

# **FUTURE RETAIL LIMITED**

**CIN: L51909MH2007PLC268269**

## **CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT**

## **APPLICABILITY OF THE CODE:**

This code (“**Code**”) is applicable to the Board of Directors [the “**Board**”] and Senior Management employees (hereinafter referred to as “**Specified Persons**”) of Future Retail Limited (the “**Company**”).

“Senior Management” employees shall have the same meaning assigned to it under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendment thereto from time to time or any re-enactment thereof for the time being in force) (“**SEBI Listing Regulations**”). Normally, this would comprise all members of management one level below the Chief Executive Officer (“**CEO**”) / Managing Director (“**MD**”) / Whole-time Director (“**WTD**”) and specifically includes Key Managerial Personnel(s) (“**KMPs**”).

This Code is applicable to the Directors of the Company to the extent of their role and responsibilities. Any violation / suspected violation of the Code has to be promptly communicated to the MD or CEO or Compliance Officer of the Company, which would be taken up in the meetings of the Audit Committee / Board.

### **1. HONEST, INTEGRITY, DUE CARE AND DILIGENCE**

Specified Persons of the Company shall conduct their activities, on behalf of the Company, in the best interests of the Company with honest, integrity and fairness. Due care and diligence shall be exercised by them in performing their duties and powers attached to their office.

### **2. COMPLIANCE WITH LAWS, RULES AND REGULATIONS**

Specified Persons of the Company are required to conduct the business and affairs of the Company in full compliance with applicable laws, rules and regulations and shall encourage and promote such behaviour for themselves, officers and employees across the organisation. Specified Persons should be abreast with statutory requirements in performance of their duties to enable them to ensure compliance, recognise potential threats and seek advice / suggestion from the relevant department or authority within the organisation. Violations of applicable statutory and regulatory laws, rules and regulations may subject Specified Persons to disciplinary action(s) by the Company including any monetary penalty. Further, such disciplinary action(s) shall not preclude any statutory body or regulatory authority to take action(s) against the Specified Persons under the applicable law.

The Company conducts its business as a corporate citizen in accordance with the applicable legal and compliance framework and expects its employees to function in line with this principle. Considering that business of the Company is spread over multiple locations, a common approach should be adopted, to the extent possible, in matters that impact the Company at more than one location. Any unlawful means of whatever nature, to overcome difficulties in the operation or implementation of legislation is expressly prohibited.

### **3. PROTECTION AND PROPER USE OF COMPANY’S ASSETS**

Specified Persons must protect the Company’s assets, resources and information and shall not use these for personal use or benefits, unless approved by appropriate authority and in accordance with the applicable laws.

**4. CORPORATE OPPORTUNITIES**

Specified Persons shall not exploit any opportunity for their direct or indirect personal gain that is discovered through the use of Company's property, information or position unless such opportunity is disclosed to the Board / appropriate authority and the Board / Committee of Directors and they decline to pursue such opportunity.

**5. COMPETITION AND FAIR DEALING**

Specified Persons should not take unfair advantage of anyone through manipulation, concealment, and misrepresentation of material facts or any other unfair practices. Specified Persons should ensure dealings with stakeholders are done in a fair and transparent manner. The Company will use its resources, knowledge and expertise for its competitive advantage, but avoid undermining the operation of free markets to respect the rights of others to carry on their business. The Specified Persons should support the Company to help development and implementation of laws that promote, encourage or result in fair competition.

**6. PROHIBITION OF INSIDER TRADING**

Specified Persons shall not derive benefit or assist others to derive benefit by giving advice from the access to and possession of any unpublished price sensitive information ("UPSI"), which is not available in public domain. Specified Persons shall comply with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons of the Company as amended or modified and as may be applicable from time to time.

**7. INTELLECTUAL PROPERTY RIGHTS**

Intellectual Property Rights is an important area for the success of the Company and add immense values for the various stakeholders. Specified Persons should ensure that intellectual property rights of the Company viz trademarks, trade name, copyrights, etc., are duly protected through registration of the same in the name of the Company with concerned statutory authorities to prevent any misuse of the same by others. Any suspected infringement by any person, if coming to notice of Specified Persons should be forthwith brought to the attention of MD / CEO / other reporting authority for initiating appropriate action.

