

MESSAGE FROM THE BOARD

Dear Employees & Colleagues,

PDS is a professionally managed organization and our corporate philosophy envisages attainment of the highest levels of Integrity, Accountability, Performance, Ethical Behaviour and Equity in all facets of our Operations. We believe that the practice of each of these elements will create the right corporate culture, empower our Employees and ensure sustainability of our Operations.

The core value underlying our corporate philosophy is "trusteeship". We believe this organization has been handed to us by the various stakeholders in "trust" and we as professionals are the "trustees" of these stakeholders. It is therefore our responsibility to ensure that the organization is managed in best interest of our stakeholders. We recognize society as an important stakeholder in this enterprise and therefore it is part of our responsibility to practice good corporate citizenship.

Our Holding Company has an independent Board of Directors. They oversee how the management and all Employees serve and protect the long-term interests of the Company and Society.

The purpose of this document is to articulate the high standards of honest, ethical and law abiding behaviour expected of every Employee and encourages the observance of these standards to protect and promote the interests of all stakeholders. All Employees are expected to follow this code fully and are encouraged to report any non-observances. While we will respect, recognise, support and appreciate efforts of our employees and colleagues to uphold the values of the company, any non-compliance with this Policy shall be considered as material breach of employment/ consultancy contract and the Employee shall be liable for their actions which may result in strict disciplinary action including dismissal/ cancellation of his/her contract, subject to the applicable laws of country and company policy.

Yours Sincerely

*Pallak Seth
Vice Chairman (PDS Multinational Group)*



PDS MULTINATIONAL – EMPLOYEE CODE OF CONDUCT

PROCEDURE FOR RESOLUTION OF COMPLAINTS PERTAINING TO ETHICAL CONDUCT.

Scope:

This document intends to lay down procedures to handle complaints received from the hotline/NAVEX GLOBAL web site about any employee of the PDS Multinational group. The procedure for lodging a complaint through the helpline shall be detailed in a separate document/training and it is not the intent of this document to cover the same. This document shall remain dynamic and will keep evolving with time depending on the situations confronted and gaps identified in the process.

Nature of complaints:

Any and every complaint received from the hotline or any other source will be under the scope of this process to resolve against any employee. This will not be limited to employees at any particular level, function or country and shall be comprehensively applicable for all employees in the employment of the organization. The company or any of the duly constituted authorities or other staff shall not reprimand or discriminate against employee(s) in any way for initiating an inquiry or a complaint in good faith. Any malpractice as listed below but not limited to can be reported through the hotline or the NAVEX website.

- *Bribery*
- *Disclosure of confidential documents.*
- *Misappropriation of company assets in any form – intellectual or otherwise.*
- *Falsification of records*
- *Carrying out any commercial or financial activities in competition with the groups business including suppliers, customers & service providers of the group.*
- *Sexual harassment by either sex*
- *Violation of sourcing code of conduct and the ZTV policies.*
- *Any act by any employee which is against the policies and principles of the company*

This Committee Will However Not Look Into Complaints/Grievances About Salary, Lack Of Promotion Or Benefits, Biased Performance Appraisal And Any Such Matter Pertaining To Employee Benefits Etc: Which Is Under The Functional Domain Of HR.

Who can file a complaint and against whom?

Any employee/customer/supplier/business associate can file a complaint against any colleague(s)/business partner regardless of geography or hierarchy pertaining to the issues listed above or about any such act observed which is perceived to be in contravention to our values and



PDS MULTINATIONAL – EMPLOYEE CODE OF CONDUCT

policies. A complaint can also be lodged against a supplier who is inducing an employee of the group to commit any act which is or will be detrimental to the organization. If a manager does not initiate action against an employee found to be involved in such unethical behaviour, then any employee who is aware of this seeming connivance/inaction should report such activities as well through the hotline/website. The details of the hotline/website complaint filing process will be shared through a separate document.

Board of Disciplinary Action :

The complaints from NAVEX shall be sent to the duly constituted **“Board of Disciplinary Action”** members. If the complaint is against any of the members in the board, then he or she shall not be copied and the Group Chairman will be the principal recipient of the complaint.

