensure UML does not receive the proceeds of criminal activities, as this can amount to the criminal offence of money laundering. An employee must take following steps to avoid being implicated in money laundering:
 - Comply with the Global Economic Sanctions Standard, and any local anti-money laundering or sanctions procedures, when they onboard, contract or monitor third parties.

- Immediately notify their Reporting Manager if they have any suspicions about actual or potential money laundering activity or about transactions with sanctioned countries or sanctioned third parties.
- Must not fail to check or update screenings periodically of relevant third parties.
- Employee must obtain prior clearance from their Reporting Manager, in consultation with their senior Legal and Finance Personnel before allowing any of the following events to happen:
 - Third party requests to:
 - ✓ Pay funds to a bank account in the name of a different third party or outside the country of their operation.
 - ✓ Take payments in a form outside the normal terms of business.
 - ✓ Split payments to several bank accounts.
 - ✓ Overpay.
 - Third party payments to UML Account:
 - ✓ From multiple bank accounts.
 - ✓ From bank accounts from a different geography than the one where the third party is resident.
 - ✓ Deposited in cash when normally made by cheque or electronically.
 - ✓ Received from other third parties that have not been onboarded and/or are not part of the contract.
 - ✓ Made advance when not part of normal terms of business

Ethical Conduct

- Employees must conduct themselves in a professional, courteous and respectful manner and should act in a manner to enhance and maintain the reputation of the organization and an environment of honesty, trust, and integrity
- Employees are prohibited from engaging in the following activities at workplace:
 - Gambling
 - Smoking
 - Alcohol & Drug Abuse
- Any employee, who commits any violation, as described above, shall be subject to the full range of disciplinary actions, including discharge, pursuant to applicable disciplinary policies.
- The severity of disciplinary action for violations of this policy shall be determined on a case- to-case basis. Mitigating circumstances that may be considered in determining the appropriate discipline include whether the employee voluntarily admits to and seeks assistance for, an alcohol or other drug related problem.
- Employees are prohibited from indulging in violent activities that includes, but is not limited to:
 - Injuring another person physically;
 - Engaging in behavior that creates a reasonable fear of injury to another person;
 - Engaging in behavior that subjects another individual to extreme emotional distress;
 - Possessing, brandishing, or using a weapon that is not required by the individual's position while on the organization's premises or engaged in organizational business;
 - Intentionally damaging the organization's property;
 - Threatening to injure an individual or to damage the organization's property;

- Committing injurious acts motivated by, or related to, domestic violence or sexual harassment;
- Retaliating against any employee who, in good faith, reports a violation of this policy.
- Employees shall abstain from any thefts, frauds or dishonesty in connection with the business or property of the organization or property of another person within the premises of the organization.
- Employees shall refuse from taking or receiving bribes or any other illegal gratification.
- Employees shall refrain from riotous or disorderly behavior whether within the premises of the organization or outside the said premises, where such behavior is related to or connected with the employment.

Reporting Concerns on Acts of Misconduct or Violations of Code of Conduct

- Every employee/ Department HoD shall report, in writing, to the Corporate HR Head / Plant HR Head/Disciplinary Action Committee (to be decided by Usha Martin) any acts of misconduct or actual or possible violation of the Code of Conduct
- No action shall be taken against the reporter which can be construed as vindictive, prejudicial or in retaliation against him/her
- The disciplinary action starting from initial proof shall be conducted in direct supervision of the Department Head
- On receipt of a written complaint, (or oral complaint in certain sensitive cases like act of sexual abuse) a charge sheet shall be issued by the Corporate / Plant HR Head to the employee detailing the charge against the person and demanding explanation in writing from the employee within 48 hours of receipt of such charge-sheet.
- On receipt of explanation from the employee, an enquiry shall be conducted as per the situation. In case the explanation is found to be unsatisfactory or if the charges are denied, the management shall hold an enquiry.
- On the charges being proven correct, the management shall also conduct an enquiry and then undertake disciplinary action as appropriate.

Penalty on Acts of Misconduct or Violations of Code of Conduct

In case of non-compliance of the defined code of conduct one of the following actions would be taken against the employee –

- 1. Disciplinary Action:** A formal action shall be taken in response to the breach of code of conduct. It includes but is not limited to:
 - **Warning** - Cautionary advice about an imminent event in a written or spoken manner.
 - **Fine** - Issuance of a monetary or any other form of fine as a penalty.
- 2. Penalties:** A disciplinary sanction available to the management to penalize employees who commit deliberate infringements and includes but not limited to:
 - **Minor Penalty:**
 - Increment / promotion will be denied.
 - Suspension without pay up to one week.
 - Recovery from pay.
 - **Major Penalty:**
 - Reduction to a lower grade or post with or without reduction in salary, and/or
 - Dismissal

- 3. Termination:** Employment may be terminated immediately by the organization without prior notice in the event that employee;
- Commits any serious or persistent breach of any of the provisions of the Code of Conduct;
 - Neglects or fails to attend to the business of the organization or fails to comply with the directions of the organization;
 - Is guilty of any grave misconduct or willful neglect in the discharge of one's duties and obligations to the organization;
 - Is charged of any offense involving fraud, dishonesty or misappropriation;
 - Is guilty of conduct tending to bring oneself or the organization into disrepute;
 - Is proven guilty of any criminal offence;

This may be noted that the above list is indicative and the action against an employee is finalized solely on the basis of the complaint and proven facts related to that and in light with the principle of punishment not to be unduly more than the crime.

