

**Code of Conduct**  
**for the**  
**Board of Directors and Employees**  
**Of**  
**Panasonic Appliances India Company Limited**

*[As per Companies Act, 2013]*

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**Panasonic Appliances India Co. Ltd**  
*Code of Conduct*

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**Code of Conduct  
for the  
Board of Directors and Employees of PAPIN**

*Originally adopted by the Board of Directors on 28<sup>th</sup> December 2005  
Amended version adopted by the Board of Directors on 13<sup>th</sup> October, 2016.*

**Article 1 – Introduction**

The Panasonic Code of Conduct is the guiding principle for our daily business interactions, reflects our standard for appropriate behavior and our corporate values. It serves as a “bridge” between the Basic Business Philosophy and daily operations.

The Board of Directors of the Company has adopted the following Code of Conduct in terms of the provisions of the Companies Act, 2013 This Code of Conduct (hereinafter referred to as ‘the Code’) shall be called as ‘Code of Conduct for Directors and Senior Management of Panasonic Appliances India Co. Ltd’. The Code is framed as a part of maintaining and promoting the business conducts and adhering to the norms of Corporate Governance as required by the regulatory mechanisms in India.

**Article 2 – Objective of the Code**

2.1 This Code sets forth the guiding principles on which the Directors and employees of the Company shall conduct themselves and discharge their responsibilities towards the stakeholders, government and regulatory agencies, customers, suppliers, society at large and all others with whom the Company is connected. The Directors and employees of the Company recognize that they are the trustees and custodian of public money and in order to fulfill their fiduciary obligations and responsibilities, they shall maintain and continue to enjoy the trust and confidence of public at large by rendering their duties in an efficient and transparent manner.

2.2 To enhance the standards of ethical conduct, which are based on “**Core Values**” of PAPIN as given in **Schedule I**.

2.3 To evolve as good corporate citizen by implementing the highest degree of transparency, integrity, accountability and corporate social responsibility thereby achieving the “**Basic Management Objective**” and adhering to “**Company Creed**” as given in **Schedule II**.

2.4 To further achieve good corporate governance by complying with all laws, rules and regulations applicable to the Company and fulfilling responsibilities towards stakeholders based on “**Seven Principles**” as given in **Schedule III**.

**Article 3 – Definitions**

All terms and definitions under this Clause shall be interpreted harmoniously with definitions given under the Companies Act, 2013 or any other applicable statutory definitions and any provision in this clause shall, to the extent to which it is

repugnant to any definition under any other law or statutory definition, become or be void, as the case may be.

3.1 **"Board"** shall mean the Board of Directors of the Company duly constituted under the Companies Act, 2013 including the present and future amendments thereof and / or in compliance with any other statutory regulations applicable to the Company

3.2 **"Board Committees"** shall mean all Committees constituted by the Board of Directors including Audit Committee, Stakeholders Relationship Committee, Share Transfer and Investors Grievances Committee, Nomination and Remuneration Committee and includes such other Committee as may be constituted in future.

3.3 **"Code"** means the Code of Conduct of the Company duly approved by the Board of Directors pursuant to Companies Act 2013.

3.4 **"Company"** means Panasonic Appliances India Company Limited.

3.5 **"Controlling Group"** means any person who holds more than 20% of the shareholding of the Company either on his / her / its own directly or indirectly or along with any other person.

3.6 **"Independent Director"** shall mean a Director as defined Under Section 149 (6) of the Companies Act, 2013 including the present and future amendments thereof.

3.7 **"Nominee (Promoter) Director"** shall mean a Director nominated by any Controlling Group in the shareholding of the Company to be a Member of the Board

3.8 **"Non-executive Director"** shall mean any Member of the Board who is not in the whole-time employment of the Company.

3.9 **"Senior Management"** shall mean any Personnel of the Company who are members of the top management (excluding Board of Directors) and shall include Chief Operating Officer, Chief Financial Officer, Chief Factory Officer, Company Secretary, General Managers, Deputy General Managers, Assistant General Managers, Senior Managers, Managers and Dy. Managers.

