

HUMAN RESOURCE MANUAL	GUIDELINE ON CONFLICT OF INTEREST	Guideline No
		HR/69

1 . PURPOSE:

Our Company, that is Inox Wind Limited, Inox Green Energy Services Limited, Resco Global Wind Service Private Ltd and Inox Wind Energy Limited, together referred to herein after as the Company is committed to conducting business in a manner that ensures employees’ business judgment and decision making is not influenced by undue personal interests.

When employees’ personal interests either influence, have the potential to influence, or are perceived to influence their decision making in the Company, a conflict of interest situation results. This guideline explains the relevant principles and rules for preventing or managing conflicts of interest and how such principles and rules are to be implemented.

2. SCOPE AND APPLICABILITY

This guideline applies to all employees, trainees, consultants, retainers, or anyone who is directly or indirectly associated with the Company for providing goods and services, either directly or indirectly.

3. PRINCIPLES AND RULES

Conflicts of interest may arise where an anyone places his or her personal interests before the interests of The Company and where such personal interests unduly influence that persons business judgments, decisions, or actions. These situations may include both closely related persons defined below and friends. Making judgments, taking decisions, or pursuing actions when facing a conflict of interest may make it difficult to perform work for The Company objectively and effectively and may have legal and regulatory consequences.

Common examples of conflict of interest situations include personal workplace relationships (e.g., hiring or supervising a closely related person), external mandates (e.g., serving on the board of directors or scientific advisory board of a The Company competitor), outside employment (e.g., having a second job with a The Company customer, supplier, or competitor), promoting personal financial interests (e.g., owning a substantial share of a The Company supplier while in a position to steer The Company business towards it), and receiving fees, commissions, discounts, gifts, entertainment, or services (e.g., receiving cash from a The Company business partner).

“**Closely related persons**” are the Associate’s family members, someone with whom the Associate has an intimate relationship, and those living in the same household as the Associate.

3.1 As part of their employment with the Company, employees have a contractual obligation of loyalty to The Company. Accordingly, employees shall avoid conflicts of interest with The Company. The Company respects employees’ rights and choices and does not wish to interfere with their personal lives. However, employees’ avoidance of conflicts of interest is an important part of maintaining the integrity and sustainability of our business and builds trust and support amongst colleagues and our key stakeholders. The Company understands that avoiding a conflict of interest may not always be possible or practical. The required action for an employee who does not or cannot avoid a conflict of interest is to disclose it.

3.2 Having a conflict of interest is not necessarily wrong. However, it can become a problem or a legal matter if an employee tries to influence the outcome of business dealings for direct or indirect personal benefit. This is why transparency, in the form of disclosure, is critical and helps to protect the integrity and reputation of The Company and the employee. A suggestive list of Conflict of Interest situation is provided in **Annexure – I**, which is just illustrative and not exhaustive.

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4. DISCLOSURE

“Disclosure” means sharing the existence, nature, and all relevant facts of a conflict of interest with the employees Manager. Disclosure provides transparency to actual, potential, or perceived conflict of interest risks to the Company. It shall be the responsibility of all employees to disclose any conflict of interest.

5. ADDRESSING A CONFLICT OF INTEREST

“Addressing a conflict of interest” is the process of identifying and implementing strategies and practices to minimize the risks associated with the disclosed conflict of interest. One example: if an Associate’s spouse is a Senior Executive at a potential The Company supplier, the Associate’s Manager may decide the best way to mitigate potential risks to the business interests and reputation of The Company is to exclude the Associate from any role where he/she can make decisions about or influence the outcome of that supplier’s activities.

Addressing a conflict of interest is the responsibility of the Manager. The Manager shall -

- a) Treat the information disclosed by the employee with appropriate confidentiality and without bias
- b) Fairly evaluate the conflict of interest situation disclosed by the employee, including the risks to the business interests and reputation of The Company
 - c) Inform and seek guidance from Legal, HR, or the Company Secretary and address the conflict of interest so that risks to The Company are minimized and the personal interests of the employee are protected as far as possible
 - d) Communicate the decision and its reasoning to the employee and follow up to ensure the employee understands and complies with it

6. TRAINING AND AWARENESS

All employees shall familiarize themselves with this guideline and participate in periodically held training sessions. Managers shall additionally be trained on their specific responsibility to evaluate and effectively address conflicts of interest.

All employees shall have to sign a declaration as given in **Annexure II** as a token of their acceptance of receiving the Guideline and having understood the same, their concurrence to abide by the same. All new joiners shall also be required to sign the **Annexure II** and this document shall form a part of the Joining Document.

7. CONFLICT OF INTEREST PREVENTION FRAMEWORK

In case a Conflict of Interest has been reported or suspected to have been committed, the Company’s Ethics Committee of the respective business comprising of the following incumbents, shall immediately investigate and implement appropriate action

1. Chief Executive Officer of the Business
2. Chief Finance Officer of the Business
3. Unit Head or Site Head/Functional Head as the case may be
4. Group Chief Finance Officer
5. Head — Group Corporate Human Resources
6. Company Secretary

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7.1 The Company Secretary shall be the “Company Ethics Officer” and any three members of the above List and along with the Company Secretary shall form a quorum of the Ethics Committee. The Company’s policy is that no adverse employment action will be taken against any personnel in retaliation for, honestly and in good faith, reporting a violation or suspected violation of anti-corruption laws or this Policy.