The investigation process shall be governed as per the below mentioned DOMESTIC enquiry process.

DOMESTIC ENQUIRY PROCESS STEPS:

1. Charge-sheet:

- If a prima facie case has been established and the offence is quite serious, a charge-sheet/ show cause notice may be prepared on the basis of the allegations made. It should be in writing, detailing the allegations of misconduct. It should also indicate the time within which the employee charge-sheeted should submit his explanation

2. Suspension

- Where, in the interest of discipline, the shutting out of the charge-sheeted employee is necessary, the employee should be suspended. He is to get wages for the period of suspension if so, provided in the standing orders.

3. Service of charge-sheet

- If the employee is present, charge- sheet should be handed over to him in the presence of witness after explaining the contents of it in a language known to him.
- If the alleged employee is absent or refuses to accept the charge-sheet, it should be sent to his last address under registered post with acknowledgement due. If he/ she refuses to accept it or if it comes back undelivered otherwise, the charge- sheet has to be published in a local newspaper with wide circulation.

4. Explanation

- The explanation given by the worker within the given time has to be considered.

5. Notice of enquiry

- If the explanation is found unsatisfactory, a notice giving the time, place and date of the enquiry together with the name of the enquiry officer has to be served on the worker.
- The enquiry officer must not be the one who has issued the charge-sheet because it is a principle of natural justice that a person is disqualified to act as a judge if he is-a party to the dispute.

6. Enquiry

- At the appointed time, on the appointed date and place the enquiry will commence by the enquiry officer in the presence of charge-sheeted employee.

- At the commencement of the enquiry the enquiry officer should explain the charge-sheet to the employee. If the charge-sheeted employee pleads innocence, the enquiry should be proceeded. If (s)he pleads guilty in writing, the enquiry need not be proceeded.

7. Fact-findings

- On completion of the enquiry, the enquiry officer is required to submit his/ her findings to the authority authorized to take disciplinary action. He/ she should state in his report the charges as well as the explanations given to them. The enquiry officer should not recommend any punishment in his/her findings.

8. Decision

- The higher management, such as whole-time Director / competent authority, for taking disciplinary action shall consider the findings and if (s)he accepts the findings of guilt, (s)he should inflict appropriate punishment in accordance with the standing orders.

9. Service of the order

- Any order of punishment should be served on the charge-sheeted employee and this completes the procedure for domestic enquiry.

Diversity

- We provide equal opportunities to all our employees and to all eligible applicants for employment in our company. We do not unfairly discriminate on any ground, including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law.
- When recruiting, developing and promoting our employees, our decisions will be based solely on performance, merit, competence and potential.
- We shall 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 shall provide for clear terms of employment, training, development and performance management.

Media Interview Guidelines - For Organization Spokespersons only

- Before agreeing to participate in an interview or TV program, insist on a questionnaire and focus of their story from the journalist or producer, and bring it to the attention of the Legal & CS Department.
- Familiarize yourself with the facts of the story or issue at hand and, importantly, about the publication or show you'll be on. Legal & CS will assist you on this issue
- While talking to the media, be sincere, courteous and diplomatic. Express yourself concisely and avoid jargon. Know what message you want to send across.
- Radio and TV are personalized media. Speak as if you're talking to a small, intimate audience. It may help you to think of the audience as a small family sitting in their living room
- A representative from the Legal & CS Department could assist you by being present in any meeting with the media

Guidelines for external engagements

- Employees are permitted to engage in outside activities provided the employee meets his/her obligations to the organization. The organization encourages external activities which enhance:
 - Employee's value to the organization,
 - Enhance the organization's presence in the community, or which
 - Provides public service

- Employees have a primary responsibility to execute their duties for which they were appointed. Commitments outside Usha Martin remunerated or otherwise, are encouraged, provided that they do not intrude the fulfillment of the employee's primary responsibility.
- An employee will only participate in professional endeavors like public speaking, teaching, supervision, research, scholarship, professional service or consultative work with prior written consent of the appropriate authority as mentioned earlier.
- The speech or presentation to be made in external forums must be sent in writing to Whole-time Director/Function Head and Legal & CS department.

- Employees are eligible to join the Boards of the following types of organizations in advisory capacity:
 - Non- profit Organizations
 - Educational Institutions
 - Commercial Organizations
 - Industry Associations and Professional Bodies like FICCI, CII etc

- An employee shall not make unauthorized use of any of the organization's resources, including the services of Organization's employees, for the personal benefit of the employee.
- The viewpoint expressed by the employee in any such forums shall not be in conflict with that of the organization.

Code of Business Ethics & Conduct

Acknowledgment

I have read the Usha Martin Code of Business Ethics & Conduct and I acknowledge that as a Usha Martin employee, I am required to comply with the guidelines described therein and failure to do so may subject me to disciplinary action, up to and including termination and, if applicable, to criminal or civil proceedings.

I understand that if I have a concern about a violation or a potential violation of the Usha Martin Code of Business Ethics & Conduct, I must promptly report the violation to the ethics counselor, ethics helpline and/or designated authority of my company.

Signature :.....

Date :.....

Name :.....

PIN :.....

Department:.....

Address:.....
.....

The completed form should be sent to your Human Resources / Personnel representative or other person authorized by your Manager.