

Corporate Ethics **f**OCUS

Tech Mahindra Limited
Mumbai

Tech
Mahindra

Organizational Description

Tech Mahindra represents the connected world, offering innovative and customer-centric information technology services and solutions, enabling Enterprises, Associates and the Society to Rise™. Our innovation platforms and reusable assets connect across a number of technologies to deliver tangible business value to our stakeholders. Our Consulting, Enterprise and Communications solutions, platforms and reusable assets connect across a number of technologies to deliver tangible business value to all our stakeholders.

We are part of the USD 17.8 Billion Mahindra Group that employs more than 200,000 people in over 100 countries. The Group operates in the key industries that drive economic growth, enjoying a leadership position in tractors, utility vehicles, after-market, information technology and vacation ownership.

Tech Mahindra offers a full range of IT services and industry specific solutions to help clients take advantage of opportunities that includes Telecom Services, Consulting, Application Outsourcing, Infrastructure Outsourcing, Engineering Services, BPO, Platform Solutions and Mobile Value Added Services.

Corporate Policy on Ethics

Corporate Policy on Ethics known as Code of Ethical Business Conduct (CEBC) is in place along with a statement of core values.

Statement of Core Values

Our culture rests upon a set of Core Values that guide our actions, both personal and corporate. Our Core Values- Professionalism, Good Corporate Citizenship, Customer First, and Quality Focus & Individual Dignity inspire our Associates to achieve our Core Purpose. A brief note on the core value relating to the Good Corporate Citizen and Dignity of the Individual are given below:

Good Corporate Citizenship - As in the past, we will continue to seek long-term success, which is in alignment with the needs of the countries we serve. We will do this without compromising on ethical business standards.

Board's commitment to Corporate Ethics to permeate an Ethical Culture

The board of directors oversees the ethical climate, ensures management has sound ethics related objectives and programs, and needs assurance that these programs are effective in creating the desired ethical climate throughout the organization. A comprehensive CEBC policy approved by the Board exists and is reviewed every three

years to determine what updates are needed.

Following measures ensure that the corporate culture percolated in Tech Mahindra:

Organizational values

A set of clear values that, among other things, emphasizes the commitment to legal and regulatory compliance, integrity, and business ethics.

Tone at the top

Executive leadership across the organization encourage employees and business partners behave legally and ethically, and in accordance with CEBC policy requirements.

Consistency of messaging

Operational directives and business imperatives align with the messages from leadership related to ethics.

Middle management carry the banner

The front-line and mid-level supervisors turn principles into practice.

Comfort in speaking up

Speaking to the employees across the organization to make them comfortable coming forward with legal, compliance, and ethics questions and concerns without fear of retaliation.

Accountability

The senior leaders hold themselves and those reporting to them accountable for complying with the law and organizational policy.

The hire-to-retain life cycle

Tech Mahindra recruits and screens employees based on character, as well as competence. The on-boarding process steeps new employees in organizational values, and mentoring also reflects those values. Employees are treated well when they leave or retire to create colleagues for life.

Incentives and rewards

Tech Mahindra rewards people based, in part, on their adherence to ethical values to ensure that not only the good behavior is rewarded, but also that bad behavior (such as achieving results regardless of method) can have negative consequences.

Procedural justice

Equitable treatment of Internal matters at all levels of the organization.

Handbooks for Directors

SALE

LIMITED STOCK

Condensed Current Guides for Corporate Directors & Management Executives



Handbooks Available

▲ Change Management • ▲ Business Ethics • Independent Directors
Corporate Sustainability • Innovation Management • Boardroom Dynamics & Communication
Strategy Through Balanced Scorecard • Environment Management System For Green
Growth And Sustainability • Corporate Social Responsibility • Enterprise Risk Management
Total Quality Management For Boardroom • Financial Management

NEW EDITION

Buy it Now

IOD[®]
Institute Of Directors
**Building
Tomorrow's
Boards**

Institute Of Directors

M-56 A, Greater Kailash Part - II (Market), New Delhi-110048, India
Board Nos.: +91-11- 41636294 / 41636717, 41008704
Fax: +91-11- 41008705 • Email: info@iodglobal.com

www.iodglobal.com

Defining the culture

To avoid any gap between management's perception of the culture and how the rest of the enterprise views it. To set up listening posts, such as cultural assessments using employee surveys and outside observers to get a more accurate picture. Clear and consistent communication of the Values with ethics and integrity at their core to the associates.