7.2 Any employee (full time, part time or employees appointed on adhoc / temporary/contract basis), vendors, suppliers, contractors, consultants, service providers or any other agency or their representative doing any type of business with the Company as soon as he comes to know of any Conflict of Interest or suspected Conflict of Interest must report such incident to any member of the Ethics Committee.

7.3 The reporting of the Conflict of Interest shall be e in writing. In case the reporter is not willing to furnish a written statement of the Conflict of Interest, but is in a position to give sequential and specific reasons, then the Member of the Ethics Committee receiving the Information shall record such details in writing as narrated by the reporter and also maintain the details about the identity of the official / employee / other person reporting such incident.

7.4 Reports can be made in confidence and the person whom the Conflict of Interest or suspected Conflict of Interest has been reported must maintain the confidentiality with respect to the reporter and such matter should under no circumstances be discussed with any unauthorized person.

7.5 Member of the Ethics Committee receiving input about any suspected Conflict of Interest shall ensure that all relevant records, documents and other evidence is being immediately taken into custody and being protected from being tampered with, destroyed or removed by suspected perpetrators of fraud or by any other official under his influence.

7.6 The Ethics Committee, conduct preliminary verification of any suspected activity and conduct a appropriate investigation. Such investigation can be vested to any other person or committee as the Ethics Committee deems fit.

7.7 After completion of the investigation, due & appropriate action, which could include administrative action, disciplinary action, civil or criminal action or closure of the matter if it is proved that fraud is not committed etc. depending upon the outcome of the investigation, shall be undertaken.

8. BREACH OF THIS POLICY

Breach of this Policy will not be tolerated and will be liable to be subjected to disciplinary action, which may extend up to dismissal from service.

9. RESPONSIBILITIES AND IMPLEMENTATION

It is the responsibility of every employee to adhere to this policy within his or her area of functional responsibility, to lead by example, and to provide guidance to those employees reporting to him.

All employees shall be responsible for adhering to the principles and rules set out in this Guideline. The Human Resources function shall be responsible for ensuring conflicts of interest are disclosed by new hires during the hiring process.

10. POWER TO AMEND:

- a. Any change of the guideline shall be approved by the Head – Group Corporate HR.
- b. The management shall have the overriding right to withdraw and/or amend the guideline at its own discretion as it deems fit from time to time. The decision of the management shall be final and binding.

Annexures:

Annexure II – Illustrative List of Conflict of Interest

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Annexure II – ILLUSTRATIVE LIST OF CONFLICT OF INTEREST

Illustrative lists of Conflicts of Interest that Employees/Stakeholders must avoid or that must be removed:

Type of conflict	What must be avoided or removed
Personal workplace relationships	Employees/ Stakeholders must not: <ul style="list-style-type: none"> • Be in a supervisory, subordinate, or control relationship (e.g. having influence over conditions of employment) with closely related persons • Be involved in any hiring decision regarding closely related persons (including internal/external hiring and internal transfers)
Outside engagements, including employment	Employees/ Stakeholders must not have any kind of paid or unpaid engagement with the Company business partner or competitor, unless it meets <ul style="list-style-type: none"> • Company business purpose or does not influence (and cannot be perceived as influencing) the Employees/ Stakeholders business judgment • Any other person or company if this impacts their performance at the Company
Personal financial interests	Employees/ Stakeholders must not: <ul style="list-style-type: none"> • Own any interest equal to or greater than 1% in any company which competes with or does business with The Company • Conduct the company business with any entity in which they have a substantial interest or with which they have a substantial affiliation
Relationships with business partners and competitors	<ul style="list-style-type: none"> • Act as an official of or advisor or consultant to any government agency with regulatory or supervisory power over the Company
Gifts, meals, travel, entertainment *	Employees/ Stakeholders must not directly or indirectly solicit or accept from any Company business partner or competitor: <ul style="list-style-type: none"> • Cash or cash equivalents (e.g., stocks, gift certificates, discounts not based on a collective agreement, etc.); this includes actual and potential business partners or competitors • Gifts; if a gift is received nonetheless, it must be returned if it influences or could be perceived as influencing the Employees/ Stakeholders business judgment. • Meals, travel, or entertainment, unless it predominantly meets the Company business purpose, is accompanied by a representative of the business providing it, and does not influence (and cannot be perceived as influencing) the Associate’s business judgment. Accepting entertainment of a non-ordinary, exceptional nature requires Manager approval.
Fees, commissions, services, other favors	Employees/ Stakeholders must not directly or indirectly solicit or receive a fee, commission, service, or other favor from any actual or potential the company business partner or competitor.