

## AUSTERE SYSTEMS LIMITED

### **MODEL CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

(Effective from Thursday, 1st Day of August 2024 approved by Board of Director on Thursday, 1st Day of August 2024)

#### **1. Introduction**

- 1.1. This Code shall be called "The Code of Business Conduct & Ethics for Board Members and Senior Management" ("**the Code**") of Austere Systems Limited ("**the Company**").
- 1.2. The purpose of this Code is to enhance an ethical and transparent process in managing the affairs of the Company.
- 1.3. This Code for Board Members and Senior Management has been framed specially in compliance of the provisions of Regulation 17 (5) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") with stock exchanges.
- 1.4. It shall come into force with effect from the \_\_day \_\_\_\_<sup>th</sup> Day of August 2024.

#### **2. Definitions and Interpretations**

- 2.1. "**Board/Board of Directors**" shall mean the Board of Directors of the Company.
- 2.2. "**Board Members**" shall mean Directors on the Board of the Company.
- 2.3. "**Company**" shall mean Austere Systems Limited.
- 2.4. "**Independent Director**" shall mean the independent director appointed on the Board of the Company in accordance with the Companies Act, 2013.
- 2.5. "**Key Managerial Personnel**" shall mean the company secretary and other personnel as defined under the Companies Act, 2013.
- 2.6. "**Non-Executive Directors**" shall mean Directors on the Board of the Company who are not in whole time employment of the Company.
- 2.7. "**Senior Management**" shall mean personnel of the Company who are members of its core management team excluding Board of Directors and would comprise all members of management one level below the Whole time Directors, including all functional heads.
- 2.8. "**Whole-time Directors**" or "**Functional Directors**" shall be the Directors on the Board of Directors of the Company who are in whole-time employment of the Company.

Note: In this Code, words importing the masculine gender shall include feminine gender and words importing singular shall include the plural or vice versa.

### **3. Applicability**

- 3.1. This Code shall be applicable to the following personnel:
- (a) All Whole-time Directors including the chairman & managing director of the Company
  - (b) All Non-Executive Directors including Independent Directors under the provisions of law
  - (c) Senior Management and Key Managerial Personnel
- 3.2. The Whole-time Directors and Senior Management should continue to comply with other applicable/to be applicable policies, rules and procedures of the Company.

### **4. Contents of Code**

<b>Part I</b>	General Moral Imperatives
<b>Part II</b>	Specific Professional Responsibilities
<b>Part III</b>	Specific Additional Provisions for Board Members, Senior Management and Key Managerial Personnel
<b>Part IV</b>	The duties of Independent Directors

This Code is intended to serve as a basis for ethical decision making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint pertaining to violation of professional ethical standards.

It is understood that some words and phrases in the code of ethics and conduct document are subject to varying interpretations. In case of any conflict, the decision of the Board shall be final.

## **PART I**

### **5. General Moral Imperatives**

#### **5.1. Contribute to society and human well being**

5.1.1. This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human wellbeing includes a safe natural environment.

5.1.2. Therefore, all Board Members, Senior Management and Key Managerial Personnel who are accountable for the design, development, manufacture and promotion of Company's products, must be alert to, and make others aware of, both a legal and a moral responsibility for the safety and the protection of human life and environment.

#### **5.2. Be honest and trustworthy & practice integrity**

5.2.1. Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively.

5.2.2. All Board Members, Senior Management and Key Managerial Personnel are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting business of the Company.

5.2.3. All Board Members, Senior Management and Key Managerial Personnel are expected to act in good faith, with responsibility, due care, competence, diligence and independence.

### 5.3. **Be fair and take action not to discriminate**

5.3.1. The values of equality, tolerance, respect for others, and the principles of equity & justice govern this imperative. Discrimination, on the basis of race, sex, religion, caste, age, disability, national origins or other such factors, is an explicit violation of this Code.

### 5.4. **Honour confidentiality**

5.4.1. The principle of honesty extends to issues of confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code.

5.4.2. All Board Members, Senior Management and Key Managerial Personnel, therefore, shall maintain the confidentiality of all confidential unpublished information about business and affairs of the Company.

### 5.5. **Pledge & Practice**

5.5.1. To strive continuously to bring about integrity and transparency in all spheres of the activities.

5.5.2. Work unstintingly for eradication of corruption in all spheres of life.

5.5.3. Remain vigilant and work towards growth and reputation of the Company.

5.5.4. Bring pride to the organization and provide value-based services to Company's stakeholders.

5.5.5. Do duty conscientiously and without fear or favour.

## **PART II**

### **6. Specific Professional Responsibilities**

#### **6.1. Live the Vision, Mission and Values of Austere Systems Limited - each day:**

Live the Vision, Mission and Values of Austere Systems Limited - each day. For quick reference they are as under:

## Austere Systems Limited Vision Statement

We are working with a vision to deliver best solutions to our clients and broaden our activity base by diversifying into other infrastructure disciplines.

## Austere Systems Limited Mission Statement

To emerge as a dominant participant in the software development industry & as an IT services consultant and also as consultant related to services of architecture, soil testing and water testing works within India & outside India.

