

ORGANISATION AREA	DOCUMENT TYPE	VERSION
HR	CODE OF CONDUCT	VERSION 1.0
Approved by the Board of Directors on 23 January 2024.		



## BAJAJ AUTO CREDIT LIMITED

Registered office: - Bajaj Auto Complex, Mumbai Pune Road, Akurdi, Pune- 411035

**PREAMBLE:**

The objective of this code is to provide guidance on day-to-day situations an employee may face in the course of discharging his/her duties.

The code is not an attempt to detail out all rules and regulations nor is it intended to replace any existing law of the country. It supports and clarifies an accepted professional behaviour. This code forms part of the service conditions of the employee.

It is the commitment of the employee, business associates and other concerned parties, which will make the Code effective and a way of being associated with the Company, which believes in the dignity of the individual, fair and professional in business dealings and respects the law of the country as well as the cultural and social norms of the company as also the country.

The “Code” is applicable to all employees and comes into effect immediately.

**CODE:**

There are 3 elements to the code of conduct:

1. Good working norms
2. Cultural norms
3. Integrity norms

Within each element the code describes the purpose of creating that norm, states what the norms are and mentions how violations of the norm need to be dealt with.

## **1. GOOD WORKING NORMS**

The objective of this element is to provide a framework to employees to discharge their duties effectively without compromising on the interests of the company. Effective practice of these norms will create a good working environment and prevent any damage to the organization's image in the eyes of the public.

### **1.1 Part-time employment / consultancy etc.**

The Company's service conditions prohibit employees from taking up any outside employment or assignment whether on part time basis or on consulting basis for remuneration or otherwise. If it needs to be done, it would require prior approval of the MD.

Professional bodies, other organizations or academic institutes may invite an employee to share their experiences in various kinds of forums. These invitations may either be on a paid or an honorary basis. Such requests may be allowed on a case to case basis provided they further the learning opportunities of the employees and enhance the image of the organization. However, towards this, we expect that the employee will not misuse company's resources nor will divulge sensitive and confidential information of the organization. In all such forums, the employee will participate in his/her individual capacity and state upfront that his/her thoughts and ideas do not necessarily represent the company's policy. All such requests have to be cleared by the concerned GM/VP and HR.

### **1.2 Dealing with press & media**

The company has designated spokesperson for each area. Only those persons will interact with press & media. This is to help minimize the probability of any misinformation or misinterpretation by media that could harm the organization.

### **1.3 Utilization of Company's special rates**

Employees may avail of special rates negotiated by the company with associates for their personal use provided the associate is willing to extend the same rates and the employee makes full payment without any delay. A few examples of this are - Hotel discounts, Taxi rates, using the services of a transporter to shift personal goods etc. In all such cases the employee has to ensure that the associate is offering the rate voluntarily and the entire payment is made in a transparent fashion along with supporting invoices and receipts.

### **1.4 Misuse of Company's resources**

Employees will not misuse the company's resources for personal ends. Some examples are – indiscreet utilization of telephone, fax, photocopying facilities, stationery, undertaking official tours for personal purposes etc.

### **1.5 Political activities**

The employee's political leaning in one's social life is his/her personal choice. At work place the employee needs to be completely apolitical and not indulge in any political activities such as canvassing for any party/ position/ person etc. Employees, who in their individual capacity wish to contest any elections for any legislative office or municipal or local panchayat council, will be required to take the prior written permission of the Chairman.

### **1.6 Safety**

Employees need to follow all safety norms & report unsafe situations and unsafe acts to the designated Safety Officers.

### **1.7 Environment**

Each one of us can contribute to reducing the negative impact on the environment. It is important that employees increase awareness of the environmental impacts in their area of work and report deviations, if any, to their superiors.

### **1.8 Wastage**

Eliminating waste & conserving resources is one form of contributing to a better environment. It is expected that employees will be conscious of conserving all resources and eliminating waste around their work areas proactively.

### **1.9 Privacy**

Employees will respect the privacy of their colleagues. Acts such as tapping telephones, hacking into computers, checking office storage or displaying excessive curiosity in their personal lives should be avoided.

