

**L&T FINANCIAL SERVICES**  
("LTFS")

CODE OF CONDUCT

October 2021

The Code is applicable to all employees, including executive and managerial level officers and whole time Directors of LTFS group (hereinafter collectively referred to as **“Employees”**).

Applicable to L&T Finance Holdings Limited and its subsidiaries

L&TFinance Limited

L&TInfra Credit Limited (formerly known as L&T Infra Debt Fund Limited)

L&TInfra Investment Partners Advisory Private Limited

L&TInvestment Management Limited

L&TFinancial Consultants Limited

L&TInfra Investment Partners Trustee Pvt. Ltd.

L&TMutual Fund Trustee Ltd.

L&T Finance Holdings Limited along with its subsidiary shall be collectively referred to as “LTFS”.

## **PREAMBLE**

LTFS comprises financial products and services from the L&T Group of Companies. L&T is a professionally managed Indian multinational, committed to a strong, customer-focused approach and its constant quest for top-class quality has enabled the company to attain and sustain leadership position for over seven decades.

LTFS follows a similar set of values and guidelines as that of L&T. The company's philosophy is built on a rich legacy of fair and transparent governance and disclosure practice. This includes respect for human values, individual dignity, and the adherence to honest, ethical and professional conduct. Employees of LTFS group are guided by the vision statement and values mentioned therein for the success and reputation of the LTFS brand.

The Code of Conduct ('**Code**') helps to ensure compliance with legal requirements and standards of business conduct of LTFS. Employees, trainees and whole time Directors of LTFS group are expected to read and understand this Code, uphold these standards in day-to-day activities, comply with all applicable policies and procedures. Since we are committed to continuous reviewing and updating of policies and procedures, this Code is also subject to modifications.

The principles enshrined under the Code are inclusive in nature and the various circulars or directions issued by the management of LTFS must be read along with and constitute a part and parcel of this Code.

### **Applicability of the code**

The Code is applicable to all employees, including executive and managerial level officers and whole time Directors of LTFS group (hereinafter collectively referred to as "**Employees**").

LTFS includes **L&T Finance Holdings Limited** and all its current subsidiaries

LTFS group recognizes the need for this Code to be applied equally to everyone it covers. All Employees are expected to comply with the provisions of this Code. The Code will be strictly enforced and any violations will be appropriately dealt with, including subjecting persons to corrective and / or disciplinary action upto and including dismissal or removal from office.

CHRO will have the primary responsibility of implementing this Code throughout the LTFS Group subject to internal review and supervision.

## **Honesty, Integrity, Ethics**

All Employees must act in conformity with the professional standards of honesty, personal integrity and ethical conduct, especially when on LTFS group's business, at LTFS sponsored events, or when representing LTFS at an external event.

Ethical conduct is one that is free from fraud and deception, and free from actual or potential conflict of interest between personal and organizational needs and / or values.

## **Workplace Responsibilities**

### **Respect for Individuals / Fair Employment Practices**

- All Employees must treat their colleagues and business associates with dignity and respect, irrespective of caste, creed, gender, religion / region, nationality, appearance or any disability.
- Employees must not use abusive and offensive language or any kind of gestures with their colleagues or business associates.
- Employees must not engage in any activity that is likely to result in disturbing the peace and harmony of the workplace.

### **Discrimination, Harassment and Intimidation**

LTFS is committed to the prohibition of harassment (including sexual harassment) and intimidation of Employees at the workplace as it interferes with one's right to individuality. It is LTFS group's endeavour to provide easily accessible reporting channels for every Employee and ensure their confidentiality. If an Employee feels that he / she has been subjected to any form of harassment, it is the Employee's responsibility to report the matter, without the fear of any adverse actions by management.

(For additional details refer to the LTFS Anti-Sexual Harassment Policy uploaded on MyLTFS)

### **Alcohol and Drug Free Environment**

Consumption of Alcohol and / or drugs by any Employee at the workplace is strictly prohibited, subject to the following exceptions:

- Specifically prescribed drugs as medication for an ailment.
- Consumption of reasonable quantities of alcohol at social occasions / gatherings / functions organized / sponsored by the company, at designated areas only.

Violation of this Policy by any Employee will result in disciplinary action.

### **Safe and Healthy Environment**

LTFS considers safety of Employees as a primary concern and expects its businesses and Employees to comply fully with the appropriate laws and internal regulations.

The LTFS group encourages Employees to showcase responsible behaviour that results in the best possible accident prevention measure. This applies to both: the technical planning of the workplace, equipment and processes, and the safety management and personal behaviour in everyday workplace.

Employees must strive to keep their own workplace and surroundings clean and hygienic.

Employees must endeavour to create a safe working environment by following the policies and procedures of Health and Safety as applicable.

