

# Employee Code of Conduct

The New Ball Bearing Co./Group

( W.e.f 2015)



**The New Ball Bearing Co.**

An ISO 9001- 2008 Certified Company

Since August 15, 1949

*Knowledge Driven partner*

# Code Of Conduct For Employees

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The Code of Conduct is an elaboration of The New Ball Bearing Group's Principles of Conduct and Action and sets out what is expected of the Group's employees.

The objective of this Code is to ensure that every employee of the Group is aware of acceptable conduct and ethical behaviour, in line with the The New Ball Bearing Group Principles of Conduct and Action.

- 1. Work Environment**
- 2. Equal Opportunities**
- 3. Conflict of Interest**
- 4. Payments, Gifts and Entertainment**
- 5. Group/Company Assets**
- 6. Compliance**
- 7. Resources**
- 8. Confidentiality**
- 9. Health, Environment and Safety**

## **Enabling Work Environment**

The Group respects the rights and dignity of all employees. We aim to establish clear values and objectives so that all employees understand and are committed to the aims of the Group and clearly see their roles within it. We will seek to create a challenging environment of empowerment and continuous learning, to recognize individual and team contributions, and to reward competitively, relative to performance.

It is expected that all employees in the Group treat the people they interact with, both within and outside the Group, with respect and in a manner that their self esteem and dignity are maintained at all times.

All employees will work together in a collaborative manner as a well-knit team towards the achievement of business goals, putting the interests of the team and the Group/Company before their own. They will work in a manner that is open, honest, straightforward and fair, respectful of the roles and views of others and actively listening and dialoguing with team-mates. Employees will freely share required information with each other, learn from each other, help one another to develop and grow, and contribute towards making the experience of working for The New Ball

Bearing Co. an enjoyable one for every member of the NBBC family.

The Group is committed to provide a work environment free of unlawful harassment. Sexual harassment and harassment based on age, race, religion, caste, ethnic origin, disability unrelated to the role, marital status, sexual orientation, pregnancy/ childbirth, or any other is prohibited. No employee will indulge in or condone harassment of any kind. Our policy on sexual harassment spells out further details on this particular type of harassment

## **Equal Opportunities**

Unless local laws or regulations require us to do otherwise, we will recruit people solely on merit and reward people on the basis of their performance and potential without discrimination on grounds of age, race, caste, ethnic origin, religion, political or other opinion, gender, sexual orientation, marital status, or disability/disease unrelated to the role. No employee of the Group will discriminate between others based on any of the above grounds or on the basis of any other personal prejudices or biases.

## **Conflict of Interest**

The term “conflict of interest” describes any circumstances that could cast doubt on our ability to act with total objectivity with regard to the Group’s/ Company’s interests.

No employee will be involved in any arrangement or circumstances, including family or other personal relationships, which might discourage him/her from acting in the best interest of the Group/Company.

No employee or his/her family member will act as a broker or on behalf of a third party in transactions involving or potentially involving his/her company.

Employees or their family members will not have any financial interest in any outside enterprise which is currently doing business or seeks to do business with or is a competitor of his/her Company. If the employee comes to know that his/her Company is doing business with any organisation/ individual with which he/she is directly or indirectly involved – for example, through a relative – he/she is obliged to bring it to the notice of his Department Head or Head-HR through a written letter/ mail.

An employee should not be the final decision maker for any business contract or arrangement with any organisation wherein his/her relatives/ close friends are employed in key positions. In the event an employee finds himself / herself in a position of having to decide on such a contract or arrangement, he/she should refrain from taking such a decision and refer the matter to his/her superior for taking a decision, clearly informing his/her superior of his/her relationship with key personnel in the concerned organisation.

It is obligatory for an employee to declare that he/she is related to any other employee of the Group/Company as soon as he/she discovers it, through a written letter/ mail to the Head – HR.

Employees shall not exploit for their own personal gain opportunities that are discovered through the use of corporate property, information or position.

No employee shall solicit or promote any personal / public cause or organization/ association during working hours.

As a general rule, when in doubt, ask Your Manager or the Head of Finance/HR.

### **Payments, Gifts & Entertainment**

No employee will offer any gifts, favours or entertainment to others that are:

- not consistent with customary business practice.
- excessive in value and / or could be construed as a bribe or pay-off.
- in violation of applicable laws or ethical standards.
- such that public disclosure could embarrass the Group/Company or oneself.

Employees should get the prior approval of the Business / Functional Head to incur any expenses towards entertainment. Business / Functional Heads are responsible to monitor the incurred entertainment expense patterns of their employees to ensure that the amount is used judiciously. All expenditure which does not have the necessary documentation, bills, etc. will not be reimbursed. Entertainment expenditure on alcoholic drinks will be permitted only with the specific approval of the Business Head/ Functional Head.

Employees should not as a principle, accept gifts in kind or cash or enjoy any special privileges from any business associate. Complimentaries / sweets may be accepted only on festive occasions/new year/special anniversaries, if it serves the purpose of maintaining proper and good relationship with our regular business associates; however, the value of such complimentaries should not exceed Rs. 500/-. Moreover it is preferable that sweets etc. if accepted on festive occasions are received only at the place of work and shared with colleagues. Employees should not accept offers to be entertained by an individual or organizations with whom his/her Company transacts business. Invitations to occasional lunches/dinners hosted by our business associates may be accepted, if it serves the purpose of enhancing the relationship, after informing the immediate superior. It is essential that in the event of an employee accepting complimentaries (upto value specified) or attending an occasional lunch/dinner, there should be no scope for this being construed as having influenced the judgement of the recipient.