## **2. CULTURAL NORMS**

This element is about enabling individuals to live the Bajaj Way. It recognizes the dignity of individual and provides a framework on day-to-day dealings with various stakeholders

(employees, business associates & customers). Following these norms helps build a culture that can then enable them to live the Bajaj values.

## **2.1 Accountability**

Employees should take ownership of their actions & the consequences of their decisions and should not shift blame on other colleagues.

## **2.2 Dignity**

Employees should treat every individual (subordinates, colleagues, business associates, customers) with respect and dignity – e.g. shouting, insulting, bad mouthing etc. should be avoided.

## **2.3 Openness**

Employees should encourage others (subordinates, colleagues, business associates or customers) to speak out their mind and should be open to suggestions contrary to their own. They should seek true and honest feedback and should not victimize individuals who have valid grievances.

## **2.4 People Development**

Employees should show genuine interest in developing their colleagues/ subordinates by giving clear constructive feedback vis-à-vis expectations on a periodic basis to improve their performance. They should guide subordinates and provide the required resources to develop their competency.

## **2.5 Fairness/Objectivity**

Employees should deal with each individual (subordinates, colleagues, business associates or customers) fairly without any prejudices or biases. Merit is the sole criteria for all actions / decisions towards employees.

## **3. INTEGRITY NORMS**

This element is to reinforce the practice of the value of integrity. Integrity is about people

doing the right thing – not looking for personal gain or to reward others by taking advantage of ambiguity or uncertainty. Adhering to these norms prevent damage to the organization in financial or information terms or to the organization image in front of regulatory authorities or society at large. Financial & intellectual integrity is critical to an organization's wellbeing and it is the honesty of employees on these fronts that ensures that.

### **3.1 Avoiding Bribes**

No employee should receive or give bribes in any form. In case a business associate offers to give a bribe, please report it immediately to your supervisor, functional/ business head & to HR head. If you experience any employee demanding or taking bribe from any business associate, please report it to the same set of people mentioned above.

Your name will be kept confidential when giving such information.

### **3.2 Availing of favours from Business Associates**

Requesting favours from Business Associates that involve inappropriate financial expense by them tantamounts to lapses of financial integrity. Examples of such favours are request for loans, transportation for personal use, jobs for relatives and friends, subsidized services etc.

### **3.3 Gifts from Business Associates**

Business relationships may lead business associates to offer gifts to employees on various occasions (especially festive occasions). In such a situation, nominal gifts such as dry fruit & sweet boxes, articles like pens, pen stands, paperweights etc may be accepted (of a value not exceeding Rs.500/-) where it becomes embarrassing to decline. All other gifts in kind or cash from any business associate should be declined politely by explaining our company policy.

In rare cases where the gift is received from an anonymous source or it is not possible to return, the same should be deposited with the name of donor (if known) with the designated person as given below: Gifts of value, other than the items mentioned above or similar, will be considered as a bribe and dealt with accordingly.

### **3.4 Wrong expense claims**

Employees will not make any wrong or fraudulent claims on the company deliberately. Doing so will tantamount to defrauding the company and will be seen as a financial integrity lapse.

### **3.5 Confidentiality**

The company's service conditions include a detailed confidentiality clause. As employees, we are in the know of a lot of sensitive information, which if it falls in the wrong hands may hamper our business. We have to exhibit a strong sense of confidentiality especially when we are in informal social settings. For example, discussing the company's new product plans in a social or any other gathering should be avoided. Refer **Annexure** for Code of Conduct related to Information Technology.

### **3.6 Insider Trading**

Employees will not take advantage of confidential information to deal in company's shares. Detailed guidelines have been issued to concerned employees on insider trading and these should be adhered to.

## **4. MECHANISMS TO ENABLE PRACTICE OF & DEALING WITH VIOLATIONS OF VARIOUS NORMS**

Each element requires different mechanisms based on the approach to enablement as well as the approach to the consequences. These are given below for each element.

Any violation of Code of Conduct may result in appropriate disciplinary action including termination of service without any notice or salary in lieu of thereof.

### **4.1 For Good Working Norms**

Practice of good working norms gets strengthened when there are social pressures to comply with them. It is therefore important that each person in individual capacity as a colleague or supervisor of another individual encourage him to understand & comply with the norms. If there is a deviation from the norm, a colleague or supervisor / department head (as appropriate in that situation) could either counsel the particular individual or take actions that socially embarrass the individual and deter the employee from repeating the same in

future. For example, if a person has not taken adequate safety precautions, the person could be kept away from the task to drive home the message.

However, there may be instances that need to be tackled beyond colleagues. This could be true especially in the case of sexual harassment. In such cases, any employee or employee of the business associate who either is a victim of such an act or who is a witness to such an act should lodge a formal complaint to an Internal Complaints Committee (ICC) as per POSH policy at the work place. The committee will protect the identity of the complainant and will investigate the facts of the case. Based on the findings of the ICC, Head HR will decide on the disciplinary action after discussion with Enforcement Committee (EC). Suitable punishment, including dismissal from service will be imposed on the guilty, as per the policy of the Company on Sexual Harassment at Workplace (POSH).

#### **4.2 For Cultural Norms**

Desired culture gets built when cultural norms are practiced consistently over a period of time. Here again, social pressure & demonstration by leaders play an important part in enabling practice of these norms. Proactive developmental feedback also enables practice as well as help correct violations. It is therefore important that colleagues/supervisors give feedback to an individual when they notice a violation.

Over a period, a formal feedback (360-degree feedback mechanism) can enable development to prevent violations. Sometimes, even these mechanisms may not lead to a course correction.

In such situations, the individual could seek course correction as per the process mentioned in the grievance redressal policy.

#### **4.3 GRIEVANCES REDRESSAL POLICY**

Violations of cultural norms that lead to personal grievances & are not addressed through the modes of counselling, feedback etc. could be referred upwards as per this policy.

a. Personal grievances are those acts of commission or omission that result into violation of personal rights or dignity of an individual in the capacity of an employee of the



company. E.g. Superior being partial, Superior using rough language etc.

b. The aggrieved employee shall first address his grievance to the concerned General Manager either in writing or orally. The concerned GM has to resolve the issue in not more than one week's time.

c. In case the employee is not satisfied with the resolution of the issue or the resolution is delayed, he shall take it up with the concerned Function Head/BU Head, who will have to resolve the issue in one week's time.

d. As a third step, the employee, if not satisfied at stage 2, shall put the facts in writing including the decisions of the General Manager and Function Head/BU Head to the Enforcement Committee mentioned in the Whistle Blower policy, which will resolve the issue in four-week time.

#### **4.4 For Integrity Norms**

Practice of the value of integrity can be enabled through two routes – one is by recruiting such people who hold integrity as a value and second by setting an example of those who display an intentional integrity lapse through serious action of dismissal (after following the process of natural justice or based on the guidelines of SEBI, in cases of insider trading).

Alert employees play a key role in enforcing this norm.

They can report a violation as per the process mentioned in the whistle blower policy of the Company. Appropriate action against the individual who has violated this norm intentionally will be taken as per the process mentioned in that policy.

## **ANNEXURE**

### **Code of Conduct - Information Technology**

1. Computer / Workstation / Laptop /SIM card / E-mail / Internet etc., provided to employees by the company are for the purpose of discharging duties effectively and these should be used for the purpose of company's work. A reasonable use of above for personal purpose is allowed. Proper custody of these and compliance to information security norms are the responsibility of the employee.
  
2. Physical, software and password related security should be strictly adhered to. Employees should never share their password with anyone, within or outside company. In case of non- compliance, employee will be held accountable for any consequential damage and its financial impact.
  
3. Unauthorised copying or transmission of classified information / documents or any other information deemed as confidential is strictly prohibited.
  
4. MIS Department can, at any point of time, check Computer / Workstation / Laptop/ E-mail / Internet accounts etc. provided by the company.

Place : Pune

Date : 23 January 2024

RAJIV BAJAJ  
CHAIRMAN