

## **Swaraj Engines Limited**

### **Code of Conduct for the Employees**

Our Code of Conduct sets out what we expect from every single person working for and with Swaraj Engines Limited ('Company' or 'SEL'). It also underlines our responsibilities to our people, partners and shareholders. The Code of Conduct ('Code') helps us make ethical decisions and tells us where to go for more information.

#### **OUR FUNDAMENTAL BELIEFS**

##### **Professionalism**

We always seek the best people for the job and give them the freedom and opportunity to grow. We support innovation and well-reasoned risk taking, but demand performance.

##### **Good corporate citizenship**

We seek long-term success, aligned with the needs of the countries we serve. We do this without compromising on our ethical business standards.

##### **Customer first**

We exist and prosper only because of the customer. We will respond to the changing needs and expectations of our customers speedily, courteously and effectively.

##### **Quality focus**

Quality is the key to delivering value for money to our customers. Quality is a driving force in our work, in our products and in our interactions with others. We will do it 'First Time Right.'

##### **Dignity of the individual**

We value individual dignity, uphold the right to express disagreement and respect the time and efforts of others. Through our actions, we nurture fairness, trust and transparency.

We like to do our business - ethically, fairly, and with the right competitive spirit, while having the utmost respect for our peers. Every new employee of SEL is expected to conduct themselves with this understanding.

#### **WHAT IS THE CODE OF CONDUCT?**

The Code of Conduct is our fundamental policy document, outlining the requirements that every single person working for and with the Company must comply with, regardless of location. We also have additional policies that we need to adhere to, which are specific to role or location.

#### **TO WHOM DOES THE CODE OF CONDUCT APPLY?**

The Code applies to our Company and employees. It sets out our expectations of all those who work with us. We also expect those who deal with us to be aware that this Code underpins everything we do and act in a manner consistent with it. If we need help finding or understanding a policy, or in case we need any clarification or guidance on the Code, we should speak to the Chief Ethics Officer / Ethics Counsellors.