#### **Article 4 – Applicability of the Code**

This Comprehensive code is applicable to the Board, Non-Executive Directors, Independent Directors, Nominee (Promoter) Directors, Board Committees and Employees of the Company. However, the provisions shall apply to Executive and Non-Executive Directors including Independent Directors only to such extent as may be applicable depending on their respective roles and responsibilities.

**Article 5 – Effective Date**

The Revised Code comes into effect from 13<sup>th</sup> October 2016.

**Article 6 – Compliance with the Code of Conduct**

The Directors, Board Committees and employees as defined in Article 2 agree to abide by the following Code of Conduct:

6.1 Act in accordance with the highest standards of personal and professional integrity in all aspects of their activities, to comply with all applicable laws, rules and regulations, to deter wrong doing and abide by the code of conduct of the Company and other policies and procedures adopted by the Company that govern the conduct of its Directors and Senior Management.

6.2 The Directors make best efforts to attend the Board, Committee, Members and other Company meetings.

6.3 Not to derive personal benefit or undue advantages (financial or otherwise) by virtue of their position or relationship with the Company and for this purpose:

- (i) shall adopt total transparency in their dealings with the Company
- (ii) shall disclose full details of any direct or indirect personal interests in dealings/transactions with the Company

6.4 Help in establishment of the Company as Equal Opportunity Employer.

6.5 Cooperate with the Company in discharging its social responsibilities

6.6 Not to conduct themselves in a manner that harms or adversely affects the reputation of the Company in any way.

6.7 Accept that they shall be accountable to the Board for their actions, violations and defaults in their capacity as a Director / employees of the Company, as the case may be.

6.8 Report immediately to the Board of Directors or any designated person/committee thereof, any violation or suspected violation of applicable laws, rules or regulations or this Code of Conduct. Such person should as far as possible provide the details of suspected violations with all known particulars relating to the issue. The Company recognizes that resolving such problems or concerns will advance the overall interests of the Company that will help to safeguard the Company's assets, financial integrity and reputation.

6.9 The responsibility to familiarize with the policies and procedures shall rest with the Directors and employees to whom the Code applies.

## **Article 7 – Code of Conduct for Independent Directors**

The Code of Conduct for Independent Directors is specified in Schedule IV and serves as a guide to professional conduct for Independent Directors. Adherence to these standards by Independent Directors and fulfillment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors. **(Schedule-IV)**

## **Article 8 – General Standards to be observed**

### **8.1 Regulatory Compliances**

8.1.1 To always adhere, comply and confirm to all laws, rules, regulations, bye laws and regulatory orders as may be applicable to the Company.

8.1.2 To acquire appropriate up to date knowledge of requirements of compliances under various applicable statutes and make concerted efforts to share and enhance the knowledge and information reserve in the Company.

8.1.3 To ensure proper legal compliance and management system in place for reporting status of compliance under various laws.

8.1.4 To extend full co-operation to regulatory authorities, and disclose information as may be required.

### **8.2 Honest and Ethical Conduct**

The Directors and employees shall act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct not only on Company's premises and offsite but also at company's sponsored business, social events as well as any other places. They shall act and conduct free from fraud and deception in their dealing with Government authorities, stakeholders, customers, suppliers, service providers and business partners. Their conduct shall conform to the best-accepted professional standards of conduct.

### **8.3 Conflict of Interest**

- (a) 8.3.1 The term "conflict of interest" pertains to situations in which personal financial or other consideration(s) may compromise, or have the appearance of compromising the professional judgement of Directors /Employees. A conflict of interest exists, in any event, if the Company intends to enter into a transaction with a legal entity: (i) in which a Member of the Board or Employees personally has material financial interest; (ii) which has a Director or Employees who has a relationship in any form with the Director of the Company;

Directors / Employees are prohibited from engaging in any activity that interferes with the performance or discharge of responsibilities towards the Company or is otherwise in conflict with the interest or prejudicial to the Company. Every

semblance of a conflict of interest between the Company and the Board and Employees should be avoided.

