

# CODE OF CONDUCT – INDIA

JULY 2024

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## 1. CODE OF CONDUCT

We are proud to share Sonepar India's Code of Conduct as it outlines the standards of personal and professional conduct that all employees must strive to uphold to maintain a conducive environment at the workplace. Our Code of Conduct restores the highest level of integrity, objectivity, confidentiality, values and ethics that unite all the employees across the globe.

For us, integrity, respect, and humility are the key to sustainable growth and fostering customer relationships.

We encourage all the employees to carefully read the Code of Conduct and refer to it for guidance. Sonepar's reputation lies in our hands. The way we conduct with our colleagues and with our customers/suppliers/vendors says a lot about the Company Culture. Hence, I would like each one of you to embrace the guidelines and the principles of our Code of Conduct so that we can always behave in an ethical and professional manner and build up a workplace which is enjoyable, safe and free from any kind of harassment and discrimination.



Executive Director – HR, Admin & IT

## 2. Office Days & Timings

### Office Days:

5 days a week except employees working in Warehouse & Operations.

### Office Timings:

Morning: 9:00 am – 9:30 am

Evening: 6:00 pm – 6:30 pm

(Flexi timings depends upon nature of job & requirement of work profile)

### Lunch Timings:

1:00 pm to 3.00 pm

(Lunch break will be for half an hour)

## 3. Leave Entitlement

Leave Entitlement Days				
S.No	Leave Type	Leave Entitlement Days	Leave Encashment	Remarks
1	Earned Leave (EL)	20 (Pro-rata)	Yes, Balance as on 31st Dec	Monthly Accrual
2	Casual Leave (CL)	12 (Pro-rata)	Yes, Balance as on 31st Dec	Monthly Accrual
s3	Sick Leave (SL)	7 (Pro-rata)	No	Above 3 days medical certificate is mandatory to upload
4	Bereavement Leave (BL)	5	No	
5	Public Holidays	12+4	No	12 (fixed) + 4 (Optional)
6	Maternity Leave	182	No	As per Maternity Act
7	Paternity Leave	7	No	
8	Medical Leave	14	No	Leave Can be taken against - Surgery, Accident. Medical certificate is mandatory to upload
9	Pandemic Leave	14	No	Medical certificate is mandatory to upload
10	Work From Home	4 Per Month	No	Subject to Manager Approval

### Note:

- All leaves are allocated based on the calendar year (January to December).
- Unused leaves cannot be carried forward to next year and will expire on 31<sup>st</sup> December.
- Only Casual Leave (CL) and Earned Leave (EL) can be encashed, based on the balance as of 31<sup>st</sup> December.

## 4. Leave Application Process

All leave requests must be submitted through the HRIS Portal, where supervisors will approve or deny them. Any unapproved absences will be considered leave without pay (LWP).

## 5. Dress Code

- **Monday to Thursday:** Business Casual
- **Friday:** Casual
- **Business Formal:** Required for business meetings and customer visits.

Employees are expected to adhere to the company's dress standards based on their role. Those who arrive inappropriately dressed may be asked by their manager to change. Repeated violations of the dress code may result in formal counseling.

All employees are entitled to a workplace that upholds the principles of equal opportunity and treats everyone fairly, regardless of sex, age, race, marital status, or disability.

### Visitors:

- Visitors should carry a visitor pass and register themselves at the gate.
- Unaccompanied Visitors should not be allowed inside office & warehouse.
- Violation of the rule is strictly not allowed as per security & safety reasons.

## 6. Language & Behavior – Interpersonal Relation

Employees are expected to respect one another's roles and treat each other with dignity, regardless of seniority. Abusive language or personal remarks are not acceptable and will not be tolerated.

If you encounter such behavior, please report it to your supervisor or HR. Any employee found to have intentionally violated this policy may face disciplinary action, including possible termination of employment.

## 7. Employment of Relatives

Employees are not allowed to be directly involved in or influence the selection process for a relative. A relative includes, but is not limited to, a spouse/partner, child, sibling, or in-law. Referrals may only be accepted based on merit or skill, and employees must recuse themselves from the process by submitting a recusal letter to the HR Department.

## 8. Alcohol, Drugs & Illegal Substance - Abuse / Tobacco

The use of alcohol, drugs, illegal substances, and tobacco is strictly prohibited in the office and warehouse. Any violations of this policy will not be tolerated. If you observe any such behavior, please report it to HR immediately.

## 9. Sexual and other Unlawful Harassment

Sonepar India is dedicated to maintaining a workplace free from all forms of discrimination and harassment, including bullying. Any unwanted behavior that humiliates, offends, or intimidates others is unacceptable. Sexual remarks and bullying have no place in our work culture. Additionally, bullying poses serious health and safety risks, negatively impacting both physical and psychological well-being.

If you encounter such behavior, please report it to HR immediately.

## 10. Salary Disclosure

Salary and compensation details must remain confidential and should not be shared with anyone in the office. This policy is strictly enforced

## 11. Working away from Office

The company provides a special facility to work away from the office in cases of medical or other unavoidable circumstances. Approval for this arrangement is at the sole discretion of your supervisor or management, and all requests must be communicated to the HR Department.

## 12. Outside Employment

Any outside employment or directorship must be approved in advance by the Human Resources Department and the Compliance Officer. If the outside position could be considered competitive with Sonepar India, involves providing services to a competitor, or interferes with your duties, the request will be submitted to the Managing Director for approval.

## 13. Child Labor

The Company adheres to all labor and employment laws in the regions where we operate. Please stay alert for any signs of child labor or forced labor within our operations or those of our partners. Report any concerns to Human Resources or the Compliance Officer. Additionally, ensure that our suppliers and third parties are aware of our expectation that no child labor will be used in their work for the Company.

## 14. Family and Personal Ties

Sometimes, personal and professional lives can intersect, leading to potential professional relationships with a relative, partner, or friend. If such a relationship could impair your ability to act in the best interests of the Company, it is important to disclose it. Please consult your supervisor, the Human Resources Department, or a Compliance Officer for guidance in this matter.

## **15. Public Servants, Government Officials**

Any gifts, advantages, or entertainment provided to a public servant or government official from a state-owned entity are prohibited unless permitted by applicable law. Such actions must also comply with the stipulations outlined in this Code and follow the same terms that apply to other parties (suppliers, contractors, customers).

## **16. Protecting Privacy**

We are dedicated to respecting individuals' privacy and ensuring the confidentiality of personal information. We will only collect and retain personal data necessary for the effective operation of the Company or to comply with legal requirements. While we value the right to privacy, we may intervene if someone's actions outside of work negatively impact their performance or threaten the Company's reputation or legitimate business interests.

## **17. Office Equipment, Supplies, Postage, Courier, Stationery**

Employees should use the Company's assets responsibly and avoid misusing office supplies, housekeeping items, and pantry resources. Significant losses caused by an individual may result in financial penalties.

## **18. Use of Mobile Phones**

Phone usage must not interfere with your duties or compromise safety in the workplace. Company-provided mobile phones should be used in a way that upholds the Company's reputation.

## **19. Honesty**

The Company will not tolerate theft, fraudulent activities, improper use of Company assets, or willful damage to Company property. Employees must handle Company assets responsibly and honestly, and personal use of Company assets requires prior approval. Employees are responsible for safeguarding the assets under their control and ensuring their efficient use.

## **20. Whistleblower Policy**



The Whistleblower Policy encourages Directors and employees (hereinafter referred to as "employees") to report instances of unethical behavior, actual or suspected fraud, or violations of the SONEPAR Code that could negatively impact the Company's operations, business performance, or reputation. The Company is committed to investigating reported incidents impartially and taking appropriate actions to uphold the highest standards of professional and ethical conduct.

The policy is:

- To foster an environment where every employee feels secure and empowered to report unethical behavior, actual or suspected fraud, or violations of the SONEPAR Code.
- To conduct fair investigations of reported incidents.
- To impose appropriate disciplinary action against any employee found in violation.
- To ensure that no employee faces victimization or harassment for reporting such incidents to the Company.

Hereby mentioned below link to raise your fearless voice:  
<https://sonepar.integrityline.com/frontpage>

## 21. Company Vehicle

Proper record for the usage and reading should be entered in the logbook before & after availing the facility.

## 22. IT / Emails

Employees should exercise caution when exchanging unofficial emails and avoid misuse or distribution of such communications. No employee is permitted to disclose their password to anyone. Any attempts to request or obtain another person's password or email access, whether by a colleague or supervisor, must be reported immediately to their supervisor and to HR & CMD.

## 23. Consequences / Violation

Every action taken within the Company should reflect respect for those around you. It's important to treat all colleagues with consideration, regardless of your designation. To earn respect and dignity, you must first extend it to others without exception.

Any employee found to have deliberately and seriously violated this policy will face disciplinary action. In all cases, corrective measures will be implemented to prevent a recurrence of such behavior.

## 24. Disciplinary Sanctions

### Stages of the Procedures

**Stage 1** - In the event of misconduct, or a failure to improve standards of work performance, the employee will normally be given a first written warning letter. This will also inform the employee of the consequences of any failure to improve conduct or performance. A copy of the written warning will be kept in the employee's personnel record.

Besides warnings, misconduct also attracts penalty – effect on Performance Bonus & Yearly Appraisals.

**Stage 2** – In the event of gross misconduct, gross negligence, and further fundamental breach of the terms of employment, the employee will be terminated with immediate effect. Some of the causes are liable for Stage 2 effect directly at the first place only.

<b>Cause</b>	<b>Effects</b>
Unauthorized or unexplained short-term absence	<b>Stage – 1 &amp; 2</b>
Failure to follow established departmental or working rules and procedures	<b>Stage – 1 &amp; 2</b>
Being a disruptive or settling influence on other employees –	<b>Stage – 1 &amp; 2</b>
Breach of confidentiality & hacking individual passwords & mails	<b>Stage - 2</b>
Theft or attempted theft of property belonging to the firm or any employee or any third party	<b>Stage – 2</b>
Falsifying the firm's records	<b>Stage 2</b>
Violent behavior or fighting at work (Physical Abuse) / Use of Abusive language and bullying	<b>Stage – 1 &amp; 2</b>
Gross negligence & disobedience behavior to superiors / peers and customers	<b>Stage - 2</b>
Mental harassment & humiliating behavior (verbal or written) by Superiors or peers.	<b>Stage 1 &amp; 2</b>

## 25. Grievance Procedure - Local Level

All the employees are expected to work in harmony and maintain the decorum in the workplace.

