

# CODE OF BUSINESS CONDUCT AND ETHICS

**Origin: January 2005**  
**Amendment: May 2013.**

## FOREWORD AND DWARIKESH'S VALUES

*Dear Members of the Dwarikesh Pariwar,*

*Dwarikesh has always followed the highest standards of corporate governance. We have set new levels in transparency and integrity. Today, our challenge is to continue doing this.*

*Today every action of the company and its employees is the focus of public attention and we need to reinforce our tradition of values. Our challenge is to continue maintaining this high standard.*

*To this end, we have adopted this code of business conduct and ethics to guide our transactions with our colleagues, communities, customers, governments, investors, regulators and society.*

*We ask you to read, understand, enforce and adhere to this Code, and also ensure that others who work for you do the same.*

*Our reputation and ability to comply with all applicable laws depends on the integrity and upright behavior of each one of us and your pledge to continue to adhere to this code will help us to be Powered by Intellect and Driven by Values.*

Sincerely,

**G. R. Morarka**  
**Chairman and Chief Mentor**

# **CODE OF BUSINESS CONDUCT AND ETHICS**

## **I. INTRODUCTION**

*This Code of Business Conduct and Ethics helps ensure compliance with legal requirements and our standards of business conduct. All Company employees are expected to read and understand this Code of Business Conduct and Ethics, uphold these standards in day-to-day activities, comply with all applicable policies and procedures, and ensure that all agents and contractors are aware of, understand and adhere to these standards.*

*Because the principles described in this Code of Business Conduct and Ethics are general in nature, you should also review all applicable Company policies and procedures and the Employee Handbook, when adopted for your location for more specific instruction. You can also contact the HRD or Legal Department if you have any questions.*

*Nothing in this Code of Business Conduct and Ethics, in any company policies and procedures or in other related communications (verbal or written) shall constitute and shall not be construed to constitute a contract of employment for a definite term or a guarantee of confirmed employment.*

*We are committed to continuously reviewing and updating our policies and procedures. Therefore, this Code of Business Conduct and Ethics is subject to modification. This Code of Business Conduct and Ethics supersedes all other such codes, policies, procedures, instructions, practices, rules or written or verbal representations to the extent they are inconsistent. The Company may update the code from time to time.*

*Please sign the acknowledgment form at the end of this Code of Business Conduct and Ethics and return the form to the HRD indicating that you have received, read, understand and agree to comply with the Code of Business Conduct and Ethics. The signed acknowledgment form will be located in your personnel file. Each year as part of your annual review you will be asked to sign an acknowledgment indicating your continued understanding of the Code of Business Conduct and Ethics.*

## **II. COMPLIANCE IS EVERYONE'S BUSINESS**

*Ethical business conduct is critical to our business. As an employee, your responsibility is to respect and adhere to these practices. Many of these practices reflect legal or regulatory requirements. Violations of these laws and regulations can create significant liability for you, the Company, its directors, officers, and other employees.*

*Part of your job and ethical responsibility is to help enforce this Code of Business Conduct and Ethics. You should be alert to possible violations and report possible violations to the Human Resources Department or the Legal Department. You must cooperate in any internal or external investigations of possible violations. Reprisal, threats, retribution or retaliation against any person who has in good faith reported a violation or a suspected*

*violation of law, this Code of Business Conduct or other Company policies, or against any person who is assisting in any investigation or process with respect to such a violation, is prohibited.*

*Violations of law, this Code of Business Conduct and Ethics, or other Company policies or procedures should be reported to the HRD or the Legal Department.*

*If you find or have concerns related to questionable accounting, accounting controls, auditing matters, or reporting of fraudulent financial information to our shareholders, government or the financial markets, or of Grave Misconduct i.e., conduct which results in a violation of law by the Company or in a substantial mismanagement of company resources and if proven constitutes a criminal offence or reasonable grounds for dismissal of the person engaging in such conduct, or conduct which is otherwise in violation of any law or the Company's policies, you should promptly contact any of the following:*

*Compliance Officer; -Company Secretary of the Company  
Your Immediate Supervisor;*

