



Inspired by Science

PI Industries Limited

Effective: 11th February 2019

Supersedes:

**CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF
PI INDUSTRIES LTD.**

1. Preface

PI Industries Ltd. as an institution has always strived to achieve highest ethical standards in its conduct of business. PI's reputation and goodwill are recognized and valued as its most important asset, which warrants faith and trust of its various stakeholders.

This model Code of Conduct is designed to formally put these corporate values of PI into practice.

2. Coverage

- (a) All the Directors of P I Industries Ltd. (hereinafter "COMPANY"); and;
- (b) members of its core management team excluding Board of Directors which shall include Chief Financial Officer, Company Secretary, employees in the grade of President and such other employee(s) of the Company as may be designated as member of core management team for the purpose of this Code by the Managing Director of the Company from time to time, hereinafter referred to as 'Senior Management Personnel'

3. Purpose

The purpose of this Code of Conduct is to articulate the high standards of honesty, integrity, transparency, ethical and law abiding behavior expected of Directors and Senior Management Personnel while also meeting the requirements of external stakeholders and applicable laws

4. The Model Code

(A) Honesty and integrity

The Company expects each Director and Senior Management Personnel to act in utmost good faith and in accordance with highest standards of personal and professional integrity, honesty and ethical conduct in respect of all transactions.

(B) Conflicts of interest

- (1) Each Director and Senior Management Personnel must promptly inform the Company of any personal or external business interest that may lead to an actual or potential conflict of interest or duty.
- (2) Each Director must:
 - (a) not participate when the Board considers any matter in which the Director has or may have a conflict of interest or duty; and
 - (b) comply with the Companies Act, 2013 and Listing Regulation in relation to the disclosing material personal interests and restrictions on voting by Directors.
- (3) Each Director must inform the Board of:
 - (a) any existing Directorship or other office held by the Director in another entity; and
 - (b) any proposed appointment as a Director or Senior Management Personnel of another entity before accepting the appointment.
- (4) Each Director and Senior Management Personnel must not exploit for their own personal gain the opportunities that are discovered through the use of corporate property, information or position unless the opportunity is disclosed fully in writing to the Company.

(C) Duties (applicable for Independent Directors)

The independent directors shall -

- a) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;

b) 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;

c) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;

d) participate constructively and actively in the committees of the Board in which they are chairpersons or members;

e) strive to attend the general meetings of the Company;

f) 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;

g) keep themselves well informed about the company and the external environment in which it operates;

h) not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board;

i) 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;

j) 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;

k) report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy;

l) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;

m) 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.

(D) Compliance with laws, regulations, policies and procedures

Each Director and Senior Management Personnel must:

- (a) Comply with the letter and spirit of any applicable law, rule or regulation;
- (b) Comply with the protocols, policies and procedures of the Company; and
- (c) Encourage other officers and employees to do the same.
- (d) To acquire appropriate up to date knowledge of requirements of before accepting the appointment compliances under various applicable statues.

(E) Confidentiality

- (1) Any information acquired by a Director or Senior Management Personnel while performing their duties is confidential information of the Company and must be kept confidential. A Director/ Senior Management Personnel must not disclose the information to a third party except where that disclosure is:
 - (a) Authorized by the Board; or
 - (b) Required by law or a regulatory body (including a relevant stock exchange).
- (2) The existence and details of any Board and management information, discussions, and decisions that are riot publicly known and have not been approved by the Board for public release, are confidential information of the Company and subject to paragraph (D)(I).
- (3) Each Director's and Senior Management Personnel's obligations of confidentiality continue even after he or she leaves the Company.

(F) Fair Dealing

To deal fairly with the stakeholders, including the shareholders, creditors, lenders, suppliers, customers, employees, etc. of the Company and shall hold themselves accountable to the appropriate authority/body.

(G) Protection and proper use of assets

- (1) A Director or Senior Management Personnel may only use a Company asset for legitimate business purposes or other purposes approved by the Board.
- (2) Each Director and Senior Management Personnel must immediately report any suspected fraud or theft of a Company asset for investigation.
- (3) Shall not illegally withhold any property or documents of the Company and should ensure protection of the same at all times.

(H) Disclosure of Interest

To disclose the necessary information to the Company at regular intervals in respect of various declarations under the various acts, rules and regulations, including the Companies Act, 2013, and the details of related parties from time to time.

(I) Compliance of "Insider Trading Code"

To comply with the provisions of the Code of Conduct for Prohibition of Insider Trading approved by the Board of Directors and as modified from time to time.

(J) Reporting of unlawful and unethical behaviour

- (1) A Director or Senior Management Personnel may use their own judgment in deciding to whom to report any violation or behaviour, however:
 - (a) Directors are encouraged to report to the Managing Director; and
 - (b) Senior Management Personnel are encouraged to report to their immediate Reporting Officer or to the Managing Director.
 - (c) Senior Management Personnel and any employee who is aware of the violation may report to the Compliance Officer of the company {Currently the Company Secretary}
- (2) If an employee or officer reports, in good faith, any violation or behaviour, each Director and Senior Management Personnel must ensure:
 - (a) the reporting person's position is protected;
 - (b) the reporting person's identity is only disclosed with their consent, except where disclosure is required by law; and

- (c) no disciplinary, discriminatory or other adverse action is taken or tolerated against the reporting person for reporting the violation.

(K) Meetings

Every Director shall endeavor

- (a) To attend and actively participate in all the meetings of the Board of Directors and its Committees, where he is a member, as well as general meetings of the members of the Company.
- b) Not to participate in any meeting, in any discussion or vote on any matter in which he is interested as a Director.
- c) To attend such meetings as are required of the person for the benefit, growth and development of the Company.

(L) CERTIFICATION

Each of the Directors and Senior Management Personnel of the Company to whom this Code is made applicable, shall file with the Company Secretary of the Company, a certificate addressed to the Managing Director of the Company, by the 31st March every year, confirming his/her compliance with the provisions of this Code.

(M) Waivers and amendments of the Code

Any amendment/ inclusion or waiver of any provision of this Code shall be approved by the Company's Board of Directors.