**8. CONFIDENTIALITY OF INFORMATION**

Specified Persons should ensure confidentiality of information they receive and may disclose it only if authorised by the Company or the appropriate authority or required by applicable law.

**9. HEALTH & SAFETY**

The business of the Company shall be carried on in a congenial environment whereby adequate health and adequate safety measures are taken at the workplace of the employees. Specified Persons shall ensure that due compliance of all laws and regulations pertaining to health and safety measures are done on timely basis.

**10. CONDUCT RELATING TO CUSTOMERS, EMPLOYEES, STAKEHOLDERS AND OTHERS**

**Customers:**

Products and services of the Company are technologically competitive and whilst fulfilling the requirements of its customers, the Company shall strive to offer the best possible value to the customers. The Specified Persons shall not make any false or misleading claims whilst marketing / selling the products or services of the Company and ensure that service standards meet the requirements of the customers as well as the regulatory provisions in order to build mutually beneficial relationships with the customers of an enduring nature.

**Employees:**

The Company always wants to attract, develop and motivate its employees. The Specified Persons should ensure a work environment that is open, honest and unprejudiced and which encourages people to achieve their full potential. The Company always strives to recognise individual and team contributions and offers opportunities to share in the Company's commercial success. The Company will recruit, employ and reward on ability and contribution and provide opportunities for personal growth and professional development of the employees. The Company believes in "equal opportunity" that prohibits discrimination or harassment based on race, colour, religion, caste, creed, nationality, sex, age, sexual orientation, marital status, citizenship status or disability.

**Stakeholders and Others:**

➤ **Partners:**

The Company will cultivate a global network of collaborative and mutually beneficial alliances. The Company would respect partners' customs and traditions and be honest and ethical in its dealings. The Company would work with partners to create successful ventures which would have high standards of integrity and business practices. The Company would use its values and principles in dealings with other organisations and in considering new and existing relationships.

➤ **Vendors:**

The Company will value the diversity of its vendors and work with them in innovative ways that create added value for its customers and trading partners. The Specified Persons shall ensure a fair procurement process, administering tendering and contracting procedures in good faith.

➤ **Community:**

The Company will contribute to the well-being of the society in which it operates through its business activities and the skills or competencies of its people. While fulfilling the said object, the Specified Persons shall maintain the highest level of integrity while respecting local laws, customs and traditions. The Company would work with community and other organisations to support non-profit making activities that benefit wider society.

## 11. SEXUAL HARASSMENT

The Company strictly prohibits any kind of sexual harassment. Sexual harassment includes making unwelcome advances, sexual flirtations or propositions, continual or repeated verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, humour and jokes about sex or gender specific traits, sexual innuendo, display in the workplace of sexually suggestive objects or pictures and transmission of sexual messages via voice mail, regular mail, e-mail or the internet or intranet. The Specified Persons shall comply with the applicable laws and Company's policy governing the prohibition of sexual harassment at work place, as amended from time to time.

## 12. CONFLICT OF INTEREST

Specified Persons of the Company shall ensure that their personal interest do not conflict, directly or indirectly, with the interests of the Company. Specified Persons involved in any of the situations described in this Code should immediately and fully disclose the relevant circumstances to their reporting authority / MD / CEO / Compliance Officer for a determination about whether a potential or actual conflict exists. If an actual or potential conflict is determined, the Company may take whatever corrective action appears appropriate according to the circumstances. Failure to disclose facts shall constitute grounds for disciplinary action. A conflict of interest exists where the interests or benefits of one person or entity conflict with the interests or benefits of the Company.

*Examples include:*

### ***Employment / Outside Employment (applicable to our Senior Management Personnel only)***

In consideration of the employees' employment with the Company, the employees are expected to devote their full attention to the business interests of the Company. Employees are prohibited from engaging in any activity that interferes with the employees' performance or responsibilities to the Company or is otherwise in conflict with or prejudicial to the Company. The policies of the Company prohibit an employee from accepting simultaneous employment with any other company supplier, customer, developer or competitor or from taking part in any activity that enhances or supports a competitor's position except appointment, transfers and deputation of employees of the Company within the Future Group entities. Additionally, employees must disclose to the Company any interest that they have and which may conflict with the business of the Company. All queries on this will be addressed to the Human Resources Department / MD / CEO.

### ***Outside Directorships***

It is a conflict of interest to serve as a director of any other company that competes with the Company. Subject to the applicable laws, Senior Management employees shall obtain prior approval from the MD and/or Board, as may be necessary, for holding any office of director in any other company. However, prior approval under this Code shall not be necessary if any Senior Management employee accepts any directorship of a company within its Group or other Future Group entities. Such approval, if given by the MD and/or Board may be conditioned upon the completion of specified actions or formalities as prescribed while granting such approval. Director shall additionally comply with the provisions of the Companies Act, 2013 read with applicable rules thereto (including any amendment thereto or re-enactment thereof for the time being in force) (the "Act"), SEBI Listing Regulations and other applicable laws.

**Related Parties**

The related party transaction(s) between the Company and its Director(s) or KMP(s) should be dealt with in accordance with the Company's Policy for dealing with Related Party Transactions.

**Other Situations**

It is impractical to attempt to list all possible situation(s) or transaction(s) which tantamount to conflict of personal interest with the Company. Specified Persons are advised to consult Human Resources Department or MD or Compliance Officer in case of any ambiguity in arriving at a conclusion for any possible conflict of interest.

**13. ANTI-BRIBERY AND ANTI-CORRUPTION**

The Company often requires to communicate and deal with different government authorities, agencies, suppliers, customers and various other stakeholders. The Company, therefore, needs to conduct itself with the highest ethical standards and best business practices.

The Specified Persons shall under no circumstances indulge in any corrupt practices, including offering and/or accepting of unreasonable gifts and/or hospitality and shall abide by the Anti-Bribery and Anti-Corruption Policy of the Company as amended from time to time.

**14. EVENT BASED DISCLOSURE TO BOARD**

Subject to the applicable laws, Specified Persons shall make disclosures to the MD or Board relating to all material, financial and commercial transaction(s), where they have personal interest and that may have a potential conflict with the interest of the Company at large (for e.g. dealing in Company shares, commercial dealings with bodies, which have shareholding of management and their relatives, etc.).

**15. DUTIES OF INDEPENDENT DIRECTORS**

In addition to this Code, all Independent Directors of the Company shall abide by the provisions of the Code for Independent Directors as specified in Schedule IV to the Act and SEBI Listing Regulations.

The Independent Directors shall also abide by the duties, as laid down in the Act, which *inter-alia* includes the following:

- a. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company;
- b. seek appropriate clarification or amplification of information and where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company;
- c. strive to attend all meetings of the Board and Committees of the Board of which he / she is a member;
- d. participate constructively and actively in the Committees of the Board in which they are chairpersons

or members;

- e. strive to attend the general meetings of the Company;
- f. where they have concerns about the running of the Company or a proposed action, ensure that these are addressed by the Board and to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the meeting of Board;
- g. keep themselves well informed about the Company and the external environment in which it operates;
- h. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- i. pay sufficient attention and ensure that adequate deliberations are held before approving related party transaction(s) and assure themselves that the same are in the interest of the Company;
- j. ascertain and ensure that the Company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
- k. report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy;
- l. act with their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees;
- m. not disclose confidential information, including commercial secrets, technologies, advertising & sales promotion plans and UPSI, unless such disclosure is expressly approved by the Board or required by law.

**16. AFFIRMATION OF CODE**

All Specified Persons shall affirm compliance with the Code of Conduct of Board and Senior Management on an annual basis or in such manner as may be specified from time to time.

**17. REVIEW AND AMENDMENTS**

Subject to the applicable laws, the Board may amend this Code from time to time. In the event of any conflict between the provisions of this Code and the applicable laws, the later shall prevail.

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