



# **CODE OF CONDUCT & ETHICS**

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## **PART-A**

### **1. PURPOSE**

A code of ethics (otherwise an ethical policy, code of conduct) can be a management tool for establishing and articulating the corporate values, responsibilities, obligations, and ethical ambitions of our Directors, Senior Executive and Financial Officers. This Model Code of Conduct for Directors & Senior Management personnel is a guide to help Senior Management team & Directors on the Board of Husys Consulting and its global subsidiaries and it promotes the honest, ethical business conduct including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; to promote full, fair, accurate disclosure in periodic reports and documents filed with various statutory authorities by the Husys Consulting.

### **2. INTRODUCTION**

This Code is applicable to the Board of Directors of the Company and its Subsidiaries and Senior Management personnel of the Company and its subsidiaries (i.e. Company's Chief Executive Officer, Chief Financial Officer, Company Secretary including all functional heads and all committee members of the Company and its subsidiaries). The board of directors of the Company adopted this Code of Conduct and Ethics as a testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and the avoidance of conflicts of interest. The rules and principles set forth in this Code are general in nature and the Compliance with the Code shall be ensured read with other applicable policies and procedures of the Company. The Directors and Senior Management personnel may contact the Compliance Officer for assistance in interpreting the requirements of this code. The Board of Directors of the Company from time to time taking into account the regulatory environment and the amendments if any may review the code.

### **3. HONEST & ETHICAL CONDUCT**

The Directors & Senior Management personnel are required to act in accordance with the highest standards of personal and professional integrity, honestly, ethical and legal conduct, when acting on behalf of the Company or in connection with the Company's business or operations and at social events. An honest conduct is considered as such when a conduct is free from fraud or deception. We consider ethical conduct to be conduct conforming to the

accepted professional standards of conduct and include ethical handling of actual or apparent conflicts of interests between personal and professional relationships. The Directors and the Senior Management personnel shall

- Act honestly, fairly, ethically, with integrity and loyalty and conduct themselves in a professional, courteous and respectful manner;
- Act in the best interests of the Company and in a manner to enhance and maintain the reputation of the Company, and fulfill their fiduciary duties to the stakeholders of the Company;
- Act in good faith, with responsibility, due care, competence, diligence and independence;
- Treat their colleagues and other associates of the Company with dignity and shall not harass any of them in any manner.

#### **4. CONFLICT OF INTEREST**

An officer's and employee's duty to the Company demands that he or she avoids and discloses actual and apparent conflicts of interests. A conflict of interest exists where the interest or benefits of one person or entity conflict with the interests or benefits of the Company. In such situations:

- In the context of your employment, you should always act in the best interests of Husys Consulting.
- You may not engage in any activity or maintain any financial interest that might interfere, or appear to interfere, with the independent exercise of your judgment and the performance of your responsibilities.
- You must never allow business dealings on behalf of the Husys Consulting be influenced – or even appear to be influenced by personal or family interests. For example, you may not influence, either directly or indirectly, any Husys Consulting dealings with any suppliers with whom you have a personal or financial relationship. You must also avoid outside activities that are so substantial that they interfere with your ability to perform your job.
- It is a conflict of interest to serve as a director of any entity that competes with Husys Consulting, and you must first notify and obtain approval from Husys Consulting before serving on the Board of Directors of another entity. This conflict could arise if Husys Consulting is a customer, supplier, partner or other business whose relationship with Husys Consulting is influenced by you.
- You may not give or accept inappropriate gifts, excessive entertainment, or any payments or other rewards to/from vendors or customers. If you find yourself in an actual or apparent conflict of interest, you must immediately disclose it to Husys Consulting.