In addition to the mandatory disclosures, all Non-Executive and Independent Directors shall disclose their association with any other company which, in their judgment, may lead to conflict of interest with the Company. All other Directors / Senior Management are required to obtain approval from the Company's Audit Committee before accepting any other directorship / assignment in any company other than Panasonic Group Companies, Subsidiaries, Business Associates etc.

Directors / Senior Management are free to make personal investments and enjoy social relations and normal business courtesies. They should however ensure that such interests do not directly or indirectly influence the performance of their responsibilities.

8.3.2 A Director of the Board or Employee shall not:

- (b) enter into competition with the Company nor be associated in any way, directly or indirectly, with the competitors of the Company while on Board or employment of the Company;
- (c) demand, derive or accept any personal gratification or (substantial) gifts from the Company or from its suppliers, service providers, business partners or any other agency in their dealings with them for himself;
- (d) provide unjustified advantages to the third parties including vendors, suppliers to the detriment of the Company;
- (e) take advantage of business opportunities to which the Company is entitled for himself.
- (f) A Director of the Board or Employee with a (potential) material conflicting interest shall immediately report this to the Board of Directors and to the Chairman of the Board and shall provide all relevant information. The Board of Directors shall decide, without such Director of the Board or Employee who has material conflicting interest being present, whether there is a conflict of interest.
- (g) A Director of the Board shall not take part in any discussion or decision making that involves a subject or transaction in relation to which he has a conflict of interest with the Company.
- (h) All transactions between the Company and individuals or legal entities who hold atleast 20% of the shares in the Company must be agreed on terms that are customary for arms-length transactions in the branch of business in which the Company and its subsidiaries operate. Decisions to enter into transactions in which there are conflicts of interest with such persons that are of material significance to the Company and / or to such persons require the approval of the Board of Directors.



- (i) All transactions in which there are conflicts of interest with members of the Board or Employees shall be agreed on terms that are customary for arms length transactions in the branch of business in which the Company operates. Decisions to enter into transactions in which there are conflicts of interest with the Members of the Board or Employees that are of material significance to the Company and / or the relevant Director of the Board or Employees require the approval of the Board of Directors. Such transactions shall be published in the annual report together with a statement of the conflict of interest.

#### **8.4 Corporate Opportunities**

Directors and employees owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. Directors, officers, and employees are expressly prohibited from: -

- a) Taking for themselves personally, opportunities that are discovered through the use of Company's property, information, or position;
- b) Competing directly with the business of the Company or with any business that the Company is considering.
- c) Using Company's property, information, or position for personal gain. If the Company has finally decided not to pursue an opportunity that relates to the Company's business activity, he/she may pursue such activity only after disclosing the same to the Board of directors or the nominated person/committee.

#### **8.5 Fair Dealing**

Each director and employee should deal fairly with customers, suppliers, competitors, and employees of group companies. They should not take unfair advantage of anyone through manipulation, concealment, abuse of confidential, proprietary or trade secret information, misrepresentation of material facts, or any other unfair dealing-practices.

#### **8.6 Provisions for Personnel in Finance and Accounts Department**

8.6.1 Honesty, integrity and sound judgment of the senior financial officers is fundamental for the success and reputation of our Company. The professional and ethical conduct of the personnel in the finance and accounts department is essential to the proper functioning of the Company. The personnel in finance as well as directors of the Company, shall be bound by the following code of ethics:

- a) Act with honesty and integrity, including the ethical handling of actual or apparent conflicts of interest between personal, financial and professional relationships;
- b) Make full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with, or submits or makes periodically, to the shareholders, government authorities, and to the public;

- c) Comply with governmental laws, rules, notifications and regulations applicable to the Company's business;
- d) Disclose to the Board or any committee/officer designated by the Board for this purpose, any material transaction or relationship that reasonably could be expected to give rise to any violations of the code including actual or apparent conflicts with the interests of the company;
- e) Respect the confidentiality of information acquired in the course of employment unless legally obliged to disclose and ensure that no such confidential information is used for personal advantage/benefit;
- f) Maintain necessary skills and relevant to the Company's needs;
- g) Act in good faith, responsibility with due care, competence and diligence without misrepresenting material facts;
- h) Refrain from any inappropriate or undue influence of any kind in all dealings with independent auditors, and avoid any actual or apparent conflicts with analysts, achieve responsible use of resources employed or entrusted to them;
- i) Promote ethical and honest behavior within the Company and its subsidiaries.

