



## One 97 Communications Limited

### Code of Conduct for Board of Directors and the Senior Management Team

#### Version 4.0

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## 1. PREAMBLE

One 97 Communications Limited (“Company”) has formulated this code of conduct for the members of the board of directors of the Company (whole-time/executive directors and non-executive directors (including independent directors)) (“Board” or “Board of Directors” and such directors, the “Director(s)”) and the members of the senior management team (“Senior Management Personnel”) pursuant to Section 149 of the Companies Act, 2013, as amended, and Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) (and such code of conduct, the “Code”). The Code is in alignment with the Company’s objectives, and corporate governance practices and aims at enhancing an ethical transparent process in managing the affairs of the Company.

The term ‘Senior Management Personnel’ means personnel of the Company who are members of its core management team excluding Board of Directors, comprising all members of management one level below the Chief Executive Officer and the Managing Director, and the whole-time director of the Company, and shall specifically include the functional heads, by whatever name called and the Company Secretary and Chief Financial officer of the Company and as may be defined under applicable laws from time to time. The Company may from time-to-time designate employees as Senior Management Personnel subject to the approval of the Nomination & Remuneration Committee.

### (i) Objective

Over the years, the Company has conducted its business with very high ethical and moral standards. This has resulted in gaining a reputation as a professionally managed Company. As the Company grows and expands, it is extremely important to continue to exhibit high levels of ethical standards and professional behavior in everything that the Company does.

The Company is conscious of the reputation it carries amongst its customers and the public at large and shall endeavor to do all it can to sustain and improve upon the same in its discharge of obligations. The Company shall continue to initiate policies, which are customer- centric and which promote financial prudence.

### (ii) Applicability

This Code is applicable to the Board and Senior Management Personnel. The rules and principles set forth in this Code are general in nature and compliance with this Code shall be ensured read with other applicable laws, policies and procedures of the Company. The Directors and Senior Management Personnel may contact the Compliance Officer for the purposes of this Code for assistance in interpreting the requirements of this Code. All Directors and Senior Management Personnel shall affirm compliance with the Code on an annual basis.

## 2. GENERAL STANDARDS OF CONDUCT

### (i) The Company expects all Directors and Senior Management Personnel to:

- (a) Conduct their activities and fulfill their fiduciary obligations, on behalf of the

Company and on their personal behalf, with honesty, integrity and fairness and in the best interest of the Company.

- (b) Act on a fully informed basis, in good faith, responsibility, due diligence and care, competence and diligence, without allowing their independent judgment to be subordinated and in the best interest of the Company.
- (c) Exercise good judgment, to ensure the interests, safety and welfare of customers, employees, and other stakeholders and maintain a cooperative, efficient, positive, harmonious and productive work environment and business organization.
- (d) Adherence to the highest standards of ethical procedures in dealing with actual or apparent conflicts of interest between personal and professional relationships.
- (e) Full, true and fair disclosures in the periodic reports as desired by the Company for filing with government and regulatory agencies.
- (f) Address misuse or misapplication of the Company's assets and resources.
- (g) Maintain the highest level of confidentiality and fair dealing within and outside the Company.
- (h) Play an important role in achieving the Company's business objectives, which is based on the foundation of ethics, transparency and customer centric actions.

(ii) **“Conflict of Interest”**

Conflict of interest generally occurs when the personal interest of any member of the Board of Directors and Senior Management Personnel interferes or appears to interfere in any way with the interests of the Company including dealing in the shares of the Company, commercial dealings with bodies which have shareholding of management and their relatives etc. All the Directors and Senior Management Personnel are required to make disclosure of interest to the Company at the beginning of every financial year and as and when any change occurs in their last disclosure as per the process defined by the Company. Although this does not prevent them from engaging in personal transactions and investments, it does demand that they avoid situations where a conflict of interest might occur or appear to occur unless otherwise disclosed as per the process defined by the Company. They are expected to perform their duties in a way that they do not conflict with the Company's interest such as –

- (a) **Employment / Outside Employment** - The Executive Directors and Senior Management Personnel are expected to devote their total attention to the business interests of the Company. They are prohibited from engaging in any activity that interferes with their performance or responsibilities to the Company or otherwise is in conflict with or prejudicial to the Company without necessary approval from the Board of Directors and/or necessary disclosure as per the process defined by the Company. The Senior Management Personnel may be appointed as directors of Subsidiaries, Associates, and Investee companies and if they receive remuneration for the said appointment, it shall be subject to

applicable provisions of the Companies Act, 2013 and necessary disclosure as per the process defined by the Company.