Handling the naysayers

To identify, counsel, and offer the opportunity to conform to expected behavior, or to separate them from the organization. The training programs focus on ethics by communicating values to individuals who may need additional reinforcement.

Battling values fatigue

While ongoing communication is essential, Tech Mahindra avoids to deliver exactly the same message repeatedly, not to allow the messages to get stale, which may cause employees to ignore the underlying values and principles.

Addressing leadership flux

Managing the high attrition of senior and middle management positions while maintaining a consistent identity and set of values without any breach. Create robust ethics program—appropriately designed, positioned, and resourced to survive executive changes at the top of the organization.

Appealing to a cross-generational workforce

Creating cultures with staying power, to foster an environment that balances a “something for everyone” appeal, with a set of consistent values that all generations will be able to embrace.

Reinforcing culture and values

- i) Create listening posts Conduct cultural assessments that get at the core of how people behave and what they think.
- ii) Maintain a healthy mood in the middle: To confirm, as much hinges on middle management's ability to translate tone at the top into the policies and practices that drive everyday behavior.
- iii) Keep it interesting: the new and innovative ways to communicate cultural values and reward values-based behavior. Encourage storytelling to bring values to life.
- iv) Play fair: Reward the right behaviors and penalize the wrong ones and without playing the favorites.
- v) Shout it from the rooftops: The Leaders to avoid under communication of values and expectations. In this case, more is better.

Board Emphasise on Ethics

The Board of Directors of the company has adopted the Code of Ethical Business Conduct policy as a testimony of its commitment to adhere to the standards of loyalty, honesty, integrity and to avoid any kind of

conflicts of interest. The Board of Directors affirms adherence to the CEBC of the company annually. Corporate Ombudsman on a quarterly basis reports to the board of directors on compliance status of the codes of conduct, violations, and corrective action plans.

Identification and resolution of the conflict of interest

Tech Mahindra disclosure policies are applicable to all as explained below:

Conflict of interest of Director

The Directors' disclose conflicts of interest regarding any matters before the Board, and abstain from discussion and voting on the matters in which they may have a conflict of interest by making available and sharing the full information on the nature of conflict with other Directors.

Acceptance of directorship on the Boards of other Companies, which compete, with Tech Mahindra amounts to conflict of interest. The Directors obtain the prior approval of the Board of Directors before they accept such directorship(s).

The policies and procedures of Tech Mahindra require the Directors and the Associates to avoid conducting any kind of business of the company, with their relatives or their significantly associated companies, firms and other businesses. In case of conflicts, disclosure is made to the Board of Directors and its approval obtained before proceeding further.

Employee's conflict of interest

As part of the Code of Ethical Business Conduct (CEBC), the policy categorically refers to Conflict of interest clause wherein all Directors or associates shall avoid any activity or association that creates or appears to create a conflict of interest amongst between personal interests of associates and directors with the business interest of the company.

The CEBC policy also refers to Hiring of Relatives policy, wherein every associate at the time of joining should make a declaration whether the associate has any relative in the company. Whether any such relative is providing services directly or indirectly to the company. Tech Mahindra has a policy of Zero Tolerance on any non-compliance of this provision.

Whistle Blower Policy

Tech M's Whistle blower Policy is a critical means through which stakeholders can raise actual or suspected violations. The attached policy is applicable to all Associates (including permanent and on contract) Customers and Suppliers / Vendors of Tech M. The policy sets out ways through which the stakeholders can raise concerns that relate to actual or suspected violations of the Code of Ethical Business Conduct, Accounting, Internal Accounting Controls, Auditing Matters and applicable national and international laws including statutory / regulatory rules and regulations which includes but not limited to Companies Act and SEBI.

A "whistle blower complaint" is a complaint where a Complainant /

Whistle Blower (person raising the Complaint) believes that Tech M (or an officer or Associate of Tech M) has, or may have, breached the Code of Ethical Business Conduct, Accounting, Internal Accounting Controls, Auditing Matters and applicable national and international laws including statutory / regulatory rules and regulations.

