

HIRCO PLC

CODE OF CONDUCT

INTRODUCTION

A key requirement for a sustainable business is predictability. We must understand the principles by which each of us operates. Our customers must understand the principles to which we hold ourselves so they know what to expect. This is equally true for our investors, suppliers, and business partners. Similarly, in our hunt for talent, potential employees must also understand the kind of organization we are.

These principles are not specific rules to dictate decisions in specific situations. This Code of Conduct, however, should help shape those decisions and guide the decision-making process. For assistance in specific situations, appropriate policies and regulations are promulgated by management. This Code of Conduct is meant to enhance such rules and procedures. They are guidelines that help us arrive at the appropriate choice when faced with options.

All employees are expected to read this Code of Conduct and apply it fully in their daily lives. Detailed policies and procedures that enable us to implement this code and put in place the necessary control mechanisms are laid out in the staff manual.

Any employee that observes a breach of this Code of Conduct should bring it to the attention of the Chief Ethics Officer. The employee will be protected by the company against any form of retaliation or harassment that may result from such 'whistle-blowing'.

A breach of this Code of Conduct will result in disciplinary action, which may take any form, up to and including termination.

1. OBEYING THE LAW

In the locations in which we operate we will comply with all laws and regulations that apply to our activities. We should remember that ignorance of law as the reason for a breach will not be accepted by authorities. So, when in doubt, we should obtain advice.

The penalties for any kind of breach can be severe financially and result in extreme disruption to our business, and a severe impact on our reputation. In particular we will exercise care to comply with regulations covering the following areas:

- a. *Insider trading and insider information* – Hirco PLC is a listed company on the AIM of London Stock Exchange. This places an obligation on each of us to carefully observe rules regarding insider trading. Furthermore, we do business with listed companies and we are obliged to observe similar rules in how we handle information pertaining to such relationships. All of us who have access to non-public material information must exercise caution in how we release or share such information. Such information access can be informal – for example, one may come across a document forgotten or not collected on the fax machine. Even in the case of information acquired through such informal access, the use of such information to buy or sell securities will be a breach of this code and possibly a breach of the law. Sharing such information with another person who then uses it to trade in securities is equally a breach.
- b. *Anti Monopoly regulation* – free and fair competition is a fundamental principle underlying modern economies. There are laws in place to ensure that such free and fair competition is maintained. The laws may go under various names – Fair Trading, Consumer Protection, Anti-trust etc. Our interactions with our competitors, suppliers, customers may be subject to such regulations. These laws are quite complex and their application may not be immediately obvious. We should consult appropriate authority when we enter into arrangements about which we are unsure.
- c. *Improper payments* – in a broad sense, any payment in cash or kind to influence the recipient, or to gain an improper advantage, is considered to be an improper payment. Such payments can lead to legal action, not only against the company, but against the individual(s) involved in their personal capacity. Merely the offer to make such a payment may be considered a crime. We will scrupulously ensure that in all our business transactions no such improper payments will be made. Any request by a person outside the company requesting/demanding such payments should be immediately referred to one's manager.
- d. *Intellectual property and copyright laws* – Our corporate identity (logos, trademarks, web site, product and other names, collateral material) is an important asset of the company. It helps us project an identity that is consistent with our values. We must avoid all unauthorized and inappropriate use of such assets. Similarly we will exercise care in our use of intellectual property and copyrighted

material belonging to others. We will avoid storing and/or retrieving pirated or illegally copied material (software, audio, and video) on the company's computer systems.

2. KEEPING PROPER BOOKS AND RECORDS.

We have obligations to furnish certain financial and business information as and when requested by regulators such as tax authorities. Major customers and investors may, from time, request information from us about our business. In order to meet such regulatory and other requirements, we must keep proper books and records.