- (b) **Business Interests** - If any member of the Board of Directors and Senior Management Personnel considers investing in securities issued by the Company's customer, supplier or competitor, they should ensure that these investments do not compromise their responsibilities to the Company. Many factors including the size and nature of the investment; their ability to influence the Company's decisions, their access to confidential information of the Company, or of the other entity, and the nature of the relationship between the Company and the customer, supplier or competitor should be considered in determining whether a conflict exists. Additionally, they should disclose to the Company any interest that they have which may conflict with the business of the Company. The Board of Directors and Senior Management Personnel shall make disclosures relating to defined material financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the Company at large on a periodical basis and or as and when applicable.
- (c) **Relatives and close personal relationships:** The Directors and Senior Management Personnel shall not use personal influence to make the Company do business with a company/institution in which his or her relatives are interested as per provisions of the Act and/or applicable laws. As a general rule, directors and Senior Management Personnel shall avoid offering any employment (direct/indirect), conducting the Company's business with relatives, and additionally with persons having close personal relations, or with an entity in which a relative or close personal relationships are associated in any significant role. In case of conflicts, the disclosure as per the process defined by the Company shall be made. In case of any dealings with relatives, the transaction must be in compliance with the Companies Act 2013, as amended and the SEBI Listing Regulations. Transactions/ dealing done on an arm's length basis shall not be considered to be conflict of interest, with proper disclosure. Relatives shall be considered as per the definition under the provisions of the Act.
- (d) **Nominee directors:** Directors nominated by the Company as its nominee directors, on the Board of subsidiary /associate / other companies shall discharge their fiduciary duties as directors on Board of such Company, while managing their conflict of interest with respect to all Companies.

### (iii) Disclosure Standards

The Company shall make full, fair and accurate disclosures in the periodic reports required to be filed with government and regulatory agencies as per applicable provisions. The Directors and Senior Management Personnel of the Company shall initiate all actions deemed necessary for proper dissemination of relevant information to the Board, auditors, regulators and other statutory agencies, as may be required by the Company under applicable laws, rules and regulations. The Board and Senior Management Personnel shall conduct themselves so as to meet the expectations of operational transparency to stakeholders while at the same time maintaining confidentiality of information in order to foster a culture of good decision-making.

**(iv) Compliance with applicable Laws**

The Directors of the Company and Senior Management Personnel shall ensure and implement necessary process/procedures for complying with applicable laws, regulations, rules, regulatory orders and applicable policies/codes as may be framed by the Company. The Directors and Senior Management Personnel shall complete any trainings assigned to them relating to their duties to enable them to perform their obligations.

**(v) Use of Company's Assets and Resources**

Each member of the Board of Directors and the Senior Management Personnel has a duty to the Company to disclose their legitimate interests while dealing with the Company's assets and resources. Members of the Board of Directors and Senior Management Personnel are prohibited from:

- (a) using corporate property, information or position for personal gain;
- (b) soliciting, demanding, accepting or agreeing to accept anything of value from any person while dealing with the Company's assets and resources; and
- (c) acting on behalf of the Company in any transaction in which they or any of their relative(s) have a significant direct or indirect interest.

**(vi) Confidentiality and Fair Dealings**

- (a) The Company's confidential information is a valuable asset. It includes all trade related information, trade secrets, Intellectual Property Rights, confidential and privileged information, customer information, employee related information, strategies, administration, research in connection with the Company and commercial, legal, scientific, technical data that are either provided to or made available to each member of the Board of Directors and the Senior Management Personnel by the Company either in paper form or electronic media to facilitate their work or that they are able to know or obtain access by virtue of their position with the Company. All confidential information must be used for the Company's business purposes only.
- (b) This responsibility includes the safeguarding, securing and proper disposal of confidential information in accordance with the Company's policy on maintaining and managing records. This obligation extends to confidential information of third parties, which the Company has rightfully received under non-disclosure agreements. Special care must be taken by the Board of Directors and Senior Management Personnel to handle the confidential information of others responsibly. Such confidential information should be handled in accordance with the agreements with such third parties.
- (c) To further the Company's business, confidential information may have to be disclosed to potential business partners. Care should be taken to divulge the most sensitive information, only after the said potential business partner has signed a confidentiality agreement with the Company.