*You may also report your concerns anonymously by e-mailing the Company's e-mail id for this purpose at [bjmaheshwari@dwarikesh.com](mailto:bjmaheshwari@dwarikesh.com) or by sending an anonymous letter to the Compliance Officer. If you have reason to believe that both of those individuals are involved in these matters, you should report those facts to the Audit Committee of the Company's Board of Directors.*

*Violations of law, this Code of Business Conduct and Ethics or other Company policies or procedures by Company employees can lead to disciplinary action up to and including termination.*

*In all cases, if you are unsure about the appropriateness of an event or action, please seek assistance in interpreting the requirements of these practices by contacting the HRD or Legal Dept.*

### **DUTIES OF INDEPENDENT DIRECTORS :**

*Pursuant to the provisions of Companies Act, 2013, the duties of independent directors inter alia include the following:*

*The independent directors shall—*

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;*
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;*
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;*

- (4) *participate constructively and actively in the committees of the Board in which they are chairpersons or members;*
- (5) *strive to attend the general meetings of the company;*
- (6) *where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;*
- (7) *keep themselves well informed about the company and the external environment in which it operates;*
- (8) *not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;*
- (9) *pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;*
- (10) *ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;*
- (11) *report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;*
- (12) *acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;*
- (13) *not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.*

### **III. YOUR RESPONSIBILITIES TO THE COMPANY AND ITS STOCKHOLDERS**

#### **A. General Standards of Conduct**

*The Company expects all employees, agents and contractors to exercise good judgment to ensure the safety and welfare of employees, agents and contractors and to maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization. These standards apply while working on our premises, at offsite locations where our business is being conducted, or at any other place where you are a representative of the Company. Employees, agents or contractors who engage in misconduct or whose performance is unsatisfactory may be subject to corrective action, up to and including termination. You should review our employment handbook (soon to be adopted), and our company's website, for more detailed information.*

**A1. Workplace free of Harassment:** *The Company is committed to providing a work environment free of unlawful harassment. Company's policy prohibits sexual harassment and harassment based on race, religious creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other basis protected by state, or local law or ordinance or regulation. All such harassment is unlawful. The Company's anti-harassment policy applies to all persons involved in the operation of the Company and prohibits unlawful harassment by any employee of the Company towards other employees including supervisors, outside vendors, clients. It also prohibits unlawful harassment based on the perception that anyone has any of those characteristics, or is associated with a person who has or is perceived as having any of those characteristics.*

*If you believe that you have been unlawfully harassed, submit a complaint to your own or any other company supervisor. In addition, if you believe you have been sexually harassed, you can submit a complaint to the HRD/Secretarial department of the Company.*

*If you have any questions relating to what constitutes discrimination or harassment, or if you have any other questions or concerns pertaining to discrimination or harassment, contact the HRD.*

**A2. Drug and Alcohol Abuse:** *To meet our responsibilities to employees, customers and investors, the Company must maintain a healthy and productive work environment. Misusing controlled substances, or selling, manufacturing, distributing, possessing, using or being under the influence of illegal drugs and alcohol on the job is absolutely prohibited.*

**A3. Safety in Workplace:** *The safety of people in the Workplace is a primary concern of the Company. Each of us must comply with all applicable health and safety policies. We maintain compliance with all local laws to help maintain secure and healthy work surroundings. Questions about these laws and guidelines should be directed to the HRD.*

**A4. Dress Code and other personal standards:** *Because each of us is a representative of the Company in the eyes of the public, we must report to work properly groomed and wearing appropriate clothing. Employees are expected to dress neatly and in a manner consistent with the nature of the work performed. Please follow the Company's Dress code in this regard*

**A5. Expense Claims:** *All business related expense claims must be authorized by the manager of the employee before the incurrence. The reimbursement of expense incurred must be claimed within 30 days of incurring the expenditure. Expense claims post the expiry of 30 days will be deemed to be unauthorized. Personal expense will not be reimbursed by the company. To know the individual business expenditure limit employees should contact the HRD.*

## **B. Applicable Laws**

*All Company employees, agents and contractors must comply with all applicable laws, regulations, rules and regulatory orders. Each employee, agent and contractor must acquire appropriate knowledge of the*

requirements relating to his or her duties sufficient to enable him or her to recognize potential dangers and to know when to seek advice from the Legal Department on specific Company policies and procedures. Violations of laws, regulations, rules and orders may subject the employee, agent or contractor to individual criminal or civil liability, as well as to discipline by the Company. Such individual violations may also subject the Company to civil or criminal liability or the loss of business.

