



**CODE OF CONDUCT FOR THE DIRECTORS AND SENIOR MANAGEMENT**  
**OF**  
**KAPSTON FACILITIES MANAGEMENT LIMITED**

**INTRODUCTION**

This Code of Conduct (herein after referred to as “**the Code**”) has been adopted by Kapston Facilities Management Limited (herein after referred to as “**the Company**”) to comply with the applicable regulation of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the National Stock Exchange of India Limited. This Code is designed to help the Board of Directors and Senior Management in discharging their duties with due diligence and care.

**Definitions**

“**Act**” shall mean the Companies Act, 2013, rules framed there under and any amendments thereto.

“**Board**” shall mean Board of Directors of the Company, as constituted from time to time.

“**Body Corporate**” shall have the same meaning as defined under sub-section (11) of Section 2 of the Act.

“**Compliance Officer**” shall mean the Company Secretary under Section 203 of the Companies Act, 2013.

“**Directors**” shall mean all Directors, including Independent Directors of the Company.

“**Independent Director**” shall mean a Director as defined under sub-section (6) of Section 149 of the Act.

“**Key Managerial Personnel**” shall have the same meaning as defined under sub-section (51) of Section 2 of the Act.

“**Relative**” shall mean relative as defined under sub-section (77) of Section 2 of the Act, read with the Companies (Specification of definitions details) Rules, 2014.

“**Securities**” shall mean the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956.

“**Senior Management**” shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the executive directors, including all functional heads.

“**Stock Exchange**” shall mean the stock exchange where securities of the Company are listed.

“**Unpublished Price Sensitive Information**” shall mean any information, relating to a Company or its Securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the Securities and shall, ordinarily including but not restricted to, information relating to the following:

- i. financial results;
- ii. dividends;
- iii. change in capital structure;
- iv. mergers, de-mergers, acquisitions, delisting(s), disposals and expansion of business and such other transactions;
- v. changes in key managerial personnel; and

- vi. material events in accordance with the listing agreement.

All other words and expressions used but not defined in this Code but defined in the SEBI Act, 1992, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996, Companies Act, 2013 and/ or the rules and regulations made there under shall have the same meaning as respectively assigned to them in such Acts or rules or regulations or any statutory modification or re-enactment thereto, as the case may be.

#### **APPLICABILITY OF THE CODE**

This Code is applicable to the Board of Directors and Senior Management of the Company who shall abide by it.

#### **HONEST AND ETHICAL CONDUCT:**

Directors and Senior Management are expected to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at offsite locations where the Company's business is being conducted, at Company's sponsored business and social events, or at any other place where they are representing the Company.

A Director should also seek to: -

- a) Make reasonable efforts to attend Board and Committee Meetings; and
- b) Dedicate time and attention to the Company to perform his/her duties diligently.

Apart from the Code, the Independent Directors shall abide by the Code for Independent Directors as prescribed under the Act, as amended, and the Regulations, as amended from time to time (Annexure I).

#### **ENCOURAGING THE REPORTING OF ANY ILLEGAL OR UNETHICAL BEHAVIOR**

Directors and Senior Management should promote ethical behaviour and take steps to ensure that the Company:

- a) encourages employees to talk to supervisors, managers and other appropriate personnel when in doubt about the best course of action in a situation.
- b) encourages employees to report violations of laws, rules, regulations or the Company's Code of Conduct to the appropriate personnel.
- c) informs employees that the Company will not allow retaliation for reports made in good faith.

#### **CONFLICTS OF INTEREST:**

- a) Directors and Senior Management must avoid situations wherein; financial or personal considerations tend to compromise the exercise of professional judgments in discharge of their duties.
- b) Directors and Senior Management are advised to avoid conducting the Company's business with a Relative, or with a business in which a Relative is associated in any compliance.

Directors shall promptly disclose any conflicts of interest directors may have regarding any matters that are placed before the Board, and abstain from discussion and voting on any matter in which such director has or may have a conflict of interest and shall make available to and share with other directors information as may be appropriate to ensure proper conduct and sound operations of the Company.