- (d) Any publication or publicly made statement that might be perceived or construed as attributable to the Company, made outside the scope of any appropriate authority in the Company, should include a disclaimer that the publication or statement represents the views of the specific author and not the Company.
- (e) Examples of confidential information include but are not restricted to:
- Information not yet released to the public.
  - Unpublished company strategy
  - Current or future R&D programs, technical breakthroughs and/or inventions
  - Investments, planned mergers or acquisitions.
  - Information received from customers or partners.
  - Unpublished Financial data either actual or forecasted.
  - Employee information

**(vii) Insider trading and fair disclosure of UPSI**

The Directors and Senior Management Personnel shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the Company and therefore constituting insider information. All Directors and Senior Management Personnel shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy(ies) and Code of practices and procedures for fair disclosure of unpublished price sensitive information (“UPSI”) framed by the Company under said SEBI regulations. The Directors and Senior Management Personnel are prohibited from undertaking hedging/forward transactions/derivatives in the shares of the Company.

**(viii) Competition and fair dealings**

The Directors and Senior Management Personnel are expected to deal fairly and honestly with all stakeholders. Directors and Senior Management Personnel shall avoid actions that could reasonably be construed as being anti-competitive, monopolistic or otherwise contrary to laws governing competitive practices in the marketplace, including antitrust laws. Such actions include misappropriation and/or misuse of a competitor’s confidential information or making false statements about the competitor’s business and business practices.

**(ix) Acceptance of gifts and payments**

The Company requires that every Director and Senior Management Personnel should be fully compliant with the laws, statutes, rules and regulations that have the objective of preventing unlawful gains of any nature whatsoever.

Directors and Senior Management Personnel shall not accept any offer, payment, promise to pay, or authorization to pay any money, gift, or anything of value from customers, suppliers, shareholders/ stakeholders, etc., that is perceived as intended, directly or indirectly, to influence any business decision, any act or failure to act, any commission of fraud, or opportunity for the commission of any fraud. They shall ensure compliance with the Anti-Bribery and Anti-Corruption Policy of the Company.

**(x) Media Interaction**

The Managing Director will create a list of designated spokespersons who will be authorized to engage with any member of press and media including social media on the matters concerning the company. Any other employee will need to seek specific approval for any media or public forum/interaction from the head of corporate communications.

**3. DUTIES OF INDEPENDENT DIRECTORS**

The independent Directors shall perform the duties as prescribed under the provisions of Companies Act 2013 and SEBI Listing Regulations including to:

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 or she 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
12. act within their 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'
14. 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;
15. bring an objective view in the evaluation of the performance of board and management;
16. scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
17. satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
18. safeguard the interests of all stakeholders, particularly the minority shareholders;
19. balance any conflicting interest of the stakeholders;
20. determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management personnel and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management personnel; and
21. moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

Subject to the provisions contained in the Companies Act, 2013, an independent director or a non-executive director (not being promoter or key managerial personnel), shall be held liable, only in respect of such acts of omission or commission by the Company which had occurred with his knowledge, attributable to him and with his consent or connivance or where he had not acted diligently.

#### **4. FUNCTIONS OF THE BOARD AND GOOD CORPORATE GOVERNANCE PRACTICES**

Each member of the Board of Directors of the Company should adhere to the following so as to ensure compliance with good Corporate Governance practices.

##### **(i) Key Functions of the members of the Board**

Without limiting the generality of the duties stated in the Companies Act, 2013, SEBI Listing Regulations, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Prevention of Insider Trading framed there under and other applicable laws, the duties of a director are as under:

1. Reviewing and guiding corporate strategy, major plans of action, risk policy, compliance mechanism, annual budgets and business plans, setting performance

objectives, monitoring implementation and corporate performance, and overseeing major capital expenditures, acquisitions and divestments.

