



**Tata Electronics Pvt. Ltd.**

Document No: TEPL-COMMON-HR-HC-PO-0012

Policy Document

Version No./Date: 01/22.07.2023

Title: Conflict of Interest

Project Code: COMMON

Issue Date: 22.07.2023

Valid Till: 21.07.2025

# **Tata Electronics Private Limited**

## **Policy Document**

Title: Conflict of Interest

# Conflict of Interest

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### 1. Document Issue Control

#### 1.1 Sign Off

Action	Name	Department	Section
Prepared by	Sriyansh Gupta	HR	HR Common
Reviewed by	Ashmeeta Chugh	HR	HR Common
Approved by	Ranjan B	HR	HR Common

#### 1.2 Version Tracking

Review / Amendment Log				Change recommended by	Change reviewed by	Change approved by
Version	Modification date	Section	Brief description of Change / Review			
-	22.07.2023	-	Conflict of Interest	Sriyansh Gupta	Ashmeeta Chugh	Ranjan B

### 2. Introduction:

The conflict-of-interest policy lays down the principles for maintaining transparency, integrity, and ethical standards in the day-to-day functioning of the organization. The guidelines help in mitigating the conflict-of-interest situations.

### 3. Scope

This policy is applicable to all Tata Electronics Private Limited (TEPL) employees.

### 4. Policy Description

Tata Electronics Private Limited (TEPL) employees shall always act in the interest of the Company, its subsidiaries and affiliates, and shall ensure that any business or personal association which he/she may have does not involve a conflict of interest with the operations of the company and his/her role therein.

Employees shall not engage in any business, relationship or activity, which conflict with the interest of the Company or Tata group companies. This has been highlighted in the “conflict of interest” section of the Tata Code of Conduct 2015 (TCoC). It is also reflected in the following principles set out in the TCoC:

- When representing our company, we shall act with professionalism, honesty and integrity, and conform to the highest moral and ethical standards.
- Our conduct shall be fair and transparent and be perceived as fair and transparent by third parties.

This policy lays down the principles for preventing, disclosure and mitigating conflict of interest situations. This policy is to be read in conjunction with TCoC clauses.

## 5. Definition of Conflict of Interest:

### a. Definition:

A conflict of interest occurs when an individual or entity has competing interests or obligations that could compromise their ability to impartially fulfil their responsibilities or make unbiased decisions. It arises when personal, financial, or other interests may influence or appear to influence an individual's professional judgment, actions, or decision-making processes.

Broad categories of conflict of interest with some illustrations are set out below. It may not be possible to enumerate all situations which would constitute conflict of interest. If in doubt, HR or Local Ethics Counsellors should be consulted, prior to engaging in any activity, of the nature set out below:

### b. Examples of Conflict of Interest:

- Financial Conflict: A financial conflict of interest occurs when an individual's personal financial interests are in conflict with their professional responsibilities. For instances,
  - A procurement officer accepting kickbacks from a supplier/value chain partner in exchange for awarding a contract to that supplier.
  - Any activity which is competing with the business of the Company or diverting any business opportunity for the Company to outsiders or for own self (unless the opportunity was expressly declined by the company)
  - Influencing or attempting to influence appointment of an immediate family member or a relative or close personal relationship for a job opportunity with any Value Chain Partner, customer or competitor.
- Employment Conflict: An employment conflict of interest arises when an individual's secondary employment, consulting work, or outside affiliations interfere with their primary professional obligations. For example, a company executive simultaneously serving on the board of directors for a competitor, potentially compromising their loyalty and confidentiality.

- **Personal Relationship Conflict:** A personal relationship conflict of interest occurs when an individual's personal relationships or affiliations influence their decision-making. For instance, a hiring manager favouring a family member, relative, romantic relationship or close friend for a job opening, disregarding fair and merit-based evaluation.

The existence of a relationship between an applicant and employee will not bar anyone from employment in line with the "Equal Opportunities employer" clause of the TCoC. However, decisions of hiring an immediate family member or relative or person with closer personal relationship or romantic relationship for an employment opportunity within organisation will require approval from Talent Acquisition Head.

- **Gift or Hospitality Conflict:** This type of conflict of interest involves accepting gifts, favours, or excessive hospitality from individuals or organizations that may seek favourable treatment in return. For instance, a government official accepting luxurious travel and accommodation from a company bidding for a government contract.
- **Nepotism or Favouritism Conflict:** Nepotism refers to the practice of showing favouritism towards family members or close friends in professional contexts. It occurs when personal relationships improperly influence hiring, promotions, or contract awards. For example, a manager promoting an underqualified relative over more deserving employees.
- **Insider Trading Conflict:** Insider trading involves the use of confidential or non-public information for personal financial gain in stock trading. This conflict of interest occurs when individuals in privileged positions exploit their access to confidential information to make trades that may harm others or provide unfair advantages.

It is important for individuals and organizations to identify, disclose, and effectively manage conflicts of interest to maintain transparency, ethical standards, and public trust.

## 6. Disclosure of Conflicts of Interest:

Employees shall not engage in any business, relationship, or activity, which might conflict with the interest of the Company, its subsidiaries, or affiliates. Notwithstanding such or any other instance of conflict of interest that exists due to historical reasons, adequate and full disclosure by interested employees shall be made to the Company's management. Relationship with other employees needs to be disclosed in case of close or family, in case of reporting relationship there should be a declaration of any close relationship (including romantic ones). In any other scenario, close family relationship with employees should be reported.

All individuals covered by the conflict-of-interest policy must disclose any actual or potential conflicts of interest within 15 days:

- Of joining as a new employee
- Of any change of existing situation of conflict of interest
- Of becoming aware of any conflict as in existing employee

The disclosure should be reviewed by the HR team and Chief Ethics Counsellor and necessary mitigation steps should be taken:

- Change in reporting structure.
- Restricting transactions of employees with conflicting third party
- Recusal from specific duties, projects, or decision-making processes if necessary
- Modifying responsibilities to minimize or eliminate the conflict of interest.

## 7. Safeguarding and monitoring process

- a. Implement safeguards by creating awareness session.
- b. Ensure at the time of on boarding all new joiners are briefed and explained at length about the TCOC guidelines and different situations that lead to violation of code of conduct.
- c. Regularly monitor the situation to ensure compliance with the mitigation measures and reassess the effectiveness of the safeguards.
- d. Safely document all disclosures and maintain it in the Document Control Repository
- e. Regular update of declaration of conflict-of-interest document

## 8. Policy Disclaimers

### Exceptions:

There are no exceptions allowed from the procedures set forth in this Policy. All subjective exceptions from the procedures set forth in this policy should be approved as per DoA.

### Breach of Policy:

- ✓ Any breach of the policies and procedures, including failure to report actual or potential violations of the said policies and procedures, set forth in this policy, or applicable law, may result in disciplinary measures, as per the Standing Orders.
- ✓ TEPL Personnel are required to promptly report any known or suspected improper activity in violation of the policies and procedures, TEPL's Code of Conduct or applicable laws, regulations etc. Such reports can be made to the Head of Human Resources Department.

### Non-Retaliation:

TEPL will not tolerate any form of retaliation against anyone for making a good faith report of a potential violation of the policies and procedures set forth in this policy.

## 9. Terms and Conditions

- ✓ This policy can be modified in the future based on statutory requirements and management guidelines.
- ✓ Any exception to this policy will require the approval of CHRO or nominated official thereof (nominated officials may be assigned by the CHRO as a signed addendum to this policy).

## 10. References

- ✓ Suppliers Code of Conduct
- ✓ Tata Code of Conduct



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- ✓ Whistleblower Policy
- ✓ Prevention of Sexual Harassment Policy

### 11. Abbreviations

HR	Human Resources
CHRO	Chief Human Resources Official
TEPL	Tata Electronics Private Limited

### 12. RACI Matrix

#	Activity	Responsible	Accountable	Informed	Consulted
1	Reporting of Ethics Cases	Employee	Ethics Committee	HR	HR
2	Investigation of Ethics Cases	Ethics Committee	Chief Ethics Counsellor	HR	HR
3	Consequence Management	Ethics Committee	Chief Ethics Counsellor/EETOs	HR	HR

### 13. Annexure

#### **Sample Declaration for reading Conflict of Interest Policy during On-boarding process:**

I have read the "Conflict of Interest" policy and the Tata Code of Conduct, and I hereby declare that I shall always act in the interest of the Company and ensure that any business or personal association which I may have does not involve a conflict of interest with the operations of the company and my role therein. I shall promptly disclose to the Company that any personal relationship or associations which involve or are likely to involve conflict of interest and cooperate with the management in complying with any mitigating steps/action suggested.

Please retain a copy of this form for your records.

Thank you for your commitment to upholding ethical standards and maintaining the integrity of our organization.

#### **Format of Reporting Conflict of Interest**

Tata Electronics Private Limited  
Conflict of Interest Disclosure Form

Please complete this form to disclose any actual or potential conflicts of interest that may arise in the course of

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your duties or responsibilities with Tata Electronics Private Limited. Your prompt and accurate disclosure is essential for maintaining transparency and ensuring ethical conduct within the organization.

**1. Personal Information:**

Name:

Designation:

Department:

Contact Information (Email/Phone):

**2. Nature of Conflict:**

Please provide a detailed description of the conflict of interest, including any relevant circumstances or relationships involved.

**3. Parties Involved:**

Identify the individuals, organizations, or entities directly associated with the conflict of interest.

**4. Financial or Personal Interests:**

Specify any financial or personal interests that may be affected or have the potential to influence your professional duties or decision-making processes.

**5. Evaluation and Mitigation:**

a. Have you sought guidance or advice regarding this conflict of interest? If yes, please provide details.

b. How do you propose to address or mitigate this conflict of interest?

**6. Supporting Documentation:**

Attach any supporting documents or evidence that may help in evaluating or understanding the conflict of interest (if applicable).

**7. Confidentiality Statement:**

By submitting this form, I understand and agree that the information provided will be treated confidentially and used solely for the purposes of evaluating and managing the disclosed conflict of interest. I further acknowledge that deliberate misrepresentation or failure to disclose conflicts of interest may result in disciplinary action.

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Please submit the completed form to [Designated Individual/Department/Email] within [specified timeframe]. If you have any questions or need further guidance, please contact [Contact Person/Department].

**Note:** This form is for disclosure purposes only and does not indicate any immediate recusal or modification of responsibilities. The disclosed conflict of interest will be evaluated, and appropriate actions will be determined based on the organization's conflict of interest policy and guidelines.