8.6.2 All personnel in finance and accounts department should adhere to both the code of business conduct of the Company.

8.6.3 No deviation or waiver from this Code can be effected by the Board of Directors.

### **8.7 Conduct of Business Relationships**

The Company expects all its business to be conducted in an ethical and legal manner. Profits by no means justify use of unfair / unethical business practices and it is only the quality of products and the efficiency of services at competitive prices that will serve as the tool for marketing activities.

Directors / Employees shall not make any promises or commitments that the Company does not intend or would not be able to honour. Also, they should not be engaged, directly or indirectly, in any act, dealing or conduct likely to bring discredit to the Company.

Directors / Employees must uphold the highest standards of integrity and ethics in every kind of third party dealings. They shall not give, offer, or authorize the offer, directly or indirectly, of anything of value (tangible or intangible) to any third party to obtain any improper advantage.

A contribution or entertainment shall not be offered to anyone in the course of business that might create the appearance of an impropriety. However some

modest and acceptable corporate gifts etc. appropriate to give in the normal course of business practice and as specified under the Company's "Rules for Clean Business Dealings" may be acceptable.

### **8.8 Protection & Proper Use of Company's Assets & Resources**

Tangible and intangible corporate assets, including the online network and other information systems are provided for business purposes. Directors and employees of the Company shall ensure the security of all confidential information and not abuse them. Directors/Employees, who leave the Company, shall return to the Company all corporate property in their possession, including all business-related confidential information and related materials. Directors/Employees shall not disclose to third parties any confidential information learned while performing their services, including trade secrets without permission of the Company.

Directors / Employees shall as far as practicable, protect the Company's assets from loss, damage, misuse or theft and ensure that the assets are only used for business purposes and other purposes specifically approved by Management and must never be used for unauthorized purposes.

Directors / Employees shall not use the Company's assets / resources and/or proprietary information for personal benefit and/or for the benefit of any other related party.

### **8.9 Antitrust**

As a general rule, contacts with competitors should be limited to formal forums and should always avoid casual / careless mention on subjects such as business plans, prices or other terms and conditions of sale, customers, and suppliers.

Directors/Employees are prohibited from exchanging information on prices, sales regions, volumes, specifications, etc. with competitors and Prior Approval in the requisite form must be obtained before having contacts with competitors.

### **8.10 Reporting of Illegal or Unethical Behaviour (Vigil Mechanism/Whistle Blower)**

The Company shall promote ethical behavior in all its business activities. Employees are free to report existing / probable violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups through the Vigil Mechanism/whistle Blower Policy as established in the Company. Such reports received from any employee will be reviewed by the Audit Committee from time to time.

Directors and Senior Management shall not attempt to suppress/conceal any such view or reporting. The confidentiality of those reporting violations shall be protected and they shall not be subjected to any discriminatory practices.

### **8.11 Intellectual Property**

Intellectual Property Rights (IPR) broadly covers patented or potentially patentable inventions, trademarks, service e marks, trade names, copyrightable subject matter, and trade secrets.

Directors / Employees shall make their best efforts to protect all such Intellectual Properties related to the Company, as it is critical to the Company's overall success. It is advisable to highlight and consult the Compliance Officer for determining the appropriate course of action whenever there is lack of clarity and issue of any kind related to IPR.

### **8.12 Compliance with Laws, Rules, and Regulations**

The Directors and employees shall comply with all applicable laws, rules and regulations. Transactions, directly or indirectly, involving securities of the Company should not be undertaken without pre-clearance from the Company's Compliance Officer. Any Director or employee who is unfamiliar or uncertain about the legal rules involving Company business conducted by him/her should consult the legal department of the Company before taking any action that may jeopardize the Company or that individual.

### **Article 9 - Interpretation of Code**

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Board or any person /committee authorised by the Board of the Company. The Board of Directors or any designated person/committee has the authority to waive compliance with this Code of business conduct for any director or employee of the Company. The person-seeking waiver of this Code shall make full disclosure of the particular circumstances to the Board or the designated person/committee.

### **Article 10 - Confidentiality**

"Confidential information" includes all in formation of the Company not authorized by the management for public dissemination. This includes information on trade, trade secrets, confidential and privileged information regarding customers, employees, non-public information about discussions and deliberations relating to business issues and decisions, between and among employees and Directors in formal meetings or otherwise, and will include all such information which is not available in the public domain at that point of time.

No Director or Employee shall, during his currency of tenure in the Company or afterwards, disclose in any way whatsoever to anyone, whomsoever any information of confidential nature regarding the business of the Company and / or companies in which it holds a stake, that came to his knowledge in the capacity of his work for the Company and which he knows or should know to be of confidential nature, unless required by law. A Director or Employee is allowed to disclose the above information to the Board of Directors of the Company and also to other staff of the Company who in view of their activities for the company should be informed of the information

concerned. A Director or Employee shall not in any way whatsoever utilize the information referred to above for his personal benefit.

**Article 11 - Interaction With Media**

To facilitate the achievement of the Company's vision and business plans, it is necessary to communicate the policies, plans and accomplishments in the most effective manner through the media to our investors, customers, existing and potential, other stakeholders and to the community at large.

All statements made to the media on behalf of the Company should be true and fair. Only persons duly authorised by management are allowed to interact with media on specified subjects.

Disclosures of any information other than statutory disclosures or those specifically authorised by the Management is prohibited. In case any such disclosure has to be made it has to be approved by the Management and shall be combined with cautionary statements, wherever required.

**Article 12 - Health, Safety And Environment**

The Company believes in sustainable development and is committed to be a responsible corporate citizen. To uphold the Company's interest and preserve the quality of life of all concerned, the business and operations of the Company shall be conducted in an environmentally friendly manner and provide a safe and healthy working environment to its employees.

Directors/Employees shall ensure compliance with all applicable environmental, safety and health laws and regulations and internal policies.

**Article 13 – Amendments**

13.1 The Company reserves the right to amend, alter the policies set forth in this Code at any time.

13.2 Any amendment of the Code or alteration of any Article requires the prior approval of the Board.

**Article 14 – Placement of the Code on website**

The Company on its suo moto shall post this code and any amendment thereto on the website of the company.

**Article 15 – Consequences of Non – Compliance of this code**

In case of breach of this code by the Directors, the same shall be dealt with by the Board of Directors for initiating appropriate action, as deemed necessary. In case of breach of this Code by the Senior Management, the Managing Director shall deal with the same.

**Article 16 – Acknowledgement of Receipt of the Code and Certification**

All Board Members and employees shall acknowledge the receipt of the code in the acknowledgement form as specified in **Schedule V** indicating that they have received, read and understood, and agreed to comply with the code and send the same to the Compliance Officer.

**Article 17 – No Rights Created**

This Code of Conduct is a statement of certain fundamental principles, ethics, values, policies and procedures that govern the Directors and Employees of the Company in the conduct of the Company's business. It is not intended to and does not create any rights with any employee, customer, client, supplier, competitor, shareholder or any other person or entity.

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**SCHEDULE I**

**Core Values**  
*(See Article 2.2)*

**PAPIN's Core Values:**

1. Our basic business philosophy as the Foundation of our Business
2. Creation of value and contribution to society
3. Close ties with society
4. An enterprise as a Public Institution
5. Carrying out our basic business philosophy

**SCHEDULE II**

**Basic Management Objective and Company Creed**  
*(See Article 2.3)*

**PAPIN's Basic Management Objective: -**

Recognizing our responsibilities as industrialists, we will devote ourselves to the progress and development of society and the well-being of people through our business activities, thereby enhancing the quality of life throughout the world.

**PAPIN's Creed: -**

Progress and development can be realized only through the combined efforts and cooperation of each employee of our company. United in spirit, we pledge to perform our corporate duties with dedication, diligence and integrity.

