



## **Somany Ceramics Limited**

### **Policy on Ethics, Transparency & Accountability**

#### **Our core Principles and Philosophy**

Somany believes in the principle of trust which can be derived through ethical practices, transparency and accountability to all its stakeholders. In line with philosophy, SOMANY always strives to promote practices and structures that ensure transparent communication to all its stakeholders and ethical conduct of business at all levels which enhances accountability and responsibility towards all concerned persons.

#### **Workplace behavior**

- **Confidentiality** – any information concerning the company’s business, its customers, suppliers, etc. (including but not limited to technical, commercial, and legal information) which is not in public domain and to which the employees have access or possess such information, must be considered confidential and held in confidence, unless authorized to do and when disclosure is required under any law. The information received during business dealings should be used only for the purpose it is intended for and never for personal gain or for a third party’s gain. Such information, or confidential data, should not be disclosed to anyone inside or outside the company who does not have legitimate rights to know.
- **Protection and utilization of assets**- the assets of the company should not be misused and should be employed only for the purpose of conducting the business duties for which they are duly allocated or authorized. Employees are responsible for safeguarding, securing and protecting the company’s assets allocated to them from theft, destruction, misuse and wastage. These assets 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.
- **Equal employment opportunities**:- Somany provides equal opportunities to all its employees and all qualified applicants for employment, without regard to their caste, creed, gender and disability. Employee policies and practices of Somany are administered in a manner that would ensure that in all matters equal opportunity is provided to those eligible and the decisions are merit-based.

**Ethical conduct**-every employee of company, while dealing on behalf of the company is required to follow highest standards of integrity, honesty and business ethics. Employees are also responsible to ensure the implementation and compliance of the ethical conduct in their work groups and professional environment.

**Conflict of interest**- the term “Conflict of interest” describes any circumstances that could cast doubt on one’s ability to act with total objectivity with regard to the company’s interests. In order to avoid conflict of interest:

- During employment with Somany an employee can not engage in any other employment, consultancy, or personal business activity.
- Employees are not permitted to have any significant ownership interest in any supplier, customer, business partner or competitor of the company.
- Employees cannot accept gifts, donations, hospitality and/or entertainment from existing or potential supplier, customer, business partners or other third parties which have business dealings with the company.
- Somany does not allow its employees to accept any kind of favour from its vendors, customers, business partners or associates.
- Somany does not permit its employees to take unjustified advantages of its vendors, customers, business partners and associates.
- Somany does not allow its employees to directly recommend, introduce or engage their family members or relatives to carry out any business dealings of the company, its vendors, channel partners or other associates, without taking a prior approval from the management.
- Somany does not allow its employees to refer their family members or relatives for employment with company, without taking a prior approval from the management.

**Public representation of company**- Somany honors the information requirements of the public and its shareholders. In all its public appearances, with respect to disclosing company and business information to public constituencies such as media, the financial community and shareholders, Somany is represented only by specifically designated authorities and employees. It will be the sole responsibility of these authorised representatives to disclose information on the company.

**Representation of company on social media**- Somany expects from its employees to demonstrate ethical behavior while representing and/or referring to the company on any online forum or community. Employees should ensure constructive, respectful and productive dialogue while representing Somany in the social media space and should also notify the corporate communication department, in the event of any online activity that they consider detrimental to the company or its reputation.

**Third party representation-** parties that have business associations/dealings with Somany, such as consultants, agents, channel partners, distributors, contractors, suppliers, joint ventures, etc. are not authorised to represent Somany, without the written permission of the company.

**Bribery and corruption-** Somany is committed to follow zero tolerance towards bribery and corruption in all its business dealings and maintain strong controls to prevent and detect such incidents. Somany and its employees can neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended to, or perceived to obtain business or uncompetitive favors for the conduct of its business. However the company and its employees may, with full disclosure, accept and offer nominal gifts, provided such gifts are of commemorative nature.

**Valuing associates-** in all business transactions, agreements or contracts, Somany honors the mutual relationships with its business associations and does not undertake any practices or initiative for taking unethical advantage of its associations.

**Accountability-**This Code is more than a set of prescriptive guidelines issued solely for the purpose of formal compliance. It represents our collective commitment to our value system and to our core principles. Every person employed by us, directly or indirectly, should expect to be held accountable for his/her behavior.

**Political Contributions-** The Company does not directly or indirectly contribute, make payments, or provide property or services, to any political parties or candidates. Any employee who wishes to make a political contribution may do so in a personal capacity and not as a representative of the company.