2. Monitoring the effectiveness of the Company's governance practices and making changes as needed.
3. Selecting, compensating, monitoring and, when necessary, replacing key managerial personnel and overseeing succession planning.
4. Aligning key managerial personnel and remuneration of Directors with the longer-term interests of the Company and its shareholders.
5. Ensuring a transparent nomination process to the Board of Directors with the diversity of thought, experience, knowledge, perspective and gender in the Board.
6. Monitoring and managing potential conflicts of interest of management, members of the Board and shareholders, including misuse of corporate assets and abuse in related party transactions.
7. Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards.
8. Overseeing the process of disclosure and communications.
9. Monitoring and reviewing Board's evaluation framework.
10. Subject to the provisions of the Companies Act, 2013, they shall act in accordance with the articles of the Company.
11. They shall act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of the environment.
12. They shall exercise their duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
13. They shall not be involved in a situation in which he/she may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company without necessary disclosure as per the process defined by the Company.
14. They shall not achieve or attempt to achieve any undue gain or advantage either to himself/herself or to his/her relatives, partners, or associates and if such director is found guilty of making any undue gain, he/she shall be liable to pay an amount equal to that gain to the Company as may be deemed appropriate by the Nomination & Remuneration Committee or the Board of Directors of the Company.
15. Not to assign their office.

**(ii) Do's**

1. Attend Board meetings regularly and participate in the deliberations and discussions effectively.
2. Study the Board papers thoroughly and enquire about follow up reports on a definite time schedule.
3. Involve actively in the matter of formulation of general policies.
4. Be familiar with the broad objectives of the Company and the policies laid down by the government and the various laws and legislations.
5. Ensure confidentiality of the Company's documents including agenda papers, notes and minutes.

**(iii) Dont's**

1. Do not reveal any information relating to any constituent of the Company to anyone unless specifically for legitimate business purposes.
2. Do not display the logo / distinctive design of the Company on their personal visiting cards / letterheads. Do not sponsor any proposal relating to loans, investments, buildings or sites for Company's premises, enlistment or empanelment of contractors, architects, auditors, doctors, lawyers and other professionals etc. without proper disclosure of their interests/relationships as per the process defined by the Company.
3. Do not do anything, which will interfere with and / or be subversive of maintenance of discipline, good conduct and integrity of the staff.
4. Do not buy or sell or suggest to anyone else buy or sell the securities of any company, either directly or through family members or other persons or entities, while you are aware of inside information about the Company.
5. Do not enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company, unless prior approval for the same has been obtained from the Board of Directors.
6. Do not take any personal opportunities directly or indirectly that belong to the Company or are discovered through the use of Company's property, information or position without proper disclosures.

**5. WAIVERS**

Any waiver of any provision of this Code for a member of the Company's Board of Directors or Senior Management Personnel must be approved in writing by the Board of Directors or its Committees.

The matters covered in this Code are of the utmost importance to the Company, its stakeholders and its business partners, and are essential to the Company's ability to conduct its business in accordance with its value system.

## **6. REPORTING OF VIOLATIONS AND GRIEVANCE REDRESSAL MECHANISM:**

While every Director and Senior Management Personnel has to ensure compliance with this code, any instance of violation or possible violation of this code by the concerned Director or Senior Management Personnel or by any other Director or Senior Management Personnel shall be immediately reported to the Board through the compliance officer. A violation of the Code may result in disciplinary action as may be decided by the Board of Directors.

Grievances under this Code may be made to General Counsel at [whistleblower@paytm.com](mailto:whistleblower@paytm.com).

## **7. REVIEW OF CODE**

The Code shall be reviewed at such intervals, as is deemed necessary by the Board provided that such review should be undertaken at least once in two years.. Consequent upon any changes in regulatory guidelines, such a change shall be deemed to be a part of the Code until the Code is reviewed and approved next time.

## **8. SCOPE AND LIMITATION**

In the event of any conflict between the provisions of this Policy and the Act or SEBI Listing Regulations or any other statutory enactments, modification or rules, the provisions of SEBI Listing Regulations / Act or statutory modification, enactments, rules shall prevail over this Policy and the part(s) so repugnant shall be deemed to be severed from the Policy and the rest of the Policy shall remain in force.