A Whistleblower can raise a concern by mail or on the 24X7 hotline with IVR facility for uninterrupted access to the Corporate Ombudsman for redressal of complaints within a reasonable and without any fear of retaliation of any kind with complete freedom of expression. The Whistle Blower may or may not disclose his/her identity and the identity of the Whistleblower is kept confidential. This is important to safeguard the integrity of the investigation and the whistleblower process generally. Either the Corporate Ombudsman or the Redressal Committee assigned to the investigation does all investigations objectively. The Corporate Ombudsman and the designated officer provides feedback to the Whistle Blower on the progress of the investigation. The Corporate Ombudsman submits a report of all the complaints received on a quarterly basis to the Board of directors. The report contain details of all the complaints, their status and such other information, as Corporate Ombudsman deems fit or necessary.

Steps to ensure a regular check on corruption / malpractices

The Board has mandated the Corporate Ombudsman who is primarily responsible for overseeing and managing compliance issues within the organization. The Corporate Ombudsman is in-charge of ensuring, that the company and its associates are complying with internal policies and procedures.

Key considerations about the Corporate Ombudsman role and creating an environment to ensure that he can thrive considering the guidelines like i) his access to the board; ii) his seniority in the organization; iii) his regular presentation to the board or a committee of the board; iv) the Board / Audit Committee measure his performance; v) his sufficient oversight authority for compliance resources in the business units; vi) his driving or influencing the organization's culture on ethics; vii) his reasonable operational experience of the industry and good understanding of the business of the Company; viii) his knowledge and passion for the profession; ix) his communication with people inside and outside the organization to see how others are experiencing the role; x) his conduct as a role model for integrity inside the organization & xi) his aptitude for understanding and managing current and emerging risks.

Scope of Business Ethics and Integrity at work

Ethics have become fundamental to our business and our decision-making process. In fact, we go beyond ensuring that our people are aware of and understand our policies and procedures. We expect every employee to put them into action, especially at the time of making a decision.

Ultimately, integrity is all about doing the right thing as ethics and business success go hand in hand. The Scope of business ethics of the organization and integrity at work is given under the following

Paragraphs:

Prohibition of misconduct

Tech Mahindra expressly prohibits and provides “ZERO-TOLERANCE” for defined misconduct, including but not limited to fraud, corruption, conflicts of interest, and sexual exploitation and abuse (collectively “Misconduct”).

Corporate responsibility (tone at the top)

Tech Mahindra supports a corporate culture that encourages: (a) Ethical conduct; (b) compliance with applicable law; and (c) intolerance of Misconduct. The Board of Tech Mahindra and senior management demonstrates to all employees and business associates an unwavering, explicit, visible, and active commitment to the program.

Corporate oversight

Oversight and management of the ethics program is the duty of the Corporate Ombudsman who holds sufficient level of authority and autonomy and has ready access to necessary resources in order to implement and monitor compliance with the program effectively.

Publishing the program

Tech Mahindra has enhanced the mode of communication (including on the website) and publishing of the code of conduct, anti-corruption policy, and the like; and also comment on the parties to whom these have been made available (such as employees and business associates).

Adherence to the program

Employees and business associates periodically confirm their compliance with the CEBC program. Tech Mahindra ensures that the compliance with the program and all applicable laws constitutes a clear and specific obligation under its contract with employees and with business associates. Employees and Business associates should periodically certify their compliance with the ethics and compliance program.

Verification of ethical antecedents of prospective suppliers / external service providers

We have a process in place for evaluation of new and existing vendors for IT/Non IT Purchases. The parameters considered include the confirmation about the compliance to the CEBC framework of the Company apart from the maintenance capability, ability to supply as per technical requirements, ability to deliver on time, payment terms, and quality practices adopted by the vendor.

Mechanism to ensure gender safety

Tech Mahindra is dedicated to ensuring that the work environment at all our locations is conducive to fair, safe and harmonious relations, based on mutual trust and respect, between all the associates of the Company. We also strive to guarantee a safe and welcoming environment to all those who visit any of our locations in any capacity,

such as customers, vendors etc. Discrimination and harassment of any type is strictly prohibited.