### **C. Conflicts of Interest**

Each of us has a responsibility to the Company, our stockholders and each other. Although this duty does not prevent us from engaging in personal transactions and investments, it does demand that we avoid situations where a conflict of interest might occur or appear to occur. The Company is subject to scrutiny from many different individuals and organizations. We should always strive to avoid even the appearance of impropriety.

All employees must avoid situations involving actual or potential conflict of interest. An employee involved in any of the types of relationships or situations described in this policy should immediately and fully disclose the relevant circumstances to his or her immediate supervisor, or any other appropriate supervisor, for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action.

What constitutes conflict of interest? A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company. Examples include:

**(i) Employment / Outside Employment.** In consideration of your employment with the Company, you are expected to devote your full attention to the business interests of the Company. You are prohibited from engaging in any activity that interferes with your performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. Our policies prohibit any employee from accepting simultaneous employment with a company supplier, customer, developer or competitor, or from taking part in any activity that enhances or supports a competitor's position. Additionally, you must disclose to the Company any interest that you have that may conflict with the business of the Company. If you have any questions on this requirement, you should contact your supervisor or the HRD.

**(ii) Outside Directorships.** It is a conflict of interest to serve as a director of any company that competes with the Company. Our policy requires that you obtain approval from the Company's Compliance Officer before accepting a directorship. Such approval may be conditioned upon the completion of specified actions.

**(iii) Business Interests.** If you are considering investing in a company's customer, supplier, developer or competitor, you must first take great care to ensure that these investments do not compromise your responsibilities to the Company. Many factors should be considered in determining whether a conflict exists, including the size and nature of the investment, your ability to influence the Company's decisions; your access

to confidential information of the Company or of the other company; and the nature of the relationship between the Company and the other company.

**(iv) Related Parties.** As a general rule, you should avoid conducting company business with a relative, or with a business in which a relative is associated in any significant role. Relatives include spouse, siblings, children, parents, grandparents, grandchildren, aunts, uncles, nieces, nephews, cousins, step relationships, and in-laws. If such a related party transaction is unavoidable, you must fully disclose the nature of the related party transaction to the Company's Chief Financial Officer. If determined to be material to the Company by the Chief Financial Officer, the Company's Audit Committee must review and approve in writing in advance such related party transactions. The most significant related party transactions, particularly those involving the Company's directors or executive officers, must be reviewed and approved in writing in advance by the Company's Board of Directors. The Company must report all such material related party transactions under applicable accounting rules, SEBI, Companies Act, 1956, and securities market rules. Any dealings with a related party must be conducted in such a way that no preferential treatment is given to this business.

The Company discourages the employment of relatives in positions or assignments within the same department and prohibits the employment of such individuals in positions that have a financial or other dependence or influence (e.g., an auditing or control relationship, or a supervisor/subordinate relationship). The purpose of this policy is to prevent the organizational impairment and conflicts that are a likely outcome of the employment of relatives or significant others, especially in a supervisor/subordinate relationship. If a question arises about whether a relationship is covered by this policy, the HRD is responsible for determining whether an applicant's or transferee's acknowledged relationship is covered by this policy and the decision. The HRD shall advise all affected applicants and transferees of this policy. Willful withholding of information regarding a prohibited relationship/reporting arrangement will be subject to corrective action, up to and including termination. If a prohibited relationship exists or develops between two employees, the employee in the senior position must bring this to the attention of his/her supervisor. The Company retains the prerogative to separate the individuals at the earliest possible time, either by reassignment or by termination, if necessary.

**(v) Other Situations.** Because other conflicts of interest may arise, it would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts in your mind you should consult the Legal Department or HRD.

#### **D. Corporate Opportunities**

Employees, officers and directors may not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company's Board of Directors and the Board of Directors declines to pursue such opportunity.