## WHAT DOES THIS MEAN FOR US?

### The Company expects us to:

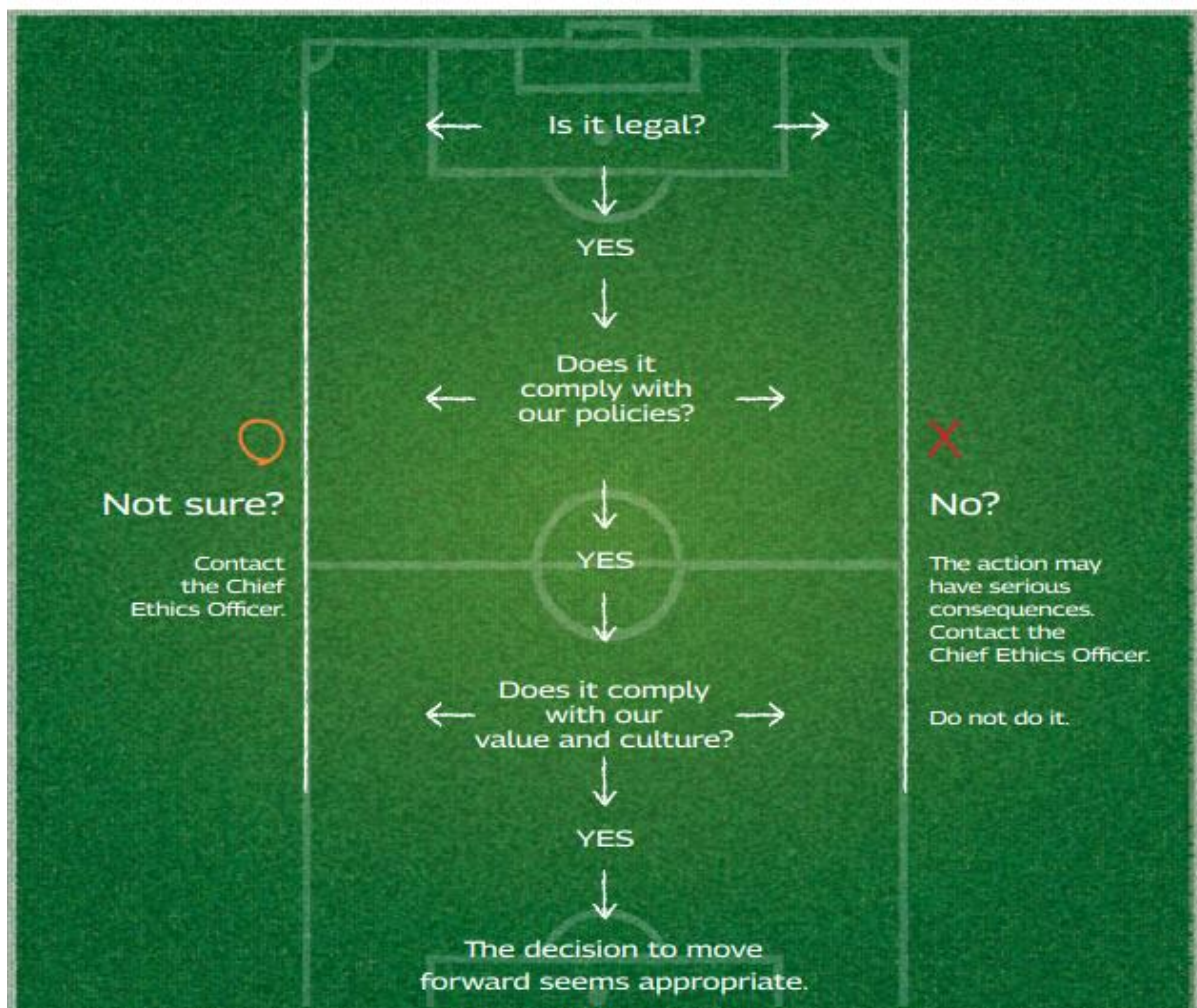
- i. Behave in an ethical manner, taking pride in our actions and decisions
- ii. Comply with the principles and rules in our Code, and fulfil our legal and regulatory obligations
- iii. Seek guidance wherever required, if we feel a working practice is not ethical or safe
- iv. Report non-compliance or breach of our Code immediately
- v. Complete all mandatory trainings assigned, within the prescribed time limit, and strictly practice all guidelines stated in these trainings

## WHERE DO WE FIND MORE GUIDANCE?

Further guidance on certain topics of this Code is provided in separate policies. Refer to list of policies provided at Annexure 1.

## ETHICS DECISION FIELD

We are responsible for the impact of our business decisions. The following questions should be asked in case of any ethical dilemma:



## **FOCUS ON ETHICS, ALWAYS**

### **A. Maintaining ethical business standards**

1. Accepting from or offering gifts to past, current, or prospective Stakeholders of SEL is prohibited.
2. SEL follows a Zero Tolerance Policy regarding bribery and corruption or facilitation payment in any business dealings.
3. SEL refrains from being affiliated to any specific political party.
4. All business decisions must be made free from any conflict of interest.

#### **I. Anti-bribery and anti-corruption**

- i. Ensure compliance to applicable anti-bribery and anti-corruption laws at all times.
- ii. Do not personally engage in or ignore any instance of someone paying or receiving any bribe, kickback or facilitation payment on behalf of SEL.
- iii. Any instance of potential bribery or corruption shall be immediately reported to the Chief Ethics Officer.

#### **II. Gifts and entertainment**

- i. Do not accept or offer gifts to past, current or prospective Stakeholders of SEL unless in accordance with the Gifts & Entertainment Policy.

