

PRIME SECURITIES LIMITED

CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct defines what the Company expects of its businesses and people regardless of the location or background. It provides guidance in key areas.

The Code cannot address every situation. Nor does it serve as a substitute for an individual's accountability for exercising good judgement and common sense.

Definitions

“Company” means Prime Securities Limited.

“Board of Directors” means all Directors of the Company who together constitute a Board of Directors of the Company.

“Director” includes any person occupying the position of a Director by whatever named called and includes a Managing Director.

“Independent Directors” means an Independent Director referred to in sub-section (6) of section 149 of the Companies Act, 2013 as amended from time to time.

“Senior Management” means those Personnel of the Company who are members of the Core Management Team excluding the Board of Directors and would normally comprise of all members of management one level below the Executive Directors of the Company including all Functional Heads.

Code

All Directors and Senior Management should adhere to the standards contained in this Code and should consult the Code for guidance when acting on behalf of the Company. The Code of Conduct for Directors & Senior Management includes but is not limited to the following:

- To act in accordance with the highest standard of personal and professional integrity, honesty and ethical conduct in the discharge of duties and promote professionalism in the Company.
- To exercise independent judgment on issues of strategy, performance, policy matters, etc.
- To avoid and disclose actual and apparent conflicts of personal interest with interest of the Company and to disclose all contractual interest, whether directly or indirectly, with the Company.
- To inform the Company immediately about emergence of any situation that may disqualify him / her from Directorship.

- To maintain confidentiality of the Company's business.
- To observe the "Code of Conduct for dealing in Equity Shares and other Securities of the Company" framed under the SEBI (Prohibition of Insider Trading) Regulation, 1992, as amended from time to time.
- Not to accept any offer, payment or anything of value from customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to influence any business decision.
- Not to hold any office or place of profit in the Company by himself or by his / her relatives without full disclosure of information in connection therewith.
- Not to divert to his / her own advantage any business opportunity that the Company is in pursuit.
- Not to compete, whether directly or indirectly, with the Company.
- Not to charge personal expenses to the Company.
- If the Director discloses his interest (including investments entitling to more than 2% of the voting power), direct or indirect, in other companies or entities (either as Director, Shareholder or Otherwise) under section 184 of Companies Act, 2013, that will be deemed to be sufficient compliance with this Code.
- To use reasonable care & skill in the discharge of duties and responsibilities and exercise of powers for the benefit & prosperity of the Company.
- Not to make investment in any customer, supplier or competitor of the Company such that it may compromise on his / her responsibilities to the Company and any such investment would be with prior and full disclosure of the Company.

The Senior Management have additional responsibilities under the Code. They are:

- Promote compliance and ethics by example – in other words, show with their behaviour what it means to act with integrity;
- Make sure that those who report to them understand the Code's requirements and have the resources to meet them;
- Monitor compliance and ethics of the people they supervise;
- Use reasonable care to monitor third parties to ensure that they work in a manner consistent with the Code.
- Enforce the Code; and
- Support employees who, in good faith, raise questions or concerns.

All breaches or potential breaches of the Company's compliance and ethics commitments of which one becomes aware of – whether these relate to him /her direct reports or others should be reported.

It may seem easier to keep silent or look the other way. But the commitment to compliance and ethics means that one should never ignore a legal or ethical issue that needs to be addressed.

Compliance & Ethics Programme

The Code of Conduct is more than just a description of the business conduct standards. It is the centerpiece of compliance and ethics programme supported by the Board of Directors and Senior Management to promote a positive, ethical work environment for all employees.

Health, Safety, Security and the Environment

The Directors and Senior Management have a responsibility to take reasonable steps to ensure that there are no accidents, no harm to people and no damage to the environment. All are committed to the protection of the natural environment, to the safety of the communities in which it operate, and to the health, safety and security of our people.

Company Assets & Financial Integrity

The Directors & Senior Management have a responsibility as well as a legal duty to protect the physical, intellectual property and financial assets of the Company. The Directors & Senior Management should be forthright and transparent about their operations and performance, accurate in the recording and reporting of data and results and exercise care in the use of its assets and resources. The Directors and Senior Management have to adhere to the Whistle Blower Policy adopted by the Company.

Compliance

The Company expects compliance of the Code of Conduct from both the Directors & the Senior Management. However, the Senior Management in addition would also be required to follow the Code of Conduct which has been laid down for all Employees of Prime Securities and its subsidiaries.

The Independent Directors shall perform the duties of Independent Directors as per Annexure 1, in addition to this Code of Conduct.

Annexure “1”

Code of Conduct for Non-Executive Directors

[Pursuant to Clause 49(II)(E) of the Listing Agreement and Schedule IV of the Companies Act, 2013]

Non-Executive Directors of a Company shall:

- (1) Always act in the interest of the company and ensure that any other business or personal association which they may have, does not involve any conflict of interest with the operations of the company and his role therein.
- (2) Comply with all applicable laws and regulations of all the relevant regulatory and other authorities as may be applicable to such Directors in their individual capacities.
- (3) Safeguard the confidentiality of all information received by them by virtue of their position.

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.

In addition to the aforesaid duties, the Independent Directors are also subject to the 'Duties of Directors' as provided under Section 166 of the Companies Act, 2013, other applicable provisions of the Act and the Listing Agreement.