**SCHEDULE III**

**Seven Principles**  
*(See Article 2.4)*

**PAPIN's Seven Principles: -**

1. Contribution to Society
2. Fairness and Honesty
3. Cooperation and Team Spirit
4. Untiring effort for improvement
5. Courtesy and Humility
6. Adaptability
7. Gratitude



## **SCHEDULE IV**

### **Code for Independent Directors** (See Article 7)

#### **A. Guidelines of professional conduct:**

An independent director shall:

- (1) uphold ethical standards of integrity and probity;
- (2) act objectively and constructively while exercising his duties;
- (3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- (4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- (5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- (6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- (7) refrain from any action that would lead to loss of his independence;
- (8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- (9) assist the company in implementing the best corporate governance practices.

#### **B. Role and functions:**

The independent directors shall:

- (1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;

- (2) bring an objective view in the evaluation of the performance of board and management;
- (3) scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- (4) satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- (5) safeguard the interests of all stakeholders, particularly the minority shareholders;
- (6) balance the conflicting interest of the stakeholders;
- (7) determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- (8) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.

**C. Duties:**

The independent directors shall—

- (1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- (2) seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
- (3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- (4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- (5) strive to attend the general meetings of the company;
- (6) where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
- (7) keep themselves well informed about the company and the external environment in which it operates;

- (8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- (9) pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
- (10) ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- (11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- (12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- (13) not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

**D. Manner of appointment:**

- (1) Appointment process of independent directors shall be independent of the company management; while selecting independent directors the Board shall ensure that there is appropriate balance of skills, experience and knowledge in the Board so as to enable the Board to discharge its functions and duties effectively.
- (2) The appointment of independent director(s) of the company shall be approved at the meeting of the shareholders.
- (3) The explanatory statement attached to the notice of the meeting for approving the appointment of independent director shall include a statement that in the opinion of the Board, the independent director proposed to be appointed fulfills the conditions specified in the Companies Act, 2013 and the rules made there under and that the proposed director is independent of the management.
- (4) The appointment of independent directors shall be formalized through a letter of appointment, which shall set out:
  - (a) the term of appointment;
  - (b) the expectation of the Board from the appointed director; the Board-level committee(s) in which the director is expected to serve and its tasks;

- (c) the fiduciary duties that come with such an appointment along with accompanying liabilities;
  - (d) provision for Directors and Officers (D and O) insurance, if any;
  - (e) the Code of Business Ethics that the company expects its directors and employees to follow;
  - (f) the list of actions that a director should not do while functioning as such in the company; and
  - (g) the remuneration, mentioning periodic fees, reimbursement of expenses for participation in the Boards and other meetings and profit related commission, if any.
- (5) The terms and conditions of appointment of independent directors shall be open for inspection at the registered office of the company by any member during normal business hours.
- (6) The terms and conditions of appointment of independent directors shall also be posted on the company's website.

**E. Re-appointment:**

The re-appointment of independent director shall be on the basis of report of performance evaluation.

**F. Resignation or removal:**

- (1) The resignation or removal of an independent director shall be in the same manner as is provided in sections 168 and 169 of the Companies Act, 2013.
- (2) An independent director who resigns or is removed from the Board of the company shall be replaced by a new independent director within a period of not more than one hundred and eighty days from the date of such resignation or removal, as the case may be.
- (3) Where the company fulfills the requirement of independent directors in its Board even without filling the vacancy created by such resignation or removal, as the case may be, the requirement of replacement by a new independent director shall not apply.

**G. Separate meetings:**

- (1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- (2) All the independent directors of the company shall strive to be present at such meeting;
- (3) The meeting shall:
  - (a) review the performance of non-independent directors and the Board as a whole;
  - (b) review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
  - (c) assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

**H. Evaluation mechanism:**

- (1) The performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.
- (2) On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

**SCHEDULE V**

**PANASONIC APPLIANCES INDIA COMPANY LIMITED**  
**Code of Conduct for Board Members and Senior Management Personnel**  
(See Article 16)

**Acknowledgement Form**

I ..... have received and read the Company's "**Code of Conduct for Board Members and Employees**" ("this code").

I have understood the provisions and policies contained in this code and I agree to comply with this code.

Signature .....  
Name .....  
Designation .....  
Employee Id .....  
Date .....  
Place .....