- The assets of the Company shall be used for legitimate business purpose and shall not be used for personal purposes. Incidental personal use, if reasonable does not amount to violation of the Code.
- Directors and Senior Management personnel may not allow their investments to influence, or appear to influence, their independent judgment on behalf of the Company. This could happen in many ways, but it is most likely to create the appearance of a conflict of interest if a Director or Senior Manager has a significant investment in a competitor, supplier, customer, or distributor and his decisions may have a business impact on this outside party. The Directors and Senior Management personnel shall seek prior consent of the Board before making any investments more than 15% of the paid up capital of the other entity.
- It would be impracticable to attempt to list all possible conflict of interest's situations and it is possible that other such situations, which are not enumerated above, may arise. All such situations, which arise any questions or doubts, may please be brought to the notice of the Board for appropriate decision.
- Many employees have access to Husys Consulting's data, plans, decisions, financial statistics, customer lists, marketing plans, business strategies, acquisition plans, software code, pending contract negotiations or any information which is not generally known to the public including confidential information of customers or of a company with which Husys Consulting has a business relationship ("confidential information"). No employee may use confidential information for their own use or benefit, or release confidential information to any unauthorized person for their use or benefit. This includes disclosures to the family and friends of an employee. You must take the appropriate precautions to safeguard any confidential information under your control.
- As a Limited company, Husys Consulting is required to follow strict accounting principles and standards, to report financial information accurately and completely, and to have appropriate internal controls and processes to ensure that accounting and financial reporting complies with law. The integrity of Husys's financial records is critical to the operation of Husys Consulting's business and is a key factor in maintaining confidence and trust of our employees, shareholders and other stakeholders. Husys's finance and accounting officers and personnel have a special fiduciary responsibility to ensure finance and accounting practices support the full, fair, accurate, timely and understandable public disclosure of Husys's financial results and condition. However, all employees contribute in some form to the generation of the financial records. As a result, all employees are responsible for complying with the provisions of this code of conduct. Husys Consulting shall devise and maintain a system of internal controls sufficient to provide reasonable assurances that all transactions are properly authorized, executed, recorded, classified and summarized in accordance with Husys's accounting policies, which are designed to ensure compliance with Accounting Standards and applicable laws and regulations. All employees shall act in good

faith, responsibly, with due care, competence and diligence in the performance of their responsibilities related to this system of internal controls.

It is a violation of Husys's policy to misrepresent Husys's financial performance or otherwise knowingly compromise the integrity of the financial statements. No Husys employee may enter information in Husys's books or records that intentionally hides, misleads, or disguises the true nature of any financial or non-financial transaction or result. No Husys employee may intentionally hide, mislead or disguise the true nature of any agreements or liabilities, potential or realized, when making representations to Husys's financial staff. No Husys employee may assist anyone in recording or reporting any information inaccurately or in a way that is misleading. In addition, each employee must retain, protect and dispose of company records in accordance with applicable Husys's record retention policies. Documents containing any confidential information, financial or otherwise, must be disposed of using the confidential documents bins or by shredding. It is expressly against Husys policy to unduly or fraudulently influence, coerce, manipulate or mislead independent auditors, internal auditors or Finance personnel regarding financial statements, processes or internal controls. Violations of laws associated with accounting and financial reporting can result in fines, penalties and imprisonment, and they can lead to a loss of public faith in a company. If you become aware of any action related to accounting or financial reporting that you believe may be improper, a report should be made immediately to Husys management.

## **5. COMPLIANCE WITH LAWS AND THIS CODE**

In all business relationships, you must comply with all the applicable domestic and foreign laws and regulations affecting Husys's business, as well as specific Husys policies or guidelines on these subjects, both in letter and in spirit, in all the territories in which you operate. You must also acknowledge and affirm ongoing compliance with the code on an annual basis. Any violation of the code shall be reported to the Chairman of the Board and to the Compliance Officer of the Company. This code of conduct shall be posted on the website of the Company.

## **6. CONFIDENTIALITY**

The Directors, Officers and Employees shall maintain the confidentiality of confidential information of the Company or that of any customer, supplier or business associate of the Company to which Company has a duty to maintain confidentiality, except when disclosure is authorized or legally mandated. The Confidential information includes all non-public information (including private, proprietary, and other) that might be of use to competitors or harmful to the Company or its associates. The use of confidential information for his/her own advantage or profit is also prohibited.

## **7. FAIR DEALINGS**

The Directors, Officers and Employees should deal fairly with customers, suppliers, competitors, and employees of group companies. 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. Inappropriate use of proprietary information, misusing trade secret information that was obtained without the Company or the Board consent, or inducing such disclosures by past or present employees of other companies is prohibited. An Officer must perform his or her duties in good faith, acting honestly, free from the intention to defraud.

## **8. PROTECTION AND PROPER USE OF COMPANY'S ASSETS**

All Directors, Officers and Employees should protect Company's assets and property and ensure its efficient use. Theft, carelessness, and waste of the Company's assets and property have a direct impact on the Company's profitability. Company's assets should be used only for legitimate business purposes. Inappropriate use of proprietary information, misusing trade secret information that was obtained without the Company or the Board consent, or inducing such disclosures by past or present employees of other companies is prohibited. An Officer must perform his or her duties in good faith, acting honestly, free from the intention to defraud.