- a. We will ensure adherence to proper reporting procedures so that all business transactions are recorded accurately and in a timely fashion by the concerned departments. We will maintain the necessary supporting documentation (invoices, purchase approvals, contracts) that underpins financial transactions.
- b. We will fully co-operate with the finance department, internal and external auditors, and internal and external legal counsel in their fact-finding and information collection activities.
- c. We will not distort or falsify any data with which our work brings us into contact or which we generate as a result of our work. This includes expense reports, attendance and leave records and any such items of a personal nature.
- d. We will inform the appropriate authority within the company of any financial or reporting irregularities that come to our attention.

3. MANAGING EXTERNAL COMMUNICATION

Our reputation, and therefore our ability to do business with customers and suppliers, depends a great deal on how we communicate with the world. Communication is an important tool, which, when properly used, enables us to project a professional, quality image. This enhances our leadership position in the minds of people with whom we do, or want to do, business. Even a single instance of improper use of communication can do damage that will take a long time to repair. Moreover, statements that are clearly wrong or biased may expose the company and the individual employee to legal action.

- a. All communication for broad dissemination – press releases, presentations, speeches at conferences, web site – will need prior approval of corporate communications. Any contact with the media will only be by authorized

- individuals.
- b. Communication with the investor community has important legal ramifications. Such communications must only originate from authorized individuals who will seek Legal counsel prior to release.
 - c. Communications with regulators and other government bodies will be reviewed by the appropriate department and will only originate from an authorized individual.
 - d. Communications with business associates – customers, suppliers, contractors – will follow guidelines on house style. Any commitments (for example on price) must be approved by the appropriate department before being advised in writing to the recipient.

4. PROTECTING THE COMPANY'S ASSETS

Company assets include both the physical infrastructure – furniture, fittings, phones, computer equipment – and intangible assets – copyright material, designs, documentation, software, and data. Protecting all such assets is essential for smooth operation of the business and for conservation of resources which otherwise may cost the company money and time to replace or repair.

- a. We are provided with the best tools and equipment necessary to perform our work. We will use the tools in the manner that they are meant to be used as laid out in the instruction/user manuals. Any faults will be immediately reported.
- b. Company funds, equipment and other assets should not be put to personal use unless specifically approved, in advance, by the appropriate manager.
- c. Our communications resources (phones, network, and computer) are a vital piece of infrastructure. We will maintain the security and privacy of these resources to the highest standards.
- d. When we acquire new equipment and services from third party suppliers, we will ensure that appropriate purchase procedure is followed. We will strive to strike the best possible deal for the company both in terms of price and performance.
- e. In the course of our work we will have access to information. Such information will be about our own business but may also be information about our customers,

suppliers, competitors. We will treat all such information confidentially and will not share it unless authorized, or required by law, to do so.

5. MAINTAINING A GOOD WORK ENVIRONMENT

Our productivity and quality of work are significantly impacted by the work environment. If the work environment is not appropriate productivity and quality suffer. The work environment consists of both the physical environment and what is generally referred to as the office atmosphere. We will ensure that the environment we create will be such as to achieve maximum productivity and quality. The company will meet all legal responsibility to provide a safe and secure workplace for all employees.

- a. We will ensure that our offices and project sites meet health and safety policies laid down by the company from time to time.
- b. We will ensure all staff are aware of company plans for dealing with disasters – fires, earthquakes, and disruptions due to unrest. Individuals will be trained in the roles they are expected to play in such events to ensure minimum disruption to the business and our customers.
- c. We will follow appropriate directions regarding use of protective gear such as hard hats, goggles and stay away from off-limits areas when we are at work sites.
- d. We will not engage in harassment of any kind. None of us in positions of responsibility and authority shall misuse such positions when dealing with other employees and colleagues.
- e. We will not engage in substance abuse of any kind. No alcohol or drugs will be allowed in, or around, the company premises.
- f. We will not allow weapons (knives, guns) to be brought into the company premises, except where specifically authorized (as with security guards).
- g. We will not use company premises for any activity that is not work-related or specifically authorized. While we respect people's right to hold opinions and practice their own beliefs, activities such as political or religious propaganda is not permitted on the company premises.