#### **III. Involvement in political activities / industry forums**

- i. No political contributions should be made on SEL's behalf, without prior written approval of the Board of Directors.
- ii. Avoid giving an impression of representing or being the spokesperson of SEL while associating with any political party or political activities in personal capacity.
- iii. Only authorised personnel should engage in commenting on political process or in policy debate, including lobbying.
- iv. Employees shall co-operate with the Government, Chambers of Commerce and Trade Associations in matters concerning the industry in order to promote, protect and enhance SEL's business interests.

#### **IV. Conflicts of interest**

- i. Employees must not engage in any activity where their personal interests are or appear to be in conflict with their responsibility and duty towards SEL. Employees must disclose all situations of actual or potential conflict of interest immediately, when it comes to their knowledge, to their Line Manager, HR Representative and the Chief Ethics Officer.
- ii. Receiving remuneration in monetary or non-monetary form is prohibited.

#### **a. Dealings with Relatives & close associates.**

- i. Business dealings with a Related Party, Relative, a Related Party of a Relative and close associates must be done only with prior written approval of the Line Manager and Chief Ethics Officer.
- ii. Employees must refrain from influencing the decisions with respect to such party.
- iii. Employment of Relatives of employees in positions or assignments within the same department or in the same chain of command is not allowed, except with prior written approval of the Whole Time Director & CEO and Head-HR.

**b. Outside employment**

- i. Employees are not permitted to engage in any vocation, employment, consultancy, training assignment, business transaction or any other activity outside SEL.
- ii. Directorship or advisory board positions on certain recognised charitable organisations (certified by Income Tax) or professional industry forums may be permitted with prior written approval from the Whole Time Director & CEO and Head-HR.

**c. Delivering lectures**

- i. Employees are permitted to deliver lectures at or write articles for reputed educational institutions or professional forums, provided it does not create a conflict of interest with or any reputational damage for any company in the Mahindra Group. No remuneration can be accepted.
- ii. Employees must adhere to the directions issued by SEL on refraining from sharing objectionable or confidential content, obtaining requisite approvals, etc.
- iii. For any other organisation, prior written approval from the Head-HR should be obtained.
- iv. Any related travel or accommodation cost may be accepted only if borne by a not-for-profit organisation and is within the limits of our Travel Guidelines. The Head-HR should be given prior written intimation.

**d. Engaging vendors, customers or any other business partners for personal use**

- i. Employees must not accept favours from or engage with SEL's stakeholders for personal use on terms other than those available to general public, unless particulars and the value of products or services availed are disclosed to the Line Manager.

**e. Outside investments**

- i. An employee, any Relative or close associate of employee must not make or hold investment either directly or indirectly in any unlisted entity startup or business entity that creates a conflict of interest with the business of SEL.
- ii. Employees are prohibited from making any investment that may conflict with their work commitments.

**f. Directorship in external companies**

- i. Executives are not permitted to accept any external Directorship / Advisory Board position in 'for profit' organisations.
- ii. In the case of not-for-profit organisations, prior written approval from the Whole Time Director & CEO and Head-HR should be obtained.

**g. Other appointments**

- i. Employees at the level of Vice President and above are permitted to accept positions on Boards of trade bodies connected to the business of the Company, Government / Semi Government Bodies and educational institutions provided it does not create a conflict of interest with the business of the Company, the employee's responsibility to the Company or the reputation of the Company.
- ii. The number of positions that can be held by an employee on any of the above-mentioned establishments will be at the discretion of the Whole Time Director & CEO and Head-HR.

## **B. Commitment to business associates, suppliers, customers and the environment**

### **I. Ensuring product quality**

- i. Quality remains at the core of SEL's business policy.
- ii. SEL seeks to satisfy its customers' needs with high quality and safety standards.

### **II. Responsible marketing**

- i. Honesty is SEL's guiding principle in all pursuits.
- ii. Only complete and factual statements shall be made about SEL and its products and services in all sales, marketing and advertising campaigns.