Constitution of investigating body:

The Board of Disciplinary Action, should constitute a formal enquiry committee within 15 working days of receipt of the complaint. Such an enquiry committee maybe chaired by one of the three people above. It should be ensured that a committee so constituted is not in any way favourable either to the victim or respondent, personally or professionally. One way to do this, is by asking the “victim” and “respondent” to confirm if the constituted committee is acceptable to them. They can express their opinion to the Board.

The committee will seek to protect the identities of the alleged victim and respondent, except as reasonably necessary (for example, to complete an investigation successfully if the names have to be disclosed with the consent of both parties preferably). The committee shall also take necessary steps to protect from retaliation those employees who in good faith report incidents of potential sexual harassment. Whenever there is a case of sexual harassment, the enquiry committee should be constituted from both the sexes.

Enquiry process:

On many occasions, informal discussion and positive mediation can be useful in resolving perceived instances of harassment or unprofessional conduct. Problems are sometimes easier to resolve when an informal atmosphere encourages people to identify the difficulty, talk it out, and agree on how to deal with it. The company will try to address as many issues as possible thus, without compromising on the seriousness of the issue while attempting to maintain an atmosphere of cordiality amongst employees. This shall be attempted and completed if viable within 30 days from date of receipt of complaint.

If the above doesn't work for any reason, then;

The enquiry process should start immediately on constitution of the committee. The enquiry committee should provide a fair opportunity for both the parties to present their views. The committee should investigate in as detail as possible about the circumstance, nature of offense, number of times such offenses have been committed by the respondent (if earlier issues of a lighter nature have come to light). The committee members may jointly or individually go through all evidence available and will have to submit their individual conclusions with justifications in



PDS MULTINATIONAL – EMPLOYEE CODE OF CONDUCT

written with the recommended course of action. Recommended course of action can range from Verbal admonishment which will have to be noted in the personal file of the employee, de-promotion, deprivation of increment and other benefits for at least a year, warning letter, up to separation from service, not necessarily in this order. This has to be completed within 60 working days from the start of enquiry.

The constituted committee shall present its findings and recommendations to the Board for Disciplinary action within 15 working days from completion of enquiry, which in turn may choose to re-examine some of the points and agree with or change the enquiry committee's recommendation after a thorough process with the committee. This has to be completed within 10 working days from the Committee submitting its written report to the Board for Disciplinary action. Once the Board has reviewed the findings and come to a conclusion, final action as necessary shall be taken within 7 working days after the Board's Decision.

Definitions:

Bribery: No employee of the company shall accept or give bribes or consideration either in cash or kind to any business associate, colleague or partner to find favours. Further, no employee shall receive gifts in any form whose value may exceed 25USD. Such gifts are also permitted only on very special occasions in a given country of employment depending on the cultural subtleties. At the same time no employee shall offer any gift to anybody in his/her official capacity for value exceeding 25USD. In all such cases, where the employee either receives/accepts gifts, it should be informed to his/her immediate superior in written format. If an employee deals with many associates/partners and when the situation so arises that he/she is given or has to give gifts on such very special occasion to more than one person then the total value of the entire transaction shall not exceed 50USD. Violation of this will attract disciplinary action.

Disclosure of confidential documents:

“Confidential Information” shall mean and include any information relating to the Company which is not available in public domain and it shall in particular include trade secret, know-how, invention, concepts, ideas, software program, application, documentation, memoranda, notes, analyses, compilations & studies and other data, information, schematic, procedure, contract, knowledge, experiences, know-how, process, technique, design, drawing, pattern, specifications, descriptions, details, sketches, formula or test data, work in progress, samples, processes, plans, models, engineering, manufacturing, marketing, financial, sales, supplier, (including sources of supply for products, raw materials, and components); business plans; internal reports, customer (including the identity of or other information about actual or potential customers, customer contacts and customer sales strategies), market studies, sales and marketing plans, programs and strategies (including past, current and planned manufacturing or distribution methods and processes); penetration data and other market information; employee, investor, economical, commercial, technical, pricing, proprietary or business information, whether in oral, written, graphic or electronic form.



PDS MULTINATIONAL – EMPLOYEE CODE OF CONDUCT

All materials and information disclosed by the Company will be presumed to be Confidential Information and will be so regarded by the recipient, unless the recipient can prove that the materials or information are not Confidential Information.”

Misappropriation of company assets in any form – Intellectual or otherwise:

Any company asset or property or concept put to any kind of wrong or inappropriate use to the extent that it was not originally intended to be shall constitute an offence warranting action. Sharing or disclosing any of the idea/design/process concepts which are inherent to the success of the business shall constitute an offence under this heading. Misrepresentation of financial transactions undertaken as part of the work with a deliberate intent to gain personal benefit will be considered an offence.

Falsification of records:

Any employee found to have falsified his/her records at any point of time, viz; supporting documents given with CV while joining, documents filed during the course of work as part of the work requirement, or any other document submitted to any external organization which is not factual and not appropriately approved/authorized as and when may be required with an intent to misrepresent, will be scoped under this section. Further any document submitted or released in a context which is not relevant and hence harming the interests of the organization will also be considered as having been done with a similar intent. Misrepresentation of facts deliberately, altering or distorting facts shall be considered as falsification of records.

Carrying out any commercial or financial activities either in competition or otherwise with the groups’ business including suppliers, customers & service providers of the group individually or in collusion with another party.

Employees who conduct any activity which may be competing with the interests of the group or otherwise either individually or in partnership with another person or organisation or if any such activity is in contravention of their contract with the company, such issues shall also be dealt with under this procedure.

Sexual Harassment:

Employees who have been found by the committee to have subjected another employee to unwelcome conduct of a sexual nature, whether such behaviour meets the legal definition of sexual harassment or not, will be subject to discipline or other appropriate management action. For the sake of guidance, sexual misconduct shall be defined as but not limited to;

Unwelcome sexual advances, requests for sexual favours, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

- 1) An employment or career decision affecting that individual is made because the individual submitted to or rejected the unwelcome conduct; or



PDS MULTINATIONAL – EMPLOYEE CODE OF CONDUCT

2) The unwelcome conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile, or abusive work environment.

Certain behaviours, such as conditioning promotions, awards, training or other job benefits upon acceptance of unwelcome actions of a sexual nature, are always against the company's values and hence wrong.

Unwelcome actions such as the following are inappropriate and, depending on the circumstances, may meet the definition of sexual harassment or contribute to a hostile work environment:

- Sexual pranks, or repeated sexual teasing, jokes, or innuendo, in person, text messages or via e-mail;
- Verbal abuse of a sexual nature;
- Touching or grabbing of a sexual nature;
- Repeatedly standing too close to or brushing up against a person causing mental inconvenience to the person
- Repeatedly asking a person to socialize or meet during off-duty hours when the person has said no or has indicated he or she is not interested.
- Giving gifts or leaving objects that are sexually suggestive;
- Repeatedly making sexually suggestive gestures;
- Making or posting sexually demeaning or offensive pictures, cartoons or other materials in the workplace;
- Off-duty, unwelcome conduct of a sexual nature that affects the work environment.

A victim of sexual harassment can be a man or a woman. The victim can be of the same sex as the perpetrator. Any element of subjectivity shall be resolved by a detailed investigation and resolution which shall be properly documented and agreed upon by all concerned parties.

Violation of sourcing code of conduct and the ZTV policies.

As part of the Social Compliance program, we have established and shared the code of conduct expected of all our suppliers. Any engagement with a factory in violation of these codes by any of our staff shall be considered as a breach of policy and shall attract disciplinary action.

Confidentiality:

The company and the enquiry committee will do its best to ensure that the confidentiality of the complaint, and parties involved. However, it is to be noted that 100% confidentiality cannot be guaranteed about any of the issues, nevertheless all efforts shall be spent to achieve this.

Pallak Seth

Vice Chairman (PDS Multinational Group)