#### **E. Protecting the Company's Confidential Information**

The Company's confidential information is a valuable asset. The Company's confidential information includes product architectures; names and lists of customers, dealers, and employees; and financial information. This

information is the property of the Company and may be protected by patent, trademark, copyright and trade secret laws. All confidential information must be used for Company business purposes only. Every employee, agent and contractor must safeguard it. This responsibility includes not disclosing the Company's confidential information such as information regarding the Company's services or business over the Internet. You are also responsible for properly labeling any and all documentation shared with or correspondence sent to the Company's Legal Department or outside counsel as "Attorney-Client Privileged". This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on Maintaining and Managing Records. This obligation extends to confidential information of third parties, which the Company has rightfully received under Non-Disclosure Agreements.

**(i) Proprietary Information and Invention Agreement.** When you joined the Company, you signed an agreement to protect and hold confidential the Company's proprietary information. This agreement remains in effect for as long as you work for the Company and after you leave the Company. Under this agreement, you may not disclose the Company's confidential information to anyone or use it to benefit anyone other than the Company without the prior written consent of an authorized Company officer.

**(ii) Disclosure of Company Confidential Information.** To further the Company's business, from time to time our confidential information may be disclosed to potential business partners. However, such disclosure should never be done without carefully considering its potential benefits and risks. If you determine in consultation with your manager and other appropriate company management that disclosure of confidential information is necessary, you must then contact the Legal Department to ensure that an appropriate written nondisclosure agreement is signed prior to the disclosure. The Company has standard nondisclosure agreements suitable for most disclosures. You must not sign a third party's nondisclosure agreement or accept changes to the Company's standard nondisclosure agreements without review and approval by the Company's Legal Department. In addition, all Company materials that contain Company confidential information, including presentations, must be reviewed and approved by your manager and other appropriate company management prior to publication or use. Furthermore, any employee publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of his or her employment with the Company, must be reviewed and approved in writing in advance by your manager and other appropriate company management and must include the Company's standard disclaimer that the publication or statement represents the views of the specific author and not of the Company.

**(iii) Requests by Regulatory Authorities.** The Company and its employees, agents and contractors must cooperate with appropriate government inquiries and investigations. In this context, however, it is important to protect the legal rights of the Company with respect to its confidential information. All government requests for information, documents or investigative interviews must be referred to the Company's Legal Department. No financial information may be disclosed without the prior approval of the Chief Financial Officer.

**(iv) Company Spokespeople.** The Policy has been established to set out who in the Company may communicate information to the press and the financial analyst community. All inquiries or calls from the press and financial

analysts should be referred to the Chief Financial Officer. All press releases, interviews; media replies should be pre-cleared by the Legal Department.

#### **F. Obligations Under Securities Laws- "Insider" Trading**

Obligations under the Indian securities laws apply to everyone as the Company is listed on the Stock Exchanges. In the normal course of business, officers, directors, employees, agents, contractors and consultants of the Company may come into possession of significant, price sensitive information. This information is the property of the Company -- you have been entrusted with it. You may not profit from it by buying or selling securities yourself. Further you are not to tip others to enable them to profit or for them to profit on your behalf. The purpose of this policy is both to inform you of your legal responsibilities and to make clear to you that the misuse of sensitive information is contrary to company policy and applicable Indian securities laws.

Insider trading is a crime, penalized by fines and imprisonment for individuals. Insider traders must also disgorge any profits made, and are often subjected to an injunction against future violations. Finally, insider traders may be subjected to civil liability in private lawsuits.

Insider trading rules are strictly enforced, even in instances when the financial transactions seem small. The Company has imposed a trading blackout period on members of the Board of Directors, executive officers and all employees who, as a consequence of their position with the Company, are more likely to be exposed to material nonpublic information about the Company. These directors, executive officers and employees generally may not trade in Company securities during the blackout period.

For more details, and to determine if you are restricted from trading during trading blackout periods, you should read the Company's Insider Trading Rules. You should read the Insider Trading Rules carefully, paying particular attention to the specific policies and the potential criminal and civil liability and/or disciplinary action for insider trading violations. You should comply with the Company's Insider Trading Rules, follow the pre-clearance procedures for trading and trade only during a trading window.

Employees, agents and contractors of the Company who violate this Policy will also be subject to disciplinary action by the Company, which may include termination of employment or of business relationship. All questions regarding the Company's Insider Trading Rules should be directed to the Legal Department.