- c) Directors and Senior Management 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.

#### **INSIDER TRADING**

Directors and senior management should observe all applicable laws and regulations including the Company policies and codes as applicable to them with respect to the purchase and sale of the Company's securities.

It is the responsibility of each Director and senior management to become familiar with and understand these laws, regulations, policies and codes and if required should seek further explanations and advice concerning their interpretation. Directors and senior management may direct questions regarding the application or interpretation of these guidelines to the Company Secretary/Compliance Officer.

Unpublished Price Sensitive Information about the Company, which might impact market price of the Securities of the Company, should be kept in strict confidence until publicly released in accordance with the applicable legal requirements and the Regulations. Directors and Senior Management shall not derive any personal benefit or assist others to derive benefit by giving advice of such nature.

Director and Senior Management should submit the Company Secretary/Compliance Officer the list of relatives and should also disclose clearly whether the said relatives are financially dependent or not.

The Directors and Senior Management should avoid trading in the securities of the Company during closure of trading window.

The Senior Management should educate the executive/assistant working under them on time to time basis regarding the “Policy on Prevention of Sexual Harassment” adopted by the Company.

The Directors and Senior Management shall inform the Board about their appointment as Director in any Company (Public/Private/Listed) and also about the committee in which he is acting as Member annually or when there is change in the information which was given earlier.

#### **PRIVACY AND CONFIDENTIALITY**

Directors and Senior Management must maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain. The Company's confidential and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the Directors and Senior Management.

#### **COMPLIANCE WITH LAWS AND REGULATIONS**

In carrying out their duties and responsibilities, Directors and senior management should comply and ensure that the management is complying with applicable laws, rules and regulations which govern the conduct of Company.

#### **FAIR DEALING**

Directors and Senior Management shall not take a discriminatory stance towards or give unfair advantage to the Company's employees, clients, customers, service providers, suppliers or competitors through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. No discrimination shall be done on the basis of caste, religion, sex, nationality or disability of any kind towards any employee, customer, client, service provider or any business partner.

#### **NON-COMPLIANCE OF THE CODE**

Suspected violations of this Code may be reported to the Chairman of the Board or the Chairman of the Audit Committee. All reported violations would be appropriately investigated.

#### **USE OF SOCIAL MEDIA**

The Directors and the Senior Management shall be careful while expressing their views on Social media, they should not discuss anything (which is confidential) related to Management or Company on Social Media nor they should post any statement targeting particular religion, sex, caste etc.

The Senior Management should educate their executives/sub-ordinate/field officer to discharge their duties ethically.

**DISCLOSURE**

The Directors and the Senior Management shall affirm the compliance with this Code on annual basis. The Annual Report of the Company shall carry a declaration to this effect signed by the Managing Director/Chief Executive Officer of the Company.

**AMENDMENT**

The Board of Directors or a duly authorized Board Committee would approve any amendment of this Code.

**ANNUAL COMPLIANCE REPORTING**

Each Board Members and Senior Managers both present and future shall acknowledge receipt of the Code or any modification(s) thereto, in the acknowledgement form annexed to this code as Annexure – II and forward the same to the Compliance officer.

Board Member and Senior Managers shall affirm compliance with this code on an annual basis as at the end of the each financial year of the Company within 7 days of the close of the every financial year and in case of uncertain situation the said 7 days will be extended to 45 days.

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**THE CODE FOR INDEPENDENT DIRECTORS  
(As per Schedule IV of Companies Act, 2013)**

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment 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.

**I. 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

**II. Role and function**

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) scrutinise 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, in situations of conflict between management and shareholder's interest.

### **III. 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) 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.

**ACKNOWLEDGEMENT FORM**

**CODE OF CONDUCT FOR BOARD MEMBERS AND MEMBERS OF THE SENIOR  
MANAGEMENT**

I have received and read the Company Code of Conduct for Board Members and Senior Management of Kapston Facilities Management Limited. I have understood the provisions and standards contained in the Code of Conduct and agree to comply with the same.

Signature :

Name: -----

Designation: -----

Address : -----

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Date:

Place: