

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT EXECUTIVES

Introduction

It has been long pursued policy and commitment of **Skyline Millars Limited** to adhere to highest standards of integrity – professional and financial – and business ethics in the operation of its business. We believe that this organisation has been handed to us by the various stakeholders in "trust" and we as professional managers are the "trustees" of those stakeholders. It is therefore our responsibility to ensure that the organisation is managed in a manner that protects and furthers the interests of our stakeholders.

Skyline Millars Limited has updated the Code of Conduct for Directors and Senior Management Executives at the Meeting of the Board of Directors held on 24th January, 2019.

All Senior Management Executives of the Company are required annually to complete a Certificate of Compliance with respect to the Code. The certification process is an important tool for protecting the Company and its employees from inadvertent or unknowing violations of laws.

Applicability

The Code of Conduct shall apply to:

- (a) all Directors of the Company, whether executive or non-executive including nominee directors;
- (b) all executives of the Company from the rank of General Manager and above.
- (c) all executives of the Company, reporting directly to the Managing/Whole-time Director irrespective of their grade.

The Code

All Directors and Senior Management Executives:

1) Integrity:

All Directors and members of Senior Management shall act in the fiduciary capacity while conducting their activities on behalf of the Company. They should also act with utmost honesty, integrity and fairness. They will act in good faith, responsibly, with due care, competence and diligence, without allowing their independent judgment to be subordinated. All their acts will be in the best interest of the Company.

2) Compliance:

All the members of the Board and the Senior Management are required to comply with all applicable laws, rules and regulations. In order to assist the Company in promoting lawful and ethical behaviour, Directors and Senior Management must report any possible violation of law, rules, regulation or the Code of Conduct to the Compliance Officer.

3) Conflict of Interest:

Directors on the Board of the Company and Senior Management shall not engage in any business, relationship or activity, which may be in conflict of interest of the Company or the group.

Following are the circumstances which will amount to conflict of interest:

- (a) Directors and Senior Management should not engage in any activity / employment that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.
- (b) Executive Directors and Senior Management and their immediate families should not invest in a company, customer, supplier, developer or competitor and generally refrain from investments that compromise their responsibility to the Company.
- (c) Directors and Senior Management should avoid conducting Company business with a relative or with a firm / company in which a relative / related party is associated in any significant role, unless such proposed transactions are first disclosed to the Board of Directors and their approval is obtained for that transaction.

If such related party transaction is unavoidable, it must be fully disclosed to the Board or to the CFO of the Company.

4) Confidentiality/Publicity:

- (a) Directors and Senior Management shall respect the confidentiality of data made available to them from time to time. Such respect for confidentiality shall also continue after such person ceases to hold office as Director or serve the organization.
- (b) Directors and Senior Management shall not give any statement detrimental to the interest of the Company to the press or any other form of media.

5) Legal Compliance:

- (a) Directors and Senior Management shall adhere to the Insider Trading Code of the Company.
- (b) Directors and Senior Management shall take every reasonable step to ensure adherence to the laws of the land.

6) Gender Friendly Environment:

- (a) Directors and Senior Management shall help promote equality of gender, class and caste in so far as the same relates to the activities of the Company.
- (b) Directors and Senior Management shall encourage women employees to report any harassment concerns and be responsive to any complaints of harassment or other unwelcome and offensive conduct.

7) Social Responsibility:

Directors and Senior Management shall in their decisions respect the necessity of protecting the environment consistently with the need of sustainable development.

8) Cost Consciousness:

Directors and Senior Management shall exercise their responsibilities with utmost cost consciousness within the organization and shall promote the same.

9) Transparency and Accountability:

Directors and Senior Management shall be transparent in all their dealings except in cases where the needs of business security dictate otherwise and shall hold themselves accountable to the appropriate authority/body.

10) Dealings with People in the Organization:

- (a) Directors and Senior Management shall practice and encourage the spirit of productive debate and discussion among the employees and with the Board as the situation may warrant.
- (b) Directors and Senior Management shall not show disrespect to their superior officers or to the authority of the Board. shall not engage in misinformation, disinformation or personal vilification or victimisation of any employee or stakeholder.
- (c) Directors and Senior Management shall uphold the values of trust, teamwork, mutuality and collaboration, meritocracy, objectivity, self-respect and human dignity.

11) Relationship with Suppliers and Customers:

- (a) Directors and Senior Management shall never compromise with the interest of the Company in all their dealings with suppliers and customers.
- (b) No Director of the Company shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended (or perceived to be intended) to obtain business (or uncompetitive) favours or decisions for the conduct of business. Nominal gifts of commemorative nature, for special events may be accepted and reported to the Board.

12) General:

- (a) Directors and Senior Management shall at all times make an endeavor to attend such meetings /occasions including Board and Committee meetings as are required of the person for the benefit, growth and development of the Company.
- (b) Directors and Senior Management shall dedicate sufficient time, energy and attention to the Company to ensure diligent performance and be aware of and seek to fulfill his or her duties and responsibilities as set forth in the Company's Memorandum & Articles of Association and Corporate Governance Guidelines.
- (c) Directors and Senior Management shall not use abusive or offensive language at the workplace or any such location connected to official business.

- (d) Directors and Senior Management shall not illegally withhold any property or documents of the Company and should ensure protection of the same at all times.
- (e) Directors and Senior Management shall not knowingly suppress a material fact, which can be detrimental to the interest of the Company, from the appropriate authority/body.
- (f) Directors and Senior Management shall not make any statement, verify any return or form, containing any particulars, knowing it to be false.
- (g) Directors and Senior Management shall practice a conduct of giving highest respect to humans and human values and must promote the same.

This Code of Conduct shall also be placed on the website of the Company.

For employees of the Company 'appropriate authority' means the designated reporting authority of the executive or the Managing/Whole-time Director of the Company if he is the designated reporting authority of the executive concerned. In case of members of the Board, the appropriate authority shall be the Board of Directors and in exceptional cases, the Chairman of the Board.

NO RIGHTS CREATED

This Code sets forth guidelines for conduct for the Board of Directors and Senior Management Executives. It is not intended to nor does it create any right in favour of any Director or Senior Management Executive, client, supplier, customer, shareholder, or any other person or entity.

WAIVER

Any waiver of any provision of this Code of Conduct for a director, senior management executive must be placed for approval before the Board of Directors.