#### **G. Prohibition Against Short Selling of Company Stock**

No Company director, officer or other employee, agent or contractor may, directly or indirectly, sell any equity security, including derivatives, of the Company if he or she (1) does not own the security sold, or (2) if he or she owns the security, does not deliver it against such sale (a "short sale ") within the applicable settlement cycle. No Company director, officer or other employee, agent or contractor may engage in short sales. While employees who are not executive officers or directors are not prohibited by law from engaging in short sales of Company's securities, the Company has extended this prohibition to all employees even though such wider application is not required by the law.

## **H. Use of Company's Assets**

**(i) General.** Protecting the Company's assets is a key responsibility of every employee, agent and contractor. Care should be taken to ensure that assets are not misappropriated, loaned to others, or sold or donated, without appropriate authorization. All company employees, agents and contractors are responsible for the proper use of company assets, and must safeguard such assets against loss, damage, misuse or theft. Employees, agents or contractors who violate any aspect of this policy or who demonstrate poor judgment in the manner in which they use any company asset may be subject to disciplinary action, up to and including termination of employment or business relationship at the Company's sole discretion. Company equipment and assets are to be used for company business purposes only. Employees, agents and contractors may not use company assets for personal use, nor may they allow any other person to use company assets. Employees who have any questions regarding this policy should bring them to the attention of the Company's HRD.

**(ii) Company Brand and Logo.** Dwarikesh is the registered trademarks of the company in India. They should be conspicuously marked with the ® designation or with a notation that they are registered trademarks of the Company whenever they are first used in any medium, presentation or other promotional context. For information on correct usage of the company's trademarks contact the Secretarial Department.

**(iii) Company Funds.** Every Company employee is personally responsible for all company funds over which he or she exercises control. Company agents and contractors should not be allowed to exercise control over company funds. Company funds must be used only for Company business purposes. Every Company employee, agent and contractor must take reasonable steps to ensure that the Company receives good value for Company funds spent, and must maintain accurate and timely records of each and every expenditure. Expense reports must be accurate and submitted in a timely manner. Company employees, agents and contractors must not use company funds for any personal purpose.

**(iv) Computers and Other Equipment.** The Company strives to furnish employees with the equipment necessary to efficiently and effectively do their jobs. You must care for that equipment and to use it responsibly only for company business purposes. While computers and other electronic devices are made accessible to employees to assist them to perform their jobs and to promote company's interests, all such computers and electronic devices, must remain fully accessible to the Company and, to the maximum extent permitted by law, will remain the sole and exclusive property of the Company.

To the extent permitted by applicable law, the Company retains the right to gain access to any information received by, transmitted by, or stored in any such electronic communications device, by and through its employees, agents, contractors, or representatives, at any time, either with or without an employee's or third party's knowledge, consent or approval.

**(v) Electronic Usage.** The purpose of this policy is to make certain that employees utilize electronic communication devices in a legal, ethical, and appropriate manner. This policy addresses the Company's responsibilities and concerns regarding the fair and proper use of all electronic communications devices within

*the organization, including computers, e-mail, connections to the Internet and any other public or private networks and telephones. Posting or discussing information concerning the Company's services or business on the Internet without the prior written consent of the Company's CFO is prohibited. Any other form of electronic communication used by employees currently or in the future is also intended to be encompassed under this policy. It is not possible to identify every standard and rule applicable to the use of electronic communications devices. Employees are therefore encouraged to use sound judgment whenever using any feature of our communications systems.*

### **I. Maintaining and Managing Records**

*The purpose of this policy is to set forth and convey the Company's business and legal requirements in managing records, including all recorded information regardless of medium or characteristics. Records include paper documents, CDs, computer hard disks, email, floppy disks or all other media. The Company is required by local, state and other applicable laws, rules and regulations to retain certain records and to follow specific guidelines in managing its records. Civil and criminal penalties for failure to comply with such guidelines can be severe for employees, agents, contractors and the Company, and failure to comply with such guidelines may subject the employee, agent or contractor to disciplinary action, up to and including termination of employment or business relationship.*