### **III. Commitment to our customers**

- i. Customers must be treated ethically, fairly and in compliance with applicable laws.
- ii. Unfair or deceptive trade practice shall be avoided.
- iii. Customer complaints and concerns should be attended to their fullest satisfaction.

### **IV. Commitment to ethical sourcing**

- i. Only such persons shall be selected as business partners whose code of conduct of business, core values and other business principles and processes align with that of SEL.
- ii. Suppliers must be chosen based on merit
- iii. Suppliers must abide by all applicable local and international laws.
- iv. Suppliers and subcontractors must be treated with fairness and integrity.

### **V. Fair competition**

- i. Competition has to be fair, ethical and within the framework of all applicable competition laws. The following anti-competitive practices are prohibited:
  - a. Entering into anti-competitive agreements with competitors, including price-fixing, bid-rigging, market allocation and agreements to restrict supply.
  - b. Exchanging sensitive information with stakeholders.
  - c. Seeking information about competitors using illegal or unethical means.

### **VI. Commitment to sustainability**

- i. We view sustainability as a vital business strategy that enables us to conduct business by rejuvenating the environment and enabling stakeholders to Rise. The SEL Sustainability Framework lays out the objectives for business and beyond in three domains – People, Planet and Profit.
- ii. Employees must adhere to the Environment Policy by striving to minimise impact on and restore the environment, contribute towards long-term sustainability of products and services, and find opportunities to improve the local environment in the communities we operate.

## **C. Commitment to stakeholders**

1. Books, records and disclosures should be maintained accurately. Prevent sharing of non-public information of SEL.
2. Be watchful of any form of fraud or misconduct, like acts of commission or omission of bribery, pilferage, theft, money laundering, etc. Provide full co-operation during audits and investigations.

3. Recognising the rights of Investors, only relevant and accurate information and responses should be provided to them.
4. Only authorised personnel are permitted to engage in external communication on behalf of SEL.

#### **I. Books, records and disclosures**

- i. Books and records must be maintained and disclosures to the stakeholders must be with the highest standards of accuracy and completeness.
- ii. All records must be managed securely throughout their life cycle and should be in compliance with legal, tax, regulatory, accounting and business retention requirements.
- iii. Any irregularity, inaccuracy in books and records which may mislead should be immediately reported to the Chief Financial Officer and Chief Ethics Officer.

#### **II. Insider trading and corporate confidentiality**

- i. All Employees are required to comply with applicable laws, rules and regulations governing Insider Trading [including Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015].
- ii. Any non-compliance thereof should be reported to the Compliance Officer under the relevant Insider Trading Regulations.

#### **III. Audit and investigation**

- i. Employees must provide full co-operation and communicate honestly when participating in an audit or internal investigation conducted by authorised personnel / agencies.
- ii. Any request for documents meeting with regulators or lawyers in connection with a legal proceeding or government investigation must be immediately reported to the Line Manager and Chief Financial Officer for guidance.

#### **IV. Fraud and misconduct**

- i. Any fraudulent behaviour, misrepresentation or misconduct is liable to be investigated.
- ii. Employees concerned are liable to face appropriate disciplinary and/or legal action.
- iii. Any knowledge of fraud, falsification and manipulation of data and information must be reported immediately

#### **V. External communication**

- i. Employees must refrain from discussing SEL's business with any outside party.
- ii. Communication about our competitors and their products must be accurate and factual.
- iii. When using social media, do not speak on behalf of SEL.
- iv. Refrain from disclosure of confidential information, using third-party logos or trademarks.
- v. Those authorised to make disclosures of SEL's information must ensure that information provided to the stakeholders is true, accurate and complete.
- vi. Employees must adhere to SEL's guidelines relating to disclaiming materials and opinions posted as personal.
- vii. Seek guidance on such external communications from the Company's Communications Team.

