



Standards of Conduct

Magna's Policy on Code of Conduct and Ethics include:

1. Equal Opportunity Employer
2. Professional & Personal Integrity
3. Standards of Corporate Governance
4. Information of a confidential or propriety nature
5. Conflict of Interests
6. Use of Company Resources
7. Whistle Blowing
8. Anti-Sexual Harassment

Scope & Effective Date:

This Policy extends to all employees of Magna Infotech including those on deputation, contract, part-time or working as Consultants with immediate effect.



Standards of Conduct

Magna Infotech's work environment thrives on high standards of conduct, transparency and fairness.

The Code of Conduct communicates to the employees, their expected behavior and professional responsibilities. The significance of code of conduct is that each employee should behave and perform in a manner that preserves the Company's values and commitments. The Code expects employees to conduct business with integrity and honesty.

The Code of Conduct and Ethics Policy rests on following factors:

1. Equal Opportunity Employer

Magna Infotech strongly believes in and offers equal opportunity employment, without any discrimination on the basis of caste, religion, color, race, gender or physical disabilities.

2. Professional & Personal Integrity

Employees of Magna Infotech are expected to work with honesty and integrity, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships.

Employees shall not use any confidential information acquired in the course of their work for personal advantage.

Employees are required to be responsible and responsive towards use and of control over all assets and resources employed or entrusted.

3. Standards of Corporate Governance

Every employee is required to act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing one's independent judgment to be subordinated.

Employees shall share knowledge and maintain skills important and relevant to organizational needs.

Promote ethical behavior as a responsible partner among peers, and in the work environment.

Act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working on the Company's premises, at off site locations where the Company's business is being conducted, at Company



sponsored business and social events or at any other place where employees are representing the Company.

4. Information of a confidential or proprietary nature

Magna Infotech's confidential information is the sole property of the Company and is its valuable asset.

During the term of employment, an employee has access to records, documents, drawings, forms, reports, studies, memoranda, correspondence, manuals, plans, magnetic media and other information sources termed as Confidential Material. Such confidential material constitutes the property of Magna Infotech and/or its clients.

During employment with Magna and/or while on deputation to any of its clients, an employee shall disclose to Magna Infotech all information, inventions, discoveries, products, systems, programs, documentation including improvements or modifications termed as "Proprietary Material" and such Proprietary Material is the sole property of Magna or its Clients.

The employee shall not disclose any such proprietary material to any unauthorized person during and/or after the completion of employment with Magna Infotech.

An employee shall not remove from Magna premises and/or the premises of its Clients any Confidential Material, except what is needed to perform his / her duties.

Upon termination of employment or when called upon by Magna, an employee shall surrender all such Confidential Material together with any other properties that have been provided to him/her by Magna Infotech and/or its Clients.

As and when required, an employee shall agree to comply with a Supplementary Agreement, when issued, between Magna Infotech and a Client regarding Privacy and Confidentiality.

5. Conflict of Interests

Magna fully respects its employees' private life, but expects employees to avoid situations that could result in a conflict between their personal interests and those of the Company's. An employee's personal interests should never influence his/her business judgment or decision-making on behalf of Magna Infotech.

Some of the areas of conflict are listed below -

- Personal Interest/Outside Engagement

An employee shall not take or hold a personal financial interest in a transaction in which it is known that Magna Infotech is or may be interested.



While working for Magna Infotech, an employee shall neither hold a second job nor any type of business relationship with a Supplier, Customer or Competitor of Magna Infotech.

The following situations must be disclosed:

- Employee or a family member acts as an official or as an advisor to any governmental agency which has regulatory or supervisory power over Magna.
- Ownership held by employee or a family member in a Supplier, Customer or a Competitor of Magna.
- Membership of employees or a family member on Board of Directors or similar body of an external organization.
- Employee or any family member serves as director, trustee, officer or consultant in a charitable, volunteer or civic organization which has a business relationship with Magna.
- Commissions, Fees, Gifts & Hospitality
 - No employee or family member may solicit or receive a fee, commission, or other favor from any actual or potential supplier, competitor or customer of Magna.
 - Other than customary gifts given on religious or festive occasions, gifts from actual or potential suppliers, customers or competitors of Magna should not be accepted by an employee. If in doubt, the matter should be disclosed.
 - Modest hospitality is an accepted courtesy in a business relationship. However, the recipient should never allow himself/herself to be in a position where his/her decision making might appear to have been influenced by accepting such hospitality. If in doubt, the matter should be disclosed.
 - Giving of gifts and hospitality by an employee shall be in compliance with the norms of the Company.
- Speaking Engagements and Publications (outside of Magna)

Any lecture, speaking engagement or publication by an employee to an external audience outside of Magna on any subject that relates to Magna or the business of Magna must be disclosed and is subject to approval.

- Employment of Family Members

The employment of a family member is not allowed in the following situations:

- The employee is involved in the hiring decision concerning the family member.
- The employee is in a supervisory, subordinate or control relationship with a family member.
- Where the employment of a family member creates any actual, perceived or potential conflict of interest. Magna will make all reasonable effort to



mitigate any such potential conflict of interest by transferring one or the other of the related employees to another position.

- Not to use Magna Assets and Confidential Information for Personal Business
 - Use of Magna assets by an employee for personal business is not allowed.
 - Use of confidential information by an employee for personal business is strictly prohibited

6. Misuse of Company Resources

Employees should use Company resources, intellectual property, time and other facilities with great care. The resources are provided to them for business purposes and thus, should be used in a cost effective way.

7. Whistle Blowing Policy

Magna Infotech is committed to the highest standards of openness, integrity and accountability.

An important aspect of accountability and transparency is a mechanism to enable employees and other members of the Organization to voice concerns in a responsible and effective manner.

It is a fundamental term of every employment that an employee will faithfully serve his Company and not disclose confidential information about the Company's affairs. Yet, where an individual discovers information which he/she believes shows serious malpractice or wrongdoing within the Organization, then this information should be disclosed internally without fear of reprisal.

Whistle blowing policy is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by the Company.

Scope of Policy

This policy is designed to enable employees of Magna Infotech to raise concerns internally and at a high level and to disclose information which the individual believes shows malpractice or impropriety. These concerns could include

- Financial malpractice or impropriety or fraud or theft has been / is likely to be committed.
- A miscarriage of justice has /is likely to occur.
- The health or safety of any individual has been/is likely to be endangered or compromised.
- The environment has been/is likely to be affected.
- Company's / Public funds are being used in an unauthorized manner.



- Sexual or physical abuse of any member of staff is taking place.
- Discrimination is occurring to any member of staff on grounds of gender, race or disability.
- Any other form of improper action or conduct is taking place.
- Information relating to any of the above is being deliberately concealed or attempts are being made to conceal the same.

Safeguards

This policy is designed to offer protection to those employees of the Company who disclose such concerns in good faith and in the reasonable belief that it tends to show malpractice or impropriety.

Confidentiality

The Company will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation will be kept confidential.

Procedure

An employee wanting to raise concern specific to the scope indicated above can approach in person or write directly to Pradeep Mittal.

All concerns expressed will be handled with great care and sensitivity and investigated thoroughly and acted upon without any delay.

8. Anti-Sexual Harassment Policy

Magna Infotech is an Equal Employment Opportunity Company and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company believes that all employees of the Company have the right to be treated with dignity.

Sexual harassment of employees occurring in the workplace or in other settings in which employees may find themselves in connection with their employment is a grave offence and is, therefore, punishable. Magna will respond promptly to complaints of sexual harassment and where it is determined that such inappropriate conduct has occurred, prompt and appropriate corrective action as is necessary, including disciplinary action, will be taken.

Scope

This Policy extends to all employees of the Company including those on deputation, contract, part-time or working as Consultants.

Sexual harassment would mean and include any of the following:



- Unwelcome sexual advances, requests or demand for sexual favors, either explicitly or implicitly, in return for employment, promotion, examination or evaluation of a person towards any company activity.
- Unwelcome sexual advances involving verbal, non-verbal, or physical conduct such as sexually colored remarks, jokes, letters, phone calls, e-mail, gestures, showing of pornography, lurid stares, physical contact or molestation, stalking, display of pictures, signs, verbal or non-verbal communication which offends the individuals sensibilities and affect her/his performance;
- Eve teasing, innuendos and taunts, physical confinement against one's will and likely to intrude upon one's privacy.
- Act or conduct by a person in authority which creates the environment at workplace hostile or intimidating to a person belonging to the other sex.

Complaint Redressal Committee:

- Pradeep Mittal
- HR Manager
- One senior member from Management Team.

Procedure:

Any employee who feels is being sexually harassed directly or indirectly, may give a complaint of the alleged incident to any member of the Committee within a week of occurrence of the incident.

The Committee will hold a meeting with the Complainant within five days of the receipt of the complaint. At the first meeting, the Committee members shall hear the Complainant and record her/his allegations. The Complainant can also submit any corroborative material with a documentary proof, oral or written material, etc., to substantiate his / her complaint.

Thereafter, the person against whom the complaint is made may be called for a deposition before the Committee and an opportunity will be given to him / her to give an explanation and there after, an enquiry shall be conducted.

In the event, the complaint does not fall under the purview of Sexual Harassment or the complaint does not mean an offence of Sexual Harassment, the same would be dropped after recording the reasons thereof.

In case if the allegation is found to be true, the HR Manager will direct appropriate action in accordance with the recommendation proposed by the Committee.

In case the complaint is found to be false, the Complainant shall, if deemed fit, be liable for appropriate disciplinary action.