## **9. COMPLIANCE WITH CODE OF CONDUCT**

If any Director, Officer and Employee who knows of or suspects of a violation of applicable laws, rules or regulations or this Code of conduct, he/she must immediately report the same to the Board of Directors or any designated person/committee thereof. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

Violations of this Code of Ethics will result in disciplinary action, which may even include termination of the services. The Company's Board or any Committee/person designated by the Board for this purpose shall determine appropriate action in response to violations of this Code of Ethics.

## **10. CORPORATE OPPORTUNITIES**

The Directors, Officers and Employees shall not exploit for their own personal gain, opportunities that are discovered through the use of Company Property, information or position, unless the opportunity is disclosed fully in writing to the Company's Board of directors and if the Board declines to pursue such opportunity, they are expressly prohibited from competing

directly with the business of the Company or with any business that the Company is considering.

## **11. SECURITIES TRANSACTIONS AND CONFIDENTIAL INFORMATION**

The Directors, Officers and Employees of the Company and his or her immediate family shall not derive any benefit or assist others to derive any benefit from the access to and possession of information about the Company or the group, which is not in the public domain and thus constitutes insider information.

The Directors, Officers and Employees of the Company 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 respective company (ies) on which such insider information has been obtained.

Such insider information might include the following:

- periodical financial results of the Company;
- acquisition and divestiture of businesses or business units;
- financial information such as profits, earnings and dividends;
- announcement of new product introductions/ projects or developments;
- asset revaluations;
- investment decisions/plans;
- restructuring plans;
- major supply and delivery agreements;
- raising finances;
- issue of new securities and buy back of its own shares;
- expansion/new projects;
- disposal of whole or substantial part of the Undertaking; and
- Amalgamation, merger or takeover.

## **12. INTERPRETATION OF CODE**

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Board or any person / committee authorised by the Board of the Company. The Board of Directors / CFO & CEO / CS & COO or any designated person / committee has the authority to waive compliance with this Code of business conduct for any director, officer or employee of the

Company. The person-seeking waiver of this Code shall make full disclosure of the particular circumstances to the Board or the designated person/ committee.

### **13. WAIVERS AND AMENDMENTS OF THE CODE**

The Company is committed to continuously reviewing and updating the policies and procedures. Therefore, this Code is subject to modification. Any amendment or waiver of any provision of this Code must be approved in writing by the Company's Board of Directors / CFO & CEO / CS & COO of the company and promptly disclosed on the Company's Website and in applicable regulatory filings pursuant to applicable laws and regulations, together with details about the nature of such amendment or waiver.

## **PART-B**

### **TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS**

**(Pursuant to the provisions of Schedule IV of the Companies Act, 2013 and Clause 17 of the Securities Exchange Board of India (Listing Obligations and disclosure Requirements) regulations, 2015)**

**The broad terms and conditions of appointment of Independent Directors are as under:**

#### **1. APPOINTMENT**

The term for appointment of the independent directors shall extend for a period of five consecutive years, commencing from the respective date of their appointment by the Board, subject to the approval of the Members at the subsequent General Meeting. The Company may disengage Independent Directors prior to completion of their Term, subject to compliance of relevant provisions of the 2013 Act.

Independent Directors will not be liable to retire by rotation.

Re-appointment at the end of the Term shall be based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Board and the Members. The re-appointment would be considered based on the outcome of the performance evaluation process and the Independent Director continuing to meet the independence criteria.

The independent director shall not hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiration of three years of ceasing to become an independent director.



## **2. ROLES, DUTIES AND RESPONSIBILITIES**

- A. As Members of the Board, they along with the other Directors, will be collectively responsible for meeting the objectives of the Board which inter alia, include:
- Requirements under the Companies Act, 2013, as amended or re-stated for the time being in force
  - Responsibilities of the Board as outlined in the Corporate Governance requirements as prescribed by Stock Exchanges under Clause 25 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
  - Accountability under the Director's Responsibility Statement.
- B. They shall abide by the 'Code for Independent Directors' as outlined in Schedule IV to Section 149(8) of the 2013 Act, and duties of directors as provided in the 2013 Act (including but not limited to Section 166) and in Clause 25 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- C. They will be particularly requested to provide guidance in their area of expertise.