The Company aims to provide a safe working environment and prohibits any form of sexual harassment. This policy prohibits such occurrences and provides detailed procedure of action when an associate believes that a violation of the policy has occurred within the ambit of all applicable regulations regarding sexual harassment. Making a false complaint of sexual harassment or providing false information regarding a complaint tantamount to a violation of policy.

All managers to ensure that they themselves as well as their team, including new joiners, are aware of the Policy on Prevention of Sexual Harassment in place and strictly adhere to it.

Company promptly investigates all complaints and take appropriate action, up to and including termination of employment. The Company has taken reasonable steps to ensure prevention of sexual harassment at work, which include circulating applicable policies and other relevant information to all associates, including to all new joiners. All new joiners and existing associates of the organization are required to undertake the certification on the Policy on Prevention of Sexual Harassment at regular intervals as per local laws.

Ensuring an environment of trust among the employees

Tech Mahindra promotes an empowered and collaborative work environment where the leaders stay engaged with the Associates and encourage them to challenge conventional thinking. We enable cross-pollination of ideas and through our Intrapreneurship Program, Associates have the opportunity to pursue their business ideas and commercialize them with support from mentors and resources from Tech Mahindra. Our social intranet portal, MyBeatPlus, fosters connecting, co-creating and celebrating within the organization. Our practices facilitate environment of trust such as:

The CEBC articulates that every Associate is responsible for carrying out his/her duties in an honest, fair, diligent & ethical manner.

Whistle Blower Policy encourages Associates to report any instances of unethical behavior, fraud, violation of the company's Code of Conduct. The policy also provides necessary safeguards for protection of employees from reprisals or victimization, while whistle blowing in good faith.

Zero tolerance policy to sexual harassment at work and strict action follows those found guilty.

Highest Health, Safety and Environment standards with dual certification for ISO 14001 and OHSAS 18001.

Additionally, Skip level meetings, Free Voice. All Hands meets, CXO blogs, Webinars/E-chats and Coffee meets with the Leaders are ensuring the environment of trust in Tech Mahindra.

Ensuring, creating and maintaining an ethical corporate culture

Tech Mahindra's philosophy on ethical Corporate Culture is embedded in its rich legacy of good governance practices, most of which were implemented before they were mandatorily prescribed. It is a reflection of the Company's culture, policies, relationship with stakeholders,

commitment to values and ethical business conduct. We have laid down the following methodology to ensure creation and maintenance of Ethical wok culture:

Expectations Cleary Set

Tech Mahindra has clearly defined expectations, which are communicated to all employees. Clear expectations also provide guidance, enabling managers to take action if they feel an employee is acting unethically. Code of Ethical Business Conduct (CEBC), the Whistle blower policy and the Prevention of Sexual Harassment (POSH) are easily available on the relevant page of the website of the Company.

Top down Approach

Managers and executives work as role models for the behaviour they expect to see in their staff. This includes ensuring rules are enforced and finding opportunities to discuss ethical dilemmas in daily business.

Positive reinforcement

Positive reinforcement is a behavioural technique, which increases the desired behaviours in employees. When managers actively reward their staff for displaying ethical and desired behaviours, it is more likely that their team will repeat these.

Feedback Mechanisms

Tech Mahindra ensures a clear feedback mechanism in which employees can report unethical behavior in the workplace. This mechanism allows associates to report anonymously and without recourse to themselves.

Training

In addition to communicating on acceptable and non-acceptable behaviors by way of communication fliers and banners and in addition to initial awareness and training programs and mandated certification on boarding, regular refresh training programs are organized to keep the Associates updated and engaged.

Ensuring compliance and transparency in financial and accounting practices and procedures

The CFO and Head - Internal Audit, present quarterly updates to the Audit Committee on the Internal Financial Controls and risk management. Similarly, external consultants from whom the company seeks advice from time to time and the statutory auditors update the Committee on the areas audited as per the quarterly audit plan, share their observations thereon along with the responses of the management. Based on the presentations made to the Committee, it deliberates on the same and suggests its views/necessary action plan for senior management. At present, Tech Mahindra has assigned to the external consultant to evaluate internal controls to get reassurance from independent agency based on the advice of Audit committee.