### **J. Payment Practices**

**(i) Accounting Practices.** *The Company's responsibilities to its stockholders and the investing public require that all transactions be fully and accurately recorded in the Company's books and records in compliance with all applicable laws. All required information shall be accessible to the company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation and approval are strictly prohibited and violate Company policy and the law. There shall be no willful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank accounts and funds. Any willful material misrepresentation of and/or misinformation of the financial accounts and reports shall be regarded as a violation of the Code apart from inviting appropriate civil or criminal action under the relevant laws. Additionally, all documentation supporting a transaction should fully and accurately describe the nature of the transaction and be processed in a timely fashion.*

**(ii) Political Contributions.** *The Company reserves the right to communicate its position on important issues to elected representatives and other government officials. It is the Company's policy to comply fully with all local, state and other applicable laws, rules and regulations regarding political contributions. The Company's funds or assets must not be used for, or be contributed to, political campaigns or political practices under any circumstances without the prior written approval of the Company's Compliance Officer and if required by the Board of Directors.*

**(iii) Prohibition of Inducements.** *Under no circumstances employees, agents or contractors should offer to pay, make payment, promise to pay, or issue authorization to pay any money, gift, or anything of value to customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to improperly influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Before giving anything of value to an employee of a government entity, please contact the HRD or the Finance Department. Questions regarding whether a particular payment or gift violates this policy should be directed to HRD.*

#### **IV. RESPONSIBILITIES TO OUR CUSTOMERS AND OUR SUPPLIERS**

**A. Customer Relationships:** *If your job puts you in contact with any Company customers or potential customers, it is critical for you to remember that you represent the Company to the people with whom you are dealing. Act in a manner that creates value for our customers and helps to build a relationship based upon trust. The Company and its employees have provided services for many years and have built up significant goodwill over that time. This goodwill is one of our most important assets, and the Company employees, agents and contractors must act to preserve and enhance our reputation.*

**B. Payments or Gifts from Others:** *Under no circumstances may employees, agents or contractors should accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud. Inexpensive gifts, infrequent business meals, celebratory events and entertainment, provided that they are not excessive or create an appearance of impropriety, do not violate this policy. Before accepting anything of value from an employee of a government entity, please contact the HRD or the Finance Department. Questions regarding whether a particular payment or gift violates this policy are to be directed to HRD.*

*Gifts given by the Company to suppliers or customers or received from suppliers or customers should always be appropriate to the circumstances and should never be of a kind that could create an appearance of impropriety. The nature and cost must always be accurately recorded in the Company's books and records.*

#### **C. Handling the Confidential Information of Others**

*The Company has many kinds of business relationships with many companies and individuals. Sometimes, they will volunteer confidential information about their products or business plans to induce the Company to enter into a business relationship. At other times, we may request that a third party provide confidential information to permit the Company to evaluate a potential business relationship with that party. Whatever the situation, we must take special care to handle the confidential information of others responsibly. We handle such confidential information in accordance with our agreements with such third parties. See also the Company's policy on Maintaining and Managing Records in Section III.I of this Code of Business Conduct and Ethics.*

#### **D. Selecting Suppliers**

*The Company's suppliers make significant contributions to our success. To create an environment where our suppliers have an incentive to work with the Company, they must be confident that they will be treated lawfully and in an ethical manner. The Company's policy is to purchase supplies based on need, quality, service, price and terms and conditions. The Company's policy is to select significant suppliers or enter into significant supplier agreements through a competitive bid process where possible. Under no circumstances should any Company employee, agent or contractor attempt to coerce suppliers in any way.* **E. Government Relations**

*It is the Company'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. This policy includes strict compliance with all local, state and other applicable laws, rules and regulations. If you have any questions concerning government relations you should contact the Company's Legal Department.*

#### **F. Lobbying**

*Employees, agents or contractors whose work requires lobbying communication with any member or employee of a legislative body or with any government official or employee in the formulation of legislation must have prior written approval of such activity from the Company's Compliance Officer. Activity covered by this policy includes meetings with legislators or members of their staffs or with senior government officials. Preparation, research, and other background activities that are done in support of lobbying communication are also covered by this policy even if the communication ultimately is not made.*

