

Manipal Health Enterprises Limited

CODE OF CONDUCT FOR BOARD OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND MEMBERS OF SENIOR MANAGEMENT

DEFINITIONS AND INTERPRETATION

1. Definitions

“**Applicable Laws**” shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, as amended from time to time and such other act, rules or regulations which deal with the code of conduct for Board members, Key Managerial Personnel, and members of Senior Management of a company listed in India;

“**Board**” or “**Board of Directors**” shall mean the board of directors of the Company;

“**Companies Act**” shall mean the Companies Act, 2013, and rules and regulations issued thereunder, as amended from time to time;

“**Company**” shall mean Manipal Health Enterprises Limited

“**Compliance Officer**” shall mean the company secretary and compliance officer of the Company, unless a compliance officer is appointed specifically for this purpose, by the Board;

“**Directors and Employees**” shall mean, collectively, the Directors, KMPs, and Senior Management of the Company, to whom this Policy applies;

“**Directors**” shall mean, collectively, the directors of the Company;

“**Key Managerial Personnel**” or “**KMP**” shall mean as defined in sub-section (51) of section 2 of the Companies Act, 2013;

“**Policy**” or “**Code**” or “**Code of Conduct**” shall mean this code of conduct for the Directors and Employees;

“**SEBI Listing Regulations**” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;

“**Senior Management**” shall mean the members of the senior management of the Company, as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 SEBI Listing Regulations, as amended.

INTRODUCTION

2. Introduction

In accordance with Regulation 17(5) of the SEBI Listing Regulations and the relevant provisions of the Companies Act, the Board has adopted this Code of Conduct, in alignment with the Company’s objectives and corporate governance practices. The aim of this Code of Conduct is to ensure an ethical and transparent process in managing the affairs of the Company. This Code enables the Company to publicly state to its external stakeholders (suppliers, customers, consumers and shareholders), the way in which they intend to do business.

3. Objective

The objective of this Code of Conduct is to set standards for business conduct such that the Directors and Employees may act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct, while working for and on behalf of the Company.

4. Applicability

The rules and principles set forth in this Code of Conduct are general in nature, and compliance with this Code of Conduct shall be read with Applicable Laws, and the policies and procedures of the Company. The Directors and Employees may contact the Compliance Officer for the purposes of this Code of Conduct for assistance in interpreting the requirements of this Code of Conduct and Applicable Laws. All Directors and Employees shall affirm compliance with this Code of Conduct on an annual basis.

CODE OF CONDUCT

5. Standards of Conduct

The Directors and Employees shall:

- a. demonstrate the highest standards of integrity, business ethics, and corporate governance;
- b. perform their roles with due and reasonable care, competence, diligence, in good faith and in the best interests of the Company;
- c. provide expertise and experience in their areas of specialization and share learnings at the meetings of the Board with best interests of the Company and its stakeholders in mind. They should point the Company's management in the 'right' direction based on their experience and judgement;
- d. ensure compliance with all Applicable Laws;
- e. not engage in any business, relationship or any activity which detrimentally conflicts with the interest of the Company or can bring discredit to the Company. Any situation that creates a conflict of interest between personal interests and the interests of the Company and its stakeholders' interests must be avoided at all costs;
- f. not disclose any confidential/privileged information of the Company and should direct any media queries or approaches to the appropriate spokesperson within the Company;
- g. protect and use the Company's assets, properties and services for legitimate business purposes only as per the terms of appointment;
- h. not achieve or attempt to achieve any undue gain or advantage either to themselves or to their relatives, partners, or associates;
- i. not receive directly or indirectly any benefit from the Company's business associates, which is intended or can be perceived as being given to gain favour for dealing with the Company;
- j. give careful and independent consideration to the affairs of the Company and all documents placed before them to satisfy themselves with the soundness of key decisions taken by the management. They should call for additional information, where necessary, for making such judgements;
- k. not discriminate amongst employees on the basis of colour, race, religion, caste, creed or sex and provide equal opportunity to all; and
- l. follow all prescribed safety and environmental related regulations.

6. Other Responsibilities

6.1 The Directors and Employees shall:

- 6.1.1 undertake and participate in any relevant induction sessions and shall regularly update and refresh their skills, knowledge and familiarity with the Company's policies and processes;
- 6.1.2 ensure that adequate disclosures are made before entering into any related party transactions;
- 6.1.3 report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct in accordance with the vigil mechanism of the Company; and
- 6.1.4 act in utmost good faith and exercise due care, diligence and personal and professional integrity in the performance of their official duties and responsibilities and shall in no event compromise their independence of judgement.

7. Guidelines of professional conduct:

An independent director shall:

- 1. Uphold ethical standards of integrity and probity;
- 2. Act objectively and constructively while exercising his duties;
- 3. Exercise his responsibilities in a bona fide manner in the interest of the Company;
- 4. Devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5. Not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the Company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6. Not abuse his position to the detriment of the Company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- 7. Refrain from any action that would lead to loss of his independence;
- 8. Where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
- 9. Assist the Company in implementing the best corporate governance practices.

8. Duties of Directors

All Directors shall discharge their duties as per the applicable provisions of the SEBI Listing Regulations and the Companies Act.