### **Contact with the Media**

In order to pro-actively manage our reputation in the media and within the corporate world and to ensure consistency of messages, interaction with media must only occur as per the LTFS Group Media Policy and with prior approval of the Group Corporate Communications Department. The LTFS Group Media Policy that designates Spokespersons authorized to communicate to the media, must be strictly followed.

## **Sharing of Official Information**

- Employees must not divulge or communicate sensitive / confidential information to third parties, except when authorized to do so for business reasons on need-to-know basis.
- Employees must ensure that they do not tarnish the reputation of LTFS through their communication to any external agency, customers, vendors, etc.
- Employees must desist from indulging in rumour mongering or loose talk that is detrimental to the LTFS brand.
- All public statements attributed to LTFS and its Employees should be carefully considered and personal views should be kept separate from that of the LTFS group.
- When publishing articles, delivering speeches or lectures on business, professional or managerial topics, Employees are required to take prior approval of their supervisor. Employees must be clear that in such forums, they are acting as private individual(s), and not as representative(s) of the LTFS Group.

## **Reporting to Government / External agencies**

Any reporting/communication to governments / Regulators/ External Agencies should be undertaken through authorised departments / personnel.

## **Avoiding Conflict of Interest**

The LTFS group encourages its Employees to actively participate in their communities and to pursue activities of special interest —adding these experiences to the enthusiasm and energy of the work environment. When pursuing such activities and interests, Employees have a duty to exercise personal responsibility for the benefit of the LTFS group and to avoid outside interests that conflict with their primary professional responsibilities and obligations. Any time potential conflict appears, or if an Employee is concerned that a conflict may develop, the Employee must discuss the matter with his / her supervisor.

Given below are some guidelines that Employees must follow for the more common areas of conflict of interest:

## **Professional Engagement**

Employees are encouraged to associate themselves with professional bodies to enrich their knowledge and also help in building the LTFS brand. However, Employees are required to take prior approval of their supervisor before engaging

with any such professional body. Further, such engagement must not result in dereliction of duty or in discrediting LTFS reputation or abuse of LTFS resources.

### **Personal Relationships**

At LTFS, employment of relatives will be considered solely on merit and only if there is no possibility of a conflict with LTFS group's interests. Employees must be aware of how to prevent these conflicts, as well as disclose them to the management if needed. Following aspects need to be considered with respect to managing personal relationships:

- Employees must not supervise, review or have any influence on the evaluation, pay or benefits of a relative.
- Relatives of any LTFS Employee, who are employed by LTFS suppliers, customers or competitors and where such nexus is likely to influence decisions / transactions pertaining to LTFS Group, must be disclosed to the management.

The term "relative" for the purpose of the above clause will, in relation to an individual, mean the husband, wife, brother or sister or any lineal ascendant or descendant of that individual to the extent of two generations.

### **Gifts and Entertainment**

Employees must not accept gifts or cash equivalent from vendors, suppliers, customers or any such third party, which will result in any violation of law or commitment to mutual respect. Acceptance of gifts that are in the nature of promotional items with the logo of the other party and / or of nominal value, occasional business meals, celebratory events and entertainment, provided that they are neither excessive nor create an appearance of impropriety, do not violate this Code.

All gifts received by any Employee, in excess of Rs. 2,000 (Rupees Two Thousand) (or its equivalent) must be reported to the Group Head — Compliance within 15 (fifteen) days of the receipt. All gifts in excess of Rs. 5,000 (Rupees Five Thousand) are required to be deposited with the compliance department. The same will deal with these gifts, as appropriate.

### **Use of Company Assets**

Employees must not exploit the organizational resources for their own personal gain / monetary advantage. In the discharge of official duties, they must strive for effective and judicious use of resources entrusted to them. Resources include both: tangible assets like equipment and facilities etc. and intangible assets like designs, information, software, or network with suppliers / customers, etc.

Each Employee has the responsibility to protect company assets and information - doing so is critical in building and maintaining customer trust and loyalty. Improper or careless handling of assets and information could harm the company's financial strength and reputation. In addition, these violations could adversely affect a customer's or business partner's decision to engage with the LTFS group.

Employees must judiciously use the information technology facilities provided to them. More particularly every Employee must note the following:

- E-Mail / Internet facility must not be used for personal gain or commercial use.
- Downloading or accessing questionable sites is not allowed.
- Frivolous use of email for transmitting non-work related messages, pictures, jokes, chatting, etc. is prohibited.

(For details refer to the LTFS Corporate Information Security Manual available on MyLTFS).

### **Bribery and Corruption**

Bribery / Corruption is defined as receiving or offering of an undue reward from / to any third party. Employees must note that the LTFS group follows zero tolerance approach towards bribery and corruption.

