



AADHAR HOUSING FINANCE LIMITED

CODE OF CONDUCT POLICY

*(Revision Effective from August, 2020)*

*(Version – 1.1)*



## **CODE OF CONDUCT POLICY**

### **1. Objective**

A fundamental policy of Aadhar Housing Finance Ltd (“Aadhar”) is to conduct its business with honesty, integrity and in accordance with the highest professional, ethical and legal standards. Aadhar has adopted a comprehensive Code of Conduct (“Code”) for its employees.

The Code defines acceptable and unacceptable behaviours and provides guidance to employees in specific situations that may arise and fosters a culture of honesty, accountability and high standards of personal and professional integrity. This Code will ensure ethical standards and professional conduct are followed and upheld by all employees at all times. Our Code of Conduct sets forth our core values and shared responsibilities.

This code/policy has been earlier approved at the Board meeting held on April 2017, by the Board of Directors and now it has been reviewed and approved at the Board meeting held on August 18, 2020

### **2. Applicability**

This Code is applicable to the following:

- 2.1. All employees of Aadhar
- 2.2. All employees on third party payroll, who are deployed to/conduct services for Aadhar

This Code does not address every possible form of unacceptable conduct and it is expected that the employee shall refer to and be guided by all the extant policies on workplace conduct of the organization. There are separate policies such as but not limited to Prevention of Sexual Harassment at Workplace Policy, Anticorruption Compliance Policy, Ethics at Workplace Policy which the employee undertakes to follow both in letter and spirit. The employee must commit to follow the organization’s policies and procedures on workplace conduct and apply their sound judgment to comply with the principles set forth in the Code in relation to situations not specifically covered herein.

### **3. Workplace Standards**

Aadhar is committed to maintaining a safe and respectful work environment. All employees of Aadhar are expected to conduct themselves professionally and to respect others in the workplace. Aadhar has established several policies to achieve these goals.

Compliance with Standards at Workplace includes adherence to the following:

- 3.1. Consumption of Alcohol  
Distribution, dispensation, possession, sale or consumption of alcohol / alcoholic beverages is prohibited on Aadhar premises or while engaged in or during the course of conducting Aadhar’s business.
- 3.2. Gambling  
To keep the workplace free of improper solicitations and gambling, gambling is prohibited on the premises of Aadhar or while engaged in or during the course of conducting Aadhar’s business.
- 3.3. Smoking



To maintain a smoke-free work environment, smoking is not permitted in Aadhar office locations, except in designated areas and where otherwise permitted by applicable law.

**3.4. Recording**

Aadhar does not permit employees to tape record, videotape, take photographs, or electronically record any conversations or meetings, either at workplace or while engaged in Aadhar's business at another location, unless permitted by the concerned member(s) of the management.

**3.5. Violence**

Aadhar is committed to maintaining a violence free work environment. Aadhar will not tolerate violence of any kind or threats of violence and will respond appropriately to ensure maintenance of a safe and respectful workplace including involvement of law enforcement authorities where appropriate.

**3.6. Equal Opportunity**

Aadhar is committed to following fair employment practices that provide equal opportunities to all employees. Aadhar does not discriminate or allow harassment on the basis of race, color, religion, disability, gender, national origin, sexual orientation, gender identity, gender expression, age, genetic information, or any other legally protected status. At Aadhar diversity is valued and believes that a diverse workplace builds a competitive advantage.

3.7. In order to confirm the compliance of these above mentioned standards at workplace the HR department shall do a hygiene sample check of various branches of the Company and submit a report to the Board as and when any such objectionable practices are found.

**4. Conflict of Interest**

No employee shall conduct the business of the Company in a manner wherein his/her activities, interests or dealings may actually, potentially or be perceived to:

- Impair the ability to perform any of the duties as an employee of Aadhar,
- have a negative impact on Aadhar's reputation or financials.
- Or result in a personal gain or advantage either monetary or non-monetary and either directly or indirectly due to the employee's position in Aadhar.

Conflicts of interest may appear where on account of either undertaking, or in the act of influencing, a business transaction, relationship, or an activity, where the employee is in a position to derive a personal benefit for himself / herself or for a related party or any entity in which the employee has any interest. It includes instances where the independent judgment of such employee to work towards the best interests of Aadhar is / may be perceived to be impaired.

Conflict of Interest may arise on account of:

**4.1. Outside Business Opportunity**

Involvement in outside business activity may require the individual to spend large amounts of time attending to the affairs of the other entity, thereby interfering with the employee's responsibilities. Prior approval of Chief People Officer & Company Secretary must be sought in writing prior to accepting any position of employment or responsibility (such as Directorship etc.) outside Aadhar. The employees are hereby prohibited from taking for themselves personally, any opportunities that are discovered through the use of Aadhar's property, information or position, unless the opportunity is disclosed fully in writing.



- 4.2. Financial transactions  
Employees must not act on behalf of Aadhar in any transactions in which they have personal interest.
- 4.3. Transactions with vendors and partners  
Employees must not steer or direct business to a family or household member of any of the vendors/ partners. This includes directing transactions, contracting with a vendors/ partners for goods/ services or offering employment to such suppliers/vendors/contactors or partners with whom the employee has a personal relationship.
- 4.4. Recruitment or supervision of relatives  
Employees must not have any direct managerial or supervisory responsibility with an immediate / distant/ close relative. In addition, employees must not have any decision-making authority regarding the compensation, promotion or other employment / contracting terms and conditions of an immediate / distant relative.
- 4.5. Prior Disclosure of Relatives working with Aadhar  
In case of any close relative of an employee, such as spouse, siblings, parents or any other blood relatives (to be known as close relatives) being employed with Aadhar, the concerned employees must disclose this information to the HR team at the time of joining. The HR team must ensure that no relatives shall be working in the same department or in the same location.
- 4.6. Gifts and Entertainment  
Subject to Clause 8, employees must not accept or provide any gifts of any value where it might influence the decisions they or the recipient may make in business transactions involving Aadhar, or that others might believe could influence those decisions. Employees may occasionally give or receive gifts, meals or entertainment of moderate value subject to local laws and Aadhar's internal limits, approval & reporting requirements. Cash gifts or their equivalent above the limit of Rs. 2000 must not be accepted under any circumstances. Please consult Aadhar's Anti-Corruption Compliance Policy for further guidance on permissible gifts and entertainment.

In case of the event of a potential or actual conflict, employees shall make a disclosure in writing to the Chief People Officer (CPO), Company Secretary and the MD & CEO. Upon review, the employee may be directed to avoid / resolve the conflict or to take such remedial action as is deemed suitable by Aadhar.

## **5. Public Disclosures and Communications**

The information that Aadhar discloses in their communication with regulators, investors, shareholders, customers, associates and any other public communication should be full, fair, accurate, timely and understandable.

- 5.1. Communication with news media and social media should only be conducted by Aadhar's official spokespersons. In the event of any contact by any media representative or any other public constituency to disclose information as mentioned above, employees are required to redirect and report this request to the Corporate Marketing department.
- 5.2. Communication with regulatory or government authorities should only be conducted by the MD & CEO or his designees.
- 5.3. Requests for financial information regarding Aadhar should be referred to the MD & CEO or Chief Financial Officer (CFO).



- 5.4. All marketing material related to sales & marketing should be pre-approved by the Corporate Marketing department. All the sales and marketing material and the social media communication/ document templates shall be duly approved in writing by the Legal and Compliance Department.
- 5.5. The employees shall use their best efforts to ensure that there shall be no omission of any Aadhar transactions from the books and financial records and all required information shall be provided to the auditors.

## **6. Use and Protection of Corporate Assets**

Aadhar's assets shall be protected from theft, loss, damage or misuse and shall not be employed for conducting any illegal activity or for any purpose other than the conduct of the business of Aadhar.

Electronic resources provided by Aadhar should only be used for the conduct of Aadhar's business and must be protected from damage and misuse. Records and data, including electronic files and e-mails, must be retained as long as required by the applicable laws; in the event of pending or foreseeable litigation or authority inspections they must be retained for any longer time necessary. Fraudulently altering or falsifying any record or document is strictly forbidden.

The employees shall not use Aadhar's tangible assets such as real estate, equipment and machinery, systems, facilities, materials etc. or intangible assets such as proprietary information, relationships with customers, agents and suppliers, etc. for their personal benefit or for the benefit of a relative/related party or of any entity in which the concerned employee(s) has, directly or indirectly, any interest.

The employees are not only prohibited to misuse the assets, but are obligated to reasonable and due care to protect them without endangering themselves.

## **7. Confidentiality of Information**

All information disclosed to an employee in confidence or marked confidential or which is reasonably evident as being confidential or proprietary by its nature or any other information which an employee obtains by virtue of his employment with Aadhar is herein referred to as "**Confidential Information**". Examples include, but are not limited to:

- 7.1. All material, non-public financial and other business information;
- 7.2. Marketing information, marketing strategies, and market research prior to public release;
- 7.3. Product information prior to public release and detailed information about Aadhar's products and services, including those under development;
- 7.4. Information about business processes;
- 7.5. Other individually identifiable personal information associated with customers or employees.

It is the duty of every employee to ensure that access to Confidential Information must be secured in a manner to prevent unauthorized disclosure.

Confidential Information must be used only for business purposes. The Employee must not to use, disclose or divulge, directly or indirectly, the Confidential Information in any manner to any third



person unless authorised by Aadhar to do so and must safeguard Confidential Information and restrict access to records to persons with proper authorization and legitimate business needs.

#### **8. Anti-Bribery and Corruption**

All directors, officers, employees, agents, representatives and other associated persons of Aadhar are required to conduct their business in accordance with Aadhar's Anti-Corruption Compliance Policy, a copy of which is available on Aadhar's website and can be provided upon request.

#### **9. Expenses Claim**

Every reporting manager and employee will have an obligation to each other and towards the company to comply with Aadhar's business expenses and reimbursement policies and practices. All business related expense claims must be authorized by the reporting manager before being incurred. Personal expenses will not be reimbursed by the company.

#### **10. Charitable Contributions**

Aadhar believes that charitable contributions and donations are an integral part of its Corporate Social Responsibility. Typical areas for granting support are education, health, skilling, social welfare, disaster relief and other similar causes.

While making any donations under the CSR umbrella of the company, Aadhar will follow the below mentioned rules and regulations –

- All the CSR activities will be routed through a registered & recognized non-profit organization or through a registered tax paying implementing agency, as deemed necessary
- The contributions are permissible under applicable local laws
- Contributions are made without demand or expectation of business return
- Beneficiaries of such contributions should not be related to the directors or the executive officers of Aadhar
- Contributions shall not be made in cash or to any private account of an individual
- Any amounts contributed or donations made towards charitable causes shall be fairly and accurately reflected in Aadhar's books of accounts.

More details are available in the Aadhar Corporate Social Responsibility Policy.

#### **11. Political Activities**

Aadhar reserves the right to communicate its position on important issues to the elected representatives and other government officials. Aadhar's funds or assets must not be used as contribution for political campaigns or political practices under any circumstances without the prior written approval of the Board. Any employee must not indicate in any manner that he/she represents the Company's opinion about a candidate for office or any political cause or decision of government.

#### **12. Customer Value**



Customer Value is a commitment to bring in ideas and recommendations that are in the best interest of the customers, thus discharging the professional responsibilities in a manner that leads to long term partnerships.

- Aadhar will always consider the perspective of its customers
- The company will consistently work to improve customer satisfaction
- Aadhar will strive to develop a memorable customer experience

### **13. Free and Fair Competition**

Aadhar believes that a free and fair market benefits all. Aadhar's commitment to fairness includes respecting the rights of its competitors and abiding by all the applicable laws. As a lawful competitor, Aadhar will ensure the integrity of the competitive marketplace. The company will not appropriate or unlawfully use the information, material, products, intellectual property or proprietary or confidential information of anyone including customers, business partners or competitors.

### **14. Governance**

Please refer to our Governance and Disciplinary Policy in relation to the evaluation and investigation of all the reported matters in relation to employees of Aadhar arising out of the framework of this Code.

### **15. Amendments**

The Code may be amended, modified or replaced by Aadhar from time to time subject to applicable law & it is the responsibility of the employee to stay informed and be familiar with such changes.

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