#### **VI. Investor relations**

- i. Respect the investor's rights to express their views during meetings on matters forming a part of agenda.
- ii. No information shall be shared with investors on selective basis.
- iii. Any concern or violation should be reported to the Chief Ethics Officer and Chief Financial Officer immediately

## **D. Behaviour at workplace**

1. At SEL, our people are the foundation of our business, which is why SEL provides a safe and healthy work environment, equal opportunity, inclusion, fair and equal treatment to all its employees.
2. Employees must always be humble, courteous and must behave in a decent and professional manner.
3. SEL has 'Zero Tolerance' towards harassment of any form, including sexual harassment.
4. SEL condemns physical / verbal assaults, possession of weapons or being under influence of narcotic or other intoxicating substances or alcohol while at work.

### **I. Equal employment opportunity and respecting diversity and human rights**

- i. Fair and equitable treatment should be provided to all stakeholders and no employment decision shall be based on factors such as gender, race, colour, nationality, physical or mental disability sexual orientation, marital status, etc.
- ii. Respect stakeholders' right to freedom of speech, provide safe and humane working conditions and promote a positive work environment.
- iii. Recognise the importance of maintaining and promoting fundamental human rights in all operations.

### **II. Conduct at the workplace**

- i. Always be humble, courteous, respectful, properly groomed, neatly dressed and behave in a decent and professional manner.
- ii. Do not engage in or tolerate any form of violence/bullying, physical/verbal assaults, aggression/ragging. Possession of weapons at workplace is prohibited.
- iii. Indulging or being under the influence of narcotic or other intoxicating substances or alcohol within the premises is strictly prohibited. Use of alcohol at SEL sponsored event is permissible only with the prior approval of Line Manager.

### **III. Freedom from harassment**

- i. Avoid any action or behaviour that could be viewed as harassment.
- ii. In case of any complaint of sexual harassment, SEL has put in place a process to appropriately, sensitively and expeditiously deal with it.
- iii. Strict disciplinary action will be taken against any employee found guilty of any kind of sexual harassment.

### **IV. Health and safety**

- i. We are committed to maintaining the highest standards of health and safety.
- ii. We own and operate facilities with the necessary permits, approvals and controls that are designed to protect health, safety and the environment.

## **E. Safeguarding assets and information management**

1. Employees must safeguard and responsibly use SEL's assets.
2. Prevent loss/ leakage of confidential information and infringement of Intellectual Property rights.

### **I. Protection and responsible use of corporate assets and information technology**

- i. All Employees are personally responsible for safeguarding SEL's assets (including property, time, proprietary information, corporate opportunities, funds, and equipment) and information from misappropriation, theft, destruction, abuse and wastage.

- ii. Ensure use of SEL's assets for business purposes only. Occasional personal use is permissible provided it does not compromise SEL's interests or result in undue abuse of resources.
- iii. Report immediately if any actual or potential cyber security issue is encountered.

## **II. Protect confidential information of the Company, its stakeholders and its business associates**

- i. Employees shall not disclose SEL's non-public information and / or Personally Identifiable Information that might be detrimental to the interests of SEL.
- ii. Confidential Information must be stored only on assets / devices owned by SEL. Prior written approval must be obtained from Line Managers to store data on alien devices.
- iii. SEL respects the privacy of individuals and is committed to protecting Personally Identifiable Information. We shall lawfully process personal data in accordance with applicable data protection and privacy laws.
- iv. Employees are permitted to disclose confidential information among fellow colleagues or third parties who have legitimate clearance on a 'need-to-know' basis.
- v. Promptly report any loss, theft or destruction of confidential information, intellectual property or data, to the Chief Ethics Officer.

## **III. Intellectual Property and trademarks**

- i. Respect the Intellectual Property rights of others and never infringe them.
- ii. Be cautious while preparing advertising and promotional materials using SEL's name.
- iii. Only licensed software should be used on SEL's electronic devices.