#### **G. Government Contracts**

*It is the Company's policy to comply fully with all applicable laws and regulations that apply to government contracting. It is also necessary to strictly adhere to all terms and conditions of any contract with local, state or other applicable governments. The Company's Legal Department must review and approve all contracts with any government entity.*

#### **H. Free and Fair Competition**

*The Company is committed to obeying both the letter and spirit of the Competition laws. The consequences of not doing so can be severe for all of us. These laws often regulate the Company's relationships with its distributors, resellers, dealers, and customers. Competition laws generally address the following areas: pricing practices (including price discrimination), discounting, terms of sale, credit terms, promotional allowances, secret rebates, exclusive dealerships or distributorships, product bundling, restrictions on carrying competing products, termination, and many other practices.*

*Competition laws also govern, usually quite strictly, relationships between the Company and its competitors. As a general rule, contacts with competitors should always avoid subjects such as prices or other terms and*

*conditions of sale, customers, and suppliers. Employees, agents or contractors of the Company may not knowingly make false or misleading statements regarding its competitors or the products of its competitors, customers or suppliers. Participating with competitors in a trade association or in a standards creation body is acceptable when the association has been properly established, has a legitimate purpose, and has limited its activities to that purpose.*

*No employee, agent or contractor shall at any time or under any circumstances enter into an agreement or understanding, written or oral, express or implied, with any competitor concerning prices, discounts, other terms or conditions of sale, profits or profit margins, costs, allocation of product or geographic markets, allocation of customers, limitations on production, boycotts of customers or suppliers, or bids or the intent to bid or even discuss or exchange information on these subjects. In some cases, legitimate joint ventures with competitors may permit exceptions to these rules as may bona fide purchases from or sales to competitors on non-competitive products, but the Company's Legal Department must review all such proposed ventures in advance. These prohibitions are absolute and strict observance is required. Collusion among competitors is illegal, and the consequences of a violation are severe.*

*Although the spirit of these laws, known as "antitrust," "competition," or "consumer protection" or unfair competition laws, is straightforward, their application to particular situations can be quite complex. To ensure that the Company complies fully with these laws, each of us should have a basic knowledge of them and should involve our Legal Department early on when questionable situations arise.*

### **I. Industrial Espionage**

*It is the Company's policy to lawfully compete in the marketplace. This commitment to fairness includes respecting the rights of our competitors and abiding by all applicable laws in the course of competing. The purpose of this policy is to maintain the Company's reputation as a lawful competitor and to help ensure the integrity of the competitive marketplace. The Company expects its competitors to respect our rights to compete lawfully in the marketplace, and we must respect their rights equally. Company employees, agents and contractors may not steal or unlawfully use the information, material, products, intellectual property, or proprietary or confidential information of anyone including suppliers, customers, business partners or competitors.*

### **V. WAIVERS**

*Any waiver of any provision of this Code of Business Conduct and Ethics for a member of the Company's Board of Directors or an executive officer must be approved in writing by the Company's Board of Directors and promptly disclosed. Any waiver of any provision of this Code of Business Conduct and Ethics with respect any other employee, agent or contractor must be approved in writing by the Company's Company Secretary.*

### **VI. DISCIPLINARY ACTIONS**

*The matters covered in this Code of Business Conduct and Ethics are of the utmost importance to the Company, its stockholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its stated values. We expect all of our employees, agents, contractors and consultants to adhere to these rules in carrying out their duties for the Company.*

*The Company will take appropriate action against any employee, agent, contractor or consultant whose actions are found to violate these policies or any other policies of the Company. Disciplinary actions may include immediate termination of employment or business relationship at the Company's sole discretion. Where the Company has suffered a loss, it may pursue its remedies against the individuals or entities responsible. Where laws have been violated, the Company will cooperate fully with the appropriate authorities.*

**VII. ACKNOWLEDGMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS**

*I have received and read the Company's Code of Business Conduct and Ethics. I understand the standards and policies contained in the Company Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job. I further agree to comply with the Company Code of Business Conduct and Ethics.*

*If I have questions concerning the meaning or application of the Company Code of Business Conduct and Ethics, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager, the HRD or the Legal Department, knowing that my questions or reports to these sources will be maintained in confidence.*

*Name of Director:*

*Signature:*

*Date :*

*Please sign and return this form to the Human Resources Department.*