

CODE OF CONDUCT

1. Principles

- (i) The Investors' appraisal team will conduct an ESG review as part of their overall due diligence.
- (ii) This review will be appropriate to the nature and scale of the investment, and commensurate with the level of ESG risks and impacts. The purpose of the review would be to ensure that the Company conforms to the Investors' ESG policies.
- (iii) This specifically includes compliance with all applicable environmental, social and governance laws and regulations of India (as well as any other jurisdiction in which the Company may operate) as well as with items including, *inter alia*:
 - a) comply with International Finance Corporation (IFC's) "Performance Standards on Social and Environmental Sustainability"; Environmental Health and Safety (EHS) Sectoral Guidelines and CDC ESG Toolkit (<http://www.cdcgroup.com/corporate-information.aspx>);
 - b) as appropriate, minimise adverse impacts and enhance positive effects on the environment, workers, and all stakeholders;
 - c) commit to continuous improvements with respect to management of the environment, social matters and governance;
 - d) work over time to apply relevant international best practice standards, with appropriate targets and timetables for achieving them; and
 - e) employ management systems which effectively address environmental