Any grievances related to official works will be settled as per the procedure outlined.

Procedure to be followed for redressing the Grievances at Local Level –

LEVEL - A:	Immediate Supervisor
LEVEL - B:	Local HR / Head of HR
LEVEL - C:	Executive Director HR/Managing Director

It is the desire of the management that all grievances be expeditiously addressed, and it will be the responsibility of the immediate supervisor or to ensure that the aggrieved person has been provided proper opportunity for being heard, counseling, and suitable steps are initiated to redress the grievances.

At each stage of this procedure the employee will be given the opportunity to explain any alleged misconduct or poor performance. Where appropriate guidance and further training will be given by the HR & his or her supervisor.

When any dispute / grievance has been thoroughly reviewed and decided upon by the HR & Immediate supervisor of the said employee, if you still feel dissatisfaction then the matter will be raised to the CMD of the firm. The decision of the MD shall be final and binding on you.

## 26. Local and Foreign Laws

No officer, employee or representative may, directly or indirectly, break or seek to evade the laws or regulations of any country in, through or with which is seeks to do business. That an illegal act is a “customary business practice” in any country is not sufficient justification for violation of this provision.

## 27. Bribery and Facilitating Payments

No officer, employee, or representative of Sonepar India may, directly or indirectly, offer or provide a bribe and all demands for bribes must be expressly rejected.

Bribery includes any offer, promise, or gift of any pecuniary or other advantage, whether directly or through intermediaries, to a public official, political party, political candidate or party official or any private sector employee, in order that the official or employee act or refrain from acting in relation to the performance of their duties, in order to obtain or retain business or other business advantage.

Sonepar India and its officers, employees and representatives shall not offer or make facilitating payments to government officials in order to encourage them to expedite a routine governmental task that they are otherwise required to undertake.

## 28. Kickbacks

No officer, employee or representative of Sonepar India may “kickback” any portion of a contract payment to employees of other parties to a contract or use other vehicles such as subcontracts, purchase orders or consulting agreements to channel payments to government

officials, political candidates, and employees of other parties to a contract, their relatives or business associates.

A “kick-back” is a particular form of bribe which takes place when a person entrusted by an employer or public function has some responsibility for the granting of a benefit and does so in a way that secures a return (kick-back) of some of the value of the transaction or benefit for that person without the knowledge or authorization of the employer or public body to which the person is accountable.

## **29. Conflict of Interest**

Officers, employees, and representatives of Sonepar India shall avoid any relationship or activity that might impair, or appear to impair, his or her ability to render objective and appropriate business decisions in the performance of his or her job.

## **30. Political Contributions**

Neither Sonepar India or any of its officers, employees or representatives may make a political contribution to obtain an unlawful business advantage. Sonepar India shall comply with all public disclosure requirements.

## **31. Philanthropic Contributions**

Sonepar & its employees, representatives may make contributions only for bona fide charitable purposes & only where permitted by the laws of the country in which the contribution is made. Contributions made to obtain an unlawful business advantage are prohibited.

## **32. Extortion**

Sonepar India and its officers, employees and representatives shall reject any direct or indirect request by a public official, political party, party official, or private sector employee for undue pecuniary or other advantage, to act or refrain from acting in relation to his or her duties.

## **33. Gifts, Hospitality and Entertainment**

Sonepar India and its officers, employees and representatives shall avoid the offer or receipt of gifts, meals, entertainment, hospitality, or payment of expenses whenever these could materially affect the outcome of business transactions, are not reasonable and bona fide expenditures, or are in violation of the laws of the country of the recipient.

### 34. Reporting Requirement

Officers, employees, and representatives of Sonepar India who find themselves subjected to any form of extortion or who are asked to participate in any way in a bribery scheme shall promptly report these occurrences to senior corporate management, without fear that their employment will be adversely affected.

### 35. Company Response

No employee will suffer demotion, penalty, or other adverse consequences for not paying bribes even when Sonepar India may lose business as a result of the employee's refusal to do so. Employees are encouraged to report alleged violations of this Code of Conduct to senior management and no employee will suffer demotion, penalties or adverse consequences for reporting. Sonepar India will, where appropriate, sanction employees, suppliers or business partners for violations of this Code of Conduct.

### 36. Company Accounts

Sonepar India shall maintain complete and accurate financial records, ensuring that all transactions are properly, accurately, and fairly recorded in a single set of books.

### 37. Communications and Training

Sonepar India will make annual training available for all principals, key employees involved in sales, marketing, and procurement.

**Note - The Code of Conduct of the company shall be reviewed time to time and shall be communicated across the organization in case of any changes or revisions duly approved by Manager.**



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[www.soneparindia.com](http://www.soneparindia.com)