6. BEING A GOOD MEMBER OF THE LOCAL COMMUNITY

No business operates in a vacuum. Our project sites will be located in or near major metropolitan areas. We must contribute and be seen to contribute to the well-being of the communities that we are a part of. We will strike a balance between the needs of the business and that of the local community.

- a. We will minimize the environmental impact of our operations on the local communities. There are a number of ways we will explore to achieve this – use of renewable energy sources such as solar power; the recycling of water to minimize the additional demand we place on the water and sanitation systems.
- b. We will look to build sustainable communities where families can live, work, play, shop, and study without having to travel long distances. This will reduce the consumption of non-renewable energy.
- c. Wherever possible we will seek to create employment opportunities for local people. This will make us a good corporate citizen but also makes business sense as we minimize the costs of relocating people.
- d. Any member of our staff that wishes to take part in local community work will be encouraged to do so without disrupting operations.
- e. India is a country of diverse cultures, beliefs, and languages. We will respect the character and traditions of the communities in which we work.

7. MEETING OUR CUSTOMERS' NEEDS

The most critical community for us is that of our customers. Without customers business has no reason to exist.

- a. We will always place the customer's needs first.
- b. We will always be responsive to our customers. When we receive feedback – positive or negative – we will act on it as promptly as possible. We will close the loop by advising the customer of the action taken and thanking the customer for it.
- c. If we observe customers being ignored or treated inappropriately we will bring the matter to the attention of the appropriate manager.

- d. Our communication with our customers is an important aspect of our relationship with them. In the event of any dispute such communication will be of importance in the resolution process. We will endeavor at all times to be objective and factual in our communication.

8. WORKING TOGETHER WELL

The company is engaged in many highly complex and large projects. Such projects can only succeed when large numbers of people work together well. This will only happen in a supportive environment.

- a. We will help each other succeed so all of us can succeed.
- b. We recognize that the company's success depends on each employee being allowed to realize his/her full potential. We value the work of each person regardless of title or position. We treat each other with respect.
- c. We treat all people fairly - regardless of race, religion, color, language, nationality – in matters of employment, promotion, and compensation.
- d. We will resolve all conflicts in the work place in accordance with the appropriate company procedure.

9. AVOIDING CONFLICTS OF INTEREST

As individuals, we belong to many different groups or communities. Family, college classmates, clubs or societies are some examples of such groups and communities. Our memberships in such diverse groups may give rise to conflicts of interest. We should be careful to avoid not only a real conflict of interest but even the appearance of one.

- a. We will be careful to identify potential conflicts of interest and immediately bring them to the attention of the appropriate manager. We should recuse ourselves from any discussions and decisions in such situations.
- b. We will not invest in a customer, supplier, competitor or key business partner without prior approval.
- c. We will not accept significant gifts in cash or kind from anyone that has a business relationship with the company. Customary business entertainment is

acceptable.

- d. We will be equally careful in giving gifts. We compete for business on the basis of the value we provide to our customers, not as a result of gifts to decision makers.
- e. Business relationships that involve friends and relatives, or their businesses, can lead to conflicts of interest. It may also result in potential damage to one's personal relationships. We will avoid such situations.

10. HOLDING EXTERNAL POSITIONS

From time to time, situations will arise where one may be asked to sit on the boards of companies, advisers, or industry bodies. In such situations we will apply the same principles as in the case of conflicts of interest.

- a. We will encourage participation in industry bodies, and advisory panels to government. Such activities by company employees raise the thought leadership position of the company. This also helps ensure that the company's views are taken into account in policy-making.
- b. We will seek approval from the appropriate authority prior to accepting positions on boards of directors or boards of advisers of other businesses.
- c. We will not accept any concurrent employment with other businesses while being employed by our company.