## **ADMINISTERING OUR CODE AND REPORTING VIOLATION**

### **Issuance of and amendments to our Code**

- i. The Corporate Governance Council (CGC) is constituted for the implementation and monitoring compliance with the Code. The CGC is also responsible for reviewing the efficacy of the Code and suggesting amendments when necessary.
- ii. In case of any guidance required on the Code or policies, Employees are encouraged to approach the Chief Ethics Officer / Ethic Counsellors.

### **Investigation of reported Code violations**

- i. Violations reported are seriously considered and kept confidential. Thorough investigation of all allegations should be conducted by the designated teams.
- ii. Co-operate in internal investigations. Failure to do so may result in disciplinary action.
- iii. SEL strives to:
  - a. Protect confidentiality;
  - b. Inform Employees about the accusations reported against them where possible
  - c. Allow Employees to review / rectify information reported if permissible.

### **Obligations of Line Managers and others receiving reports of potential Code violations**

- i. Line Managers must ensure they comprehend the Code and always abide by it. SEL encourages employees to talk to the Line Managers about their concerns.
- ii. Have an active dialogue with the reportees and support them in their concerns.
- iii. Act to stop violations of the Code or the law.
- iv. Raise all concerns to the appropriate level and function.



### Reporting violations (whistleblowing)

- i. The Board of Directors and the CGC must ensure that the principles highlighted in the Code are properly communicated and understood by the employees.
- ii. Any actual or potential breach of SEL's Code must be reported irrespective of the parties involved, to any of the following:
  - a. SEL's SpeakUp Helpline or webportal;
  - b. The Chief Ethics Officer or Human Resource representative or Line Manager of the function;
  - c. The Board of Directors;
  - d. The Audit Committee

### Disciplinary action

Individuals who fail to comply with the Code, policies, procedures and guidelines, as well as applicable laws and regulations, will be subject to disciplinary action as per the penalty framework, which may include penalties, suspension or even termination of employment. In addition, if deemed necessary by the management, appropriate regulatory authorities will be informed and civil or criminal action may be initiated.

### Signature and acknowledgement

All new and existing Employees must sign an acknowledgement form or submit a web-based electronic declaration periodically confirming that they have read the Code and agree to abide by its provisions. Failure to do so does not excuse anyone from complying with the Code.

### Waivers

Waiver of any provision of this Code must be approved by the Chief Ethics Officer.

### Non-retaliation

SEL does not tolerate any form of retaliation against anyone who:

- a. Reports suspected violation in good faith.
- b. Participates in assisting or co-operating in any investigation.

Any person found guilty of retaliation will be subject to appropriate disciplinary action.

### Contact details of reporting channels

All Employees, Directors, vendors, suppliers, or other stakeholders associated with the Company can make the Protected Disclosure through the following reporting channels:

S.No.	Reporting channel	Contact details	Availability
1	Phone (toll-free)	000 800 100 4175	24/7
2	Web Portal	<a href="https://ethics.mahindra.com">https://ethics.mahindra.com</a>	24/7
3	Chairperson of the Audit Committee	The Chairperson of the Audit Committee can be reached by sending an email to <a href="mailto:Chairpersonofselacb@mahindrasel.com">Chairpersonofselacb@mahindrasel.com</a>	24/7

## **List of the Company / Mahindra Group Policies**

### **Maintaining Ethical Business Standards**

- i. Anti-bribery and Anti-corruption Policy
- ii. Policy on Gifts and Entertainment
- iii. Code of Conduct for Directors

### **Commitment to Business Associates and the Environment**

- i. Supplier Code of Conduct
- ii. Quality Policy
- iii. Corporate Social Responsibility (CSR) Policy

### **Commitment to Stakeholders**

- i. Code of Conduct for Prevention of Insider Trading

### **Behaviour at the Workplace**

- i. Policy on Prevention of Sexual Harassment
- ii. Safety, Occupational Health & Environment Policy
- iii. Employee Relations Policy

### **Protection of Assets and Information Management**

- i. Information Security Policies
- ii. Internet Usage Policy

### **Administering Our Code and Reporting Violations**

- i. Whistle-blower Policy