

# **MATHER AND PLATT FIRE SYSTEMS LIMITED**

## **CODE OF CONDUCT FOR MEMBERS OF THE BOARD**

### **AND SENIOR MANAGEMENT**

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#### **INTRODUCTION**

The Board of Directors (the “Board”) of the Company has adopted the following Code of Business Conduct and Ethics (the “Code”) for Directors and senior management of the Company. This Code is intended to focus each director and member of senior management on areas of ethical risk; provide guidance to Directors to help them recognize and deal with ethical issues; help foster a culture of honesty and accountability; and make informed decisions and policies in the best interest of the Company and its stakeholders.

### ***APPLICABILITY OF THIS CODE***

The Code shall be applicable to all Directors and senior management (hereinafter referred to as “officials”) of the Company. Officials mean personnel of the Company who are members of its core management team one level below Managing Director/ Executive Director, including heads of all business and corporate support functions.

### **ADOPTION AND COMMENCEMENT**

This Code of Conduct was adopted by the Board in its meeting held on 31<sup>st</sup> January, 2006 and shall be deemed to have come into force with immediate effect.

### ***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 authorized by the Board of the Company. The Board of Directors 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.

Each director/ officials must comply with the letter and spirit of this Code.

### **HONESTY AND INTEGRITY**

Directors/ officials are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical approach and conduct in all business dealings while representing the Company.

Honest conduct is conduct which is fair, acted in good faith, responsibly with due care, competence, diligence, free from fraud or deception, conforms to the accepted professional standards of the conduct and includes the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

### **CONFLICT OF INTEREST**

Directors/ officials must avoid any conflicts of interest between them and the Company. Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company, should be disclosed promptly to the Board. A “conflict of interest” can occur when:

- A director's/ official's personal interest is adverse to or may appear to be adverse to the interests of the Company as a whole.
- A director/ official, or his/her relative, as defined by the Companies Act, 1956, receives improper personal benefits as a result of his/her position as a director/ official of the Company.

Some of the more common conflicts, which Directors should avoid, are listed below:

a. Relationship of Company with third-parties

Directors/ officials shall not receive a personal benefit from a person or firm, which is seeking to do business or to retain business with the Company. A director/ official shall keep away him/herself from any Company Board decision involving another firm or Company with which the director is affiliated.

b. Gifts

Directors/ officials shall not offer, give or receive gifts from persons or entities that deal with the Company in those cases where any such gift is being made in order to influence the Directors'/ officials' actions, or where acceptance of the gifts could create the appearance of a conflict of interest.

c. Personal use of Company assets

Directors/ officials may not use Company assets, labour or information for personal use unless approved by proper authority, or as part of a compensation or expense reimbursement program available to Directors.

### **CORPORATE OPPORTUNITIES**

Directors/ officials are prohibited from:

- a. Taking for themselves or their companies opportunities that are discovered through the use of Company property, Company information or position as a director/ official;
- b. Using the Company's property or information for personal gain like insider trading; or
- c. Competing with the Company for business opportunities. However, if the Company's disinterested Directors determine that the Company will not pursue an opportunity that relates to the Company's business, a director may then do so.

### **CONFIDENTIALITY**

Directors/ officials must maintain the confidentiality of information entrusted to them by the Company and any other confidential information about the Company that comes to them, from whatever source, in their capacity as a director/ official, except when disclosure is authorized or legally mandated.

## **POLITICAL NON- ALIGNMENT**

The Board shall not support, directly or indirectly, any specific political party or candidate for political office. The Company shall not offer or give any company funds or property as donations, directly or indirectly, to any specific political party, candidate or campaign if it is violating any law.

## **COMPLIANCE WITH LAWS**

Directors/ officials must comply, and oversee compliance by employees and other Directors, with laws, rules and regulations applicable to the Company, including insider trading laws.

Directors/ officials must deal fairly, and must oversee fair dealing by employees and officers, with the Company's customers, suppliers, competitors and employees.

## **EQUAL-OPPORTUNITIES EMPLOYER**

The Company shall provide equal opportunities to all its employees and all qualified applicants for employment, without regard to their race, caste, religion, colour, ancestry, marital status, sex, age, nationality, disability and veteran status. Employees of the Company shall be treated with dignity and in accordance with the Company's policy to maintain a work environment free of sexual harassment. Employee policies and practices shall be administered in a manner that ensures that in all matters equal opportunity is provided to those eligible and the decisions are merit-based.

## **FINANCIAL REPORTING & RECORDS**

The Directors must ensure that:

The Company and its Officers shall prepare and maintain accounts of the Company's business affairs fairly and accurately in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the Company conducts its business affairs.

Internal accounting and audit procedures shall fairly and accurately reflect all of the Company's business transactions. All required information shall be accessible to Company Auditors and other authorised parties and government agencies. There shall be no willful omissions of any Company transactions from the books and records.

Any willful material misrepresentation of and/or misinformation on the financial accounts and reports shall be regarded as a violation of this code, apart from inviting appropriate civil or criminal action under the relevant law.

## **SHAREHOLDERS**

The Company shall be committed to enhance shareholder value and comply with all regulations and laws that govern shareholders' rights. The Board of Directors of the Company shall duly and fairly inform its shareholders about all relevant aspects of the Company's business, and disclose such information in accordance with the respective regulations and agreements.

## **PROTECTING COMPANY ASSETS**

The assets of the Company should not be misused but employed for the purpose of conducting the business for which they are duly authorised. These include tangible assets such as equipment and machinery, systems, facilities, materials, resources as well as intangible assets such as proprietary information, relationships with customers and suppliers, etc.

## **ETHICAL CONDUCT**

Every employee of the Company, which shall include whole-time Directors and the managing director, shall deal on behalf of the Company with professionalism, honesty and integrity, as well as high moral and ethical standards. Such conduct shall be fair and transparent and be perceived to be as such by third parties.

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