Employees must not make / receive any payment to / from anyone including any government/ public servant for the purpose of obtaining or retaining business or for obtaining any favourable action. Bribing a public servant can attract severe criminal penal consequences both for LTFS as well as for its Employee(s) responsible for bribing under the Prevention of Corruption Act, 1988.

### **Wilful defaulter**

Employee who hold whole time directorship in any of the LTFS entities shall vacate his/ her office in case his/ her name appear in the list of Wilful Defaulter as published/ disseminated by the Credit Information Company(ies) or such other appropriate notified body.

### **Share Trading**

The employees should adhere to the Securities dealing Code (SDC), and Code of conduct for trading in securities other than L&TFH equity shares approved by the boards of LTFS entities.

### **Know Your Customer / Anti- Money Laundering**

The employees should follow the KYC AML policies approved by the Boards of LTFS entities while on-boarding and monitoring of the customers.

### **Privacy and Confidentiality**

LTFS has a commitment to ensure the privacy of personal information they have about Employees and customers.

### **Proprietary and Confidential Information**

Employees must always ensure the confidentiality of Proprietary and Confidential Information about LTFS group, its customers, suppliers or distributors that they obtain or create in connection with their activities for LTFS group, in accordance with the applicable law. Every Employee is obligated to protect LTFS proprietary and confidential information, even after he / she leaves LTFS group, and he / she must return all proprietary information in his / her possession upon leaving LTFS group.

For the purposes of the above, 'Proprietary and Confidential Information' includes any system, information or process that gives LTFS group an opportunity to obtain an advantage over competitors, non-public information about LTFS businesses, its customers and Employees or any other information which is not available in the public domain.

Intellectual property of the LTFS group such as trade secrets, patents, trademarks and copyrights, business research, new product plans, objectives and strategies, records, databases, salary and benefits data, employee(s) medical information, customer / employee(s) / supplier(s) lists and any unpublished financial or pricing information must be protected.

### **Employee Privacy**

All information about Employees is confidential and access is limited to those who need the information or as required by any law and regulation, as per court order or when authorized by the Employee. The LTFS group's record-keeping practices are reviewed periodically to ensure that they are ethical and in accordance with the local laws and regulations.

## **Whistle Blower Policy**

Whistle blowing is a structured process, which encourages and facilitates Employees to report without fear, any wrong doing, unethical or improper practice, which may adversely impact the reputation and / or the financials of the company, through an appropriate forum.

Employees are required to adhere to the Whistle Blower policy approved by the Boards of the LTFS entities.

Employees can write to [whistleblower@lfs.com](mailto:whistleblower@lfs.com) to report any wrongdoing under this policy.

## **Discipline**

Employees are expected to follow the principles and specific actions as required by this Code in letter and spirit. In case of any breach thereof, the respective immediate supervisor / branch head is expected to undertake Employee counselling so as to initiate corrective action.

## **Breach / Violation of Code**

While the LTFS group believes that the Employees would realise and appreciate the need to follow this Code in letter and spirit, in the unfortunate incident or act of breach / violation, a corrective and / or deterrent action becomes unavoidable. Therefore, any breach / violation of the stipulations mentioned in the Code will be treated as misconduct for which appropriate penalty would be imposed. Penalty, depending upon the nature and seriousness of breach / violation, may range from censure to termination of employment.

Employees must report any instances of breach / violations to the Code at [code@lfs.com](mailto:code@lfs.com)

## **Code of Conduct Committee**

Code of Conduct (CoC) Committee consists of 4 members:

Platform Head (co-opted as relevant), CHRO, Group Head – Compliance, Group Chief Financial Officer

**Procedure to be followed for reporting breach of the code:**

- All Employees have the responsibility to bring any instance of non-adherence to the Code or any other observed unethical behaviour on the part of those covered under this code to the attention of the immediate reporting authority / CoC Committee or as and when an Employee senses a conflict of interest between his personal need and that of the organization, or fears that he / she will not be able to follow the Code, he / she should report to his / her supervisor / CoC Committee immediately.
- The immediate supervisor / branch head, in turn, must pass on the information so received, to the CoC Committee, with his / her comments.
- The Committee, after receiving such a communication directly or through the supervisor must enquire, deliberate and put forward its decision.
- Employee must abide by the directive as given by the CoC Committee. Failure by the Employee will be treated as non-compliance of the Code. However, every Employee is entitled to seek clarification on the Code / directives given by CoC Committee.
- The CoC Committee will also deal with complaints / reports received of an Employee who has displayed non-compliance of Code and may evoke its own mechanisms for monitoring. The Committee has the power to call for any information as desired and will give adequate opportunity to the Employee in question to present himself / herself.
- The CoC Committee, after due investigation, will arrive at its findings and may take action ranging from censure to termination of employment, depending on the gravity of non-compliance, and the need to convey the commitment of the organization to the Code.