## **3. TIME COMMITMENT**

Considering the nature of the role of a director, it is difficult for a company to lay down specific parameters on time commitment. They agree to devote such time as is prudent and necessary for the proper performance of their roles, duties and responsibilities as Independent Directors.

## **4. REMUNERATION**

As Independent Directors they shall be paid sitting fees for attending the meetings of the Board and the Committees, as may be applicable, of which they are members. The sitting fees for attending each meeting of the Board would be as determined by the Board from time to time.

In addition to the sitting fees, commission that may be determined by the Board may also be payable to Independent Directors. In determining the amount of this commission, the Board, supported by the Nomination and Remuneration Committee, may consider the performance of the Company and their performance as evaluated by the Board.

Further, the Company may pay or reimburse to the Director such expenditure, as may have been incurred while performing their role as an Independent Director of the Company. This could include reimbursement of expenditure incurred for accommodation, travel and any out of pocket expenses for attending Board/ Committee meetings, General Meetings, court convened meetings, meetings with Members/ creditors/ management, site visits, induction and training (organized by the Company for Directors) and in obtaining, subject to the expense being reasonable, professional advice from independent advisors in the furtherance of the duties as an Independent Director.

## **5. HUSYS CONSULTING LIMITED'S CODE OF CONDUCT**

The Independent Director of the Company, shall agree to comply with the Husys Consulting Limited's Code of Conduct for Non-Executive Directors (NEDs).

Unless specifically authorised by the Company, they shall not disclose Company and its Business information to constituencies such as the media, the financial community, employees, Members, agents, franchisees, dealers, distributors and importers.

Their Obligation of confidentiality shall survive cessation of their directorship with the Company.

The provisions of both, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Intense Technologies Limited's Code of Conduct on Prevention of Insider Trading, prohibiting disclosure or use of unpublished price sensitive information would be applicable to the Independent Directors.

Additionally, Independent Directors shall not participate in any business activity which might impede the application of their independent judgment in the best interest of the Company.

## **6. TRAINING AND DEVELOPMENT:**

The Company shall conduct familiarization programs for its Independent Directors which may include any or all of the following:

- Board roles and responsibilities, whilst seeking to build working relationship among the Board members,
- Company's vision, strategic direction, core values, ethics and corporate governance practices,
- Familiarization with financial matters, management team and business operations,
- Meetings with stakeholders, visits to business locations and meetings with senior and middle management.

The Company may, as may be required, support Directors to continually update their skills and knowledge and improve their familiarity with the Company and its Business.

## **7. PERFORMANCE APPRAISAL/EVALUATION PROCESS:**

As a member of the Board, their performance as well as the performance of the entire Board and its Committees will be evaluated annually. Evaluation of each director shall be done by all the other directors. The criteria for evaluation shall be disclosed in the Company's Annual Report. However, the actual evaluation process shall remain confidential and shall be a constructive mechanism to improve the effectiveness of the Board / Committee.

## **8. DISCLOSURES, OTHER DIRECTORSHIPS AND BUSINESS INTERESTS**

During the Term, they agree to promptly notify the Company of any change in their directorships, Memberships and provide such other disclosures and information as may be required under the applicable laws. They also agree that upon becoming aware of any potential conflict of interest with their position as Independent Director of the Company, they shall promptly disclose the same to the Chairman and the Company Secretary.

During their Term, they agree to promptly provide a declaration under Section 149(7) of the 2013 Act, upon any change in circumstances which may affect their status as an Independent Director.

## **9. DISENGAGEMENT**

They may resign from the directorship of the Company by giving a notice in writing to the Company stating the reasons for resignation. The resignation shall take effect from the date on which the notice is received by the Company or the date, if any, specified in the notice, whichever is later.

Their directorship on the Board of the Company shall cease in accordance with law. The Company may disengage Independent Directors prior to completion of Term (subject to compliance of relevant provisions of the 2013 Act) upon

- Violation of any provision of the Intense Technologies Limited's Code of Conduct as applicable to Non-Executive Directors.
- Upon the director failing to meet the criteria for independence as envisaged in Section 149(6) of the 2013 Act or Clause 49 of the Listing Agreement.

## **ACKNOWLEDGEMENT**

I have received and read the Code of Ethics for Senior Executive and Financial Officers, and I understand its contents. I agree to comply fully with the standards contained in the Code of Ethics and the Company's related policies and procedures. I understand that I have an obligation, as described above, to report any suspected violations of the Code of Ethics.