Employees will be reimbursed outstation travel/ local conveyance expenses incurred on account of official work as per policy of his/her Company. Employees should claim only expenses actually incurred and should not inflate/falsify expense claims even if these are within the prescribed limits for the individual. Under no circumstances shall personal expenses be reimbursed by the company. Here again, as a general rule, when in doubt, ask your Manager or the Head of Finance/HR.

### **Usage of Group's/Company's Assets**

Protecting the Group's/Company's assets is a key responsibility of every employee. Care should be taken to ensure that assets are not misused, misappropriated, loaned to others, or sold or donated or mortgaged, without appropriate authorization. Employees may not use Group/Company assets for personal use, nor may they allow any other person to use Group/Company assets.

Every employee is personally responsible for all Company funds over which he or she exercises

control. Company funds must be used only for business purposes. Every employee must take reasonable steps to ensure that the Company receives good value for Company funds spent and must maintain accurate and timely record of expenditure.

## **Compliance**

It is the Group's policy to comply fully in letter and in spirit with all applicable laws, rules and regulations. In case of ambiguity of the laws or their interpretation, legal advice should be sought.

All required information shall be made accessible to the Company's auditors and other authorized persons and government agencies. False or misleading entries, unrecorded funds or assets, or payments without appropriate supporting documentation and approval are strictly prohibited and violate Company policy and the Law. There shall be no willful omissions of any company transactions from the books and records, no advance income recognition and no hidden bank accounts and funds. No employee in any way will cause the company's accounts or other records to not clearly describe and properly state the true nature and timing of a business activity or transaction.

## **Electronic Resources Usage**

Employees should ensure that they use only licensed software and take back -up of all important data. Uses that threaten the integrity of the system, the privacy of others, or that are otherwise illegal, are hence forbidden.

The Group/Company reserves the right to access and monitor all messages and files on its system, including information regarding employee internet use, as and when deemed necessary and appropriate. The electronic resources shall be used in an effective, ethical and lawful manner. Users who receive or notice obscene or inappropriate messages are needed to report the same immediately to their immediate superior or the Human Resources Department. The Group/Company will not be responsible for actions of employees deemed illegal with respect to the usage of electronic resources.

All employees (as well as other relevant persons) shall follow the "Security Guidelines and User Charter for Computing Resources.

## **Handling Confidential Information**

Employees should use information received in the course of their business dealings only for the purpose it is intended or normally used and never for personal gain or for a third party's gain. They should also not release confidential data or information to others without proper authorisation.

The Group/Company has many kinds of business relationships with many companies and individuals. All employees should take special care to handle confidential information of our customers, potential customers, suppliers, potential suppliers or any other third party with responsibility.

Insider trading is prohibited by both Law as well as by the Group policy. Insider Trading generally involves the act of subscribing or buying or selling of the Company's Securities, when in the possession of any Unpublished Price Sensitive Information about the Company. It also involves disclosing any Unpublished Price Sensitive Information about the Company to others who could subscribe or buy or sell the Company's Securities. Insider Trading invokes severe civil and criminal penalties not only on the Insider but also on the Company in certain circumstances under regulations

issued in India under the Securities and Exchange Board of India (SEBI) Act, 1992. Group Companies whose stock is listed in stock-exchanges should abide by the “Prohibition of Insider Trading Regulations” code released by SEBI and all employees in these Companies covered by these regulations should strictly follow the guidelines laid down by SEBI.

In keeping with the terms of the Employment Contract, all employees shall, during their service with the Group/Company, devote their full time attention to the responsibilities entrusted to them. No employee will serve as an employee, agent, director, partner or consultant of any other business enterprise. Also, employees who resign from the services of the Group/Company should not take up employment with a competitor for a period of at least two years.

## **Environment, Health and Safety**

Employees should consider the potential impact of the activities, products and services of the Group/Company on human health and environment and should take necessary measures, over and above legal requirements, to reduce such impact.

Group companies are expected to take particular care to adopt measures necessary to ensure the best possible protection against health and safety risks in the workplace. They should take steps to minimize the risk of accidents at the workplace, follow-up on application of these steps, check actual results against the applicable standards.

All employees must follow all safety practices and procedures and use the personal protective equipment provided.

All employees must maintain personal hygiene of themselves and their environment. Must use the provided facilities to maintain cleanliness, and maintain standard health norms for themselves and for the company.

We must ensure that employees, contractors and visitors are well informed, and given appropriate training and guidance to enable them to carry out their tasks in a safe and competent manner.

Group companies are expected to actively promote the protection of the environment. All company sites are expected to follow management methods, which allow measurable environmental performance standards to be set and actual performance to be regularly evaluated and checked against applicable standards. Employees should take care that in the course of carrying out their responsibilities none of their acts of commission and omission adversely affect the environment.

The New Ball Bearing Co.