9. Roles and Function of Independent Directors:

The Independent Directors shall:

1. Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments, and standards of conduct.
2. Bring an objective view in the evaluation of the performance of board and management;
3. Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance.
4. Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible.
5. Safeguard the interests of all stakeholders, particularly the minority shareholders;
6. Balance the conflicting interests of the stakeholders;
7. Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel, and senior management.
8. Moderate and arbitrate in the interest of the Company as a whole, in situations of conflict between management and shareholder's interest.

10. Duties of Independent Directors

The duties of the independent directors shall comprise of 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 of the committees of the Board, which the independent director(s) is a member of;
- 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 unfairly obstruct the functioning of the properly constituted Board (or committees

of the Board);

- i. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interests of the Company;
- j. ascertain and ensure that the Company has an adequate and functional Whistle Blower Policy 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 behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any;
- l. act within his/her authority, assist in protecting the legitimate interests of the Company, shareholders and its employees; and
- m. 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.

11. Disclosure by Board of Directors and Senior Management

In adherence to SEBI Listing Regulations, the Directors and Employees shall make disclosures to the Board of Directors relating to all material, financial and commercial transactions, where they have a personal interest that may potentially conflict with the interest of the Company at large.

For the aforesaid purpose:

- (a) Directors and Employees must avoid situations wherein financial or personal considerations tend to compromise the exercise of professional judgment in discharge of their duties.
- (b) In addition to mandatory disclosures, Directors and Employees shall disclose their association with any other company which, in their judgment, may lead to conflict of interest with the Company.
- (c) Directors and Employees are advised to avoid conducting the Company's business with a relative, or with a business in which a relative is associated in any significant role.
- (d) Directors and Employees shall as far as practicable, protect the Company's assets from loss, damage, misuse, or theft and ensure that the assets are only used for business purposes and other purposes specifically approved by management and must never be used for unauthorized purposes.
- (e) Unpublished price sensitive information about the Company, which might impact market price of the securities of the Company, should be kept in strict confidence until publicly released in accordance with the applicable legal requirements and the SEBI Listing Regulations. Directors and Employees shall not derive any personal benefit or assist others to derive benefit by giving advice about securities of the Company.
- (f) Directors and Employees must maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or if such information is in the public domain. The Company's confidential and proprietary information shall not

be inappropriately disclosed or used for the personal gain or advantage of the Directors and Employees.

- (g) Directors shall disclose potential conflicts of interest that they may have regarding any matter at the Board meetings and any Director having such conflict of interest will abstain themselves from discussions and voting on the concerned matter.

In addition to the above, all members of the Directors and Employees shall affirm compliance with this Code of Conduct on an annual basis.

12. Insider Trading

Directors and Employees shall not derive benefit or assist others to derive benefit by trading while in possession of unpublished price sensitive information or communicating such information or giving investment advice based on such information about the Company or its securities. All Directors and Employees shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and the insider trading policies of the Company.

13. Fair Dealing

Directors and Employees shall not take a discriminatory stance towards or give unfair advantage to the Company's employees, customers, suppliers, or competitors through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice. No discrimination shall be done on the basis of caste, religion, sex, nationality, or disability of any kind towards any employee, customer, supplier or any business partner.

14. Free and Fair Competition

Directors and Employees shall ensure compliance of competition laws designed to encourage and protect free and fair market competition in India and elsewhere. The Company is committed to complying with the applicable legal framework to enhance a free and fair market.

15. Violation

15.1 It shall be the duty of the Directors and Employees to assist in enforcing this Code of Conduct.

15.2 A violation of this Code of Conduct may result in disciplinary action such as termination from the association/ employment with the Company, suspension, or demotion, as may be deemed necessary.

16. Amendment and Review

Subject to applicable laws, the Board may amend, suspend or rescind this policy at any time. Any issues pertaining to the Policy shall be resolved by the Board in line with the broad intent of the Policy. The Board may also establish further rules and procedures, from time to time, to give effect to the intent of this Policy.

Any subsequent amendment/modification in the Companies Act 2013, or the Rules framed thereunder or the SEBI Listing Regulations and/or any other laws in the event of any conflict between the provisions of this Policy and any applicable law, such applicable law in force, shall prevail over this Policy.

17. Acknowledgment and Annual Affirmation

17.1 It is obligatory on the part of every person covered under this Code of Conduct to make an annual disclosure under this Code of Conduct affirming their adherence to the Code. This disclosure shall be made to the Compliance Officer in the format annexed as **Appendix I**.

18. Effective Date

The Code shall become effective from the date of Draft Red Herring Prospectus being approved by the Board.

APPENDIX I

To
The Board of Directors
Manipal Health Enterprises Limited

ANNUAL COMPLIANCE REPORT

Dear Sir,

I _____, do hereby solemnly affirm that to the best of my knowledge and belief, I have fully complied with the provisions of the Company's Code of Conduct for Board Members, Key Managerial Personnel & Members of Senior Management during the financial year ended March 31, [●].

[●]

Signature

Name: [●]

Designation: [●]

Address: [●]

DIN: [●]

Date: [●]

Place: [●]