## Objectives

**[Pantomath Comment: Company to provide the objectives]**

## Values

**[Pantomath Comment: Company to provide the values]**

- 6.2. **Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work:** Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.
- 6.3. **Acquire and maintain professional competence:** Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence. All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.
- 6.4. **Compliance with Laws:** The Board Members, Senior Management and Key Managerial Personnel of the Company shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow and obey the policies, procedures, rules and regulations relating to the business of the Company.
- 6.5. **Accept and provide appropriate professional review:** Quality Professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of theirs.
- 6.6. **Manage personnel and resources to enhance the quality of working life:** Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.
- 6.7. **Be upright and avoid any inducements:** The Board Members and Senior Management shall not, directly or indirectly through their family and other

connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

- 6.8. **Observe Corporate Discipline:** The flow of communication within the Company is not rigid and people are free to express themselves at all levels. Though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.
- 6.9. **Conduct in a manner that reflects credit to the Company:** All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behaviour has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.
- 6.10. **Be accountable to Company's stakeholders:** All of those whom we serve, be it our customers, without whom the Company will not be in business, the shareholders, who have an important stake in its business, the employees, who have a vested interest in making it all happen, the vendors, who support the Company to deliver in time and society to which Company is responsible for its actions - are stakeholders of the Company. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.
- 6.11. **Prevention of Insider trading:** The Board Members and Senior Management shall comply with the code of internal procedures and conduct for prevention of insider trading in dealing with securities of the Company.
- 6.12. **Identify, mitigate and manage business risks:** It is everybody's responsibility to follow the risk management framework of the Company to identify the business risks that surround function or area of operation of the Company and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.
- 6.13. **Protect properties of the Company:** The Board Members and Senior Management shall protect the assets including physical assets, information and intellectual rights of the Company and shall not use the same for personal gains.

### **PART III**

#### **7. Specific Additional Provisions for Board Members and Senior Management**

- 7.1. **As Board Members and Senior Management:** They shall undertake to actively participate in the meetings of the Board and committees on which they serve.
- 7.2. **As Board Members**
  - 7.2.1. Undertake to inform the chairman and managing director/ company secretary

of the Company of any changes in their other Board positions, relationship with other business and other events/circumstances/conditions that may interfere with their ability to perform Board/ Board committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of the SEBI Listing Regulation with stock exchanges.

- 7.2.2. Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company. Illustrative cases can be:

**Related Party Transactions:** Entering into any transactions or relationship with Company in which they have a financial or other personal interest (either directly or indirectly such as through a family member or relation or other person or other organization with which they are associated).

**Outside Directorship:** Accepting directorship on the Board of any other Company that competes with the business of the Company.

**Consultancy/Business/Employment:** Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties/responsibilities towards Company. They should not invest or associate themselves in any other manner with any supplier, service provider or customer of the Company.

**Use of Official position for personal gains:** Should not use their official position for personal gains.

### 7.3. **Compliance with the Code of Business Conduct & Ethics**

#### 7.3.1. **All Members of the Board and Senior Management of the Company shall uphold and promote the principles of this code.**

The future of the organization depends on both technical and ethical excellence. Not only it is important for Board Members and Senior Management to adhere to the principles expressed in this Code, each of them should also encourage and support adherence by others.

#### 7.3.2. **Treat violations of this code as inconsistent association with the organization\_**

Adherence of professionals to a code of ethics is largely and generally a voluntary matter. However, if any of the Board Members and Senior Management does not follow this Code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to take appropriate action against the defaulter.

### 7.4. **Miscellaneous Points**

#### 7.4.1. **Continual updation of Code**

This Code is subject to continuous review and updation in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect prospectively from the date stated therein.

#### 7.4.2. **Where to seek clarifications**

Any member of the Board or Senior Management requiring any clarification regarding this code of conduct may contact Director (HR)/ company secretary/ any officer specifically designated by the Board of Directors.

#### 7.4.3. **Affirmation from Board of Directors and Senior Management**

All members of the board of directors and senior management personnel shall affirm compliance with the code of conduct of board of directors and senior management on an annual basis as per format annexed hereunder as **“Annexure 1”**.

### **PART IV**

#### **8. The duties of Independent Directors**

An independent director shall:

- 8.1. Undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the Company.
- 8.2. 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.
- 8.3. Strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
- 8.4. Participate constructively and actively in the committees of the Board in which they are chairpersons or members.
- 8.5. Strive to attend the general meetings of the Company.
- 8.6. 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 board meeting.
- 8.7. Keep themselves well informed about the Company and the external environment in which it operates.
- 8.8. Not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board.
- 8.9. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the Company.
- 8.10. 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.
- 8.11. Report concerns about unethical behaviour, actual or suspected fraud or

violation of the Company's code of conduct or ethics policy.

- 8.12. Act within their authority, assist in protecting the legitimate interests of the Company, shareholders and its employees.
- 8.13. Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
- 8.14. Act in accordance with the provisions of Applicable Law.

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**“Annexure 1”**

**ACKNOWLEDGEMENT OF RECEIPT OF CODE OF BUSINESS CONDUCT AND ETHICS FOR BOARD MEMBERS AND SENIOR MANAGEMENT**

I have received and read the Code of Business Conduct and Ethics for Board Members and Senior Management of Austere Systems Limited. I understand the standards and policies contained in the said Code of Business Conduct and Ethics and understand that there may be additional policies or laws specific to my job. I further agree to comply with the said Code of Business Conduct and Ethics.

If I have questions concerning the meaning or application of the said Code of Business Conduct and Ethics, any policies of Austere Systems Limited or the legal and regulatory requirements applicable to my job, I know I can consult Director or company secretary concerned the Company knowing that my questions or reports will be maintained in confidence.

Further, I undertake to provide the following affirmation on an annual basis to the Company within 30 days from the end of 31<sup>st</sup> March every year.

**AFFIRMATION**

(By Board Members/ Senior Management of the Company on Annual basis by 30th April of every year)

I,..... (name), (designation), having read and understood the Code of Business Conduct and Ethics for Board Members and Senior Management, hereby solemnly affirm that I have complied with and has not violated any of the provisions of the Code during the year ended 31<sup>st</sup> March .....

Signature

Name

Designation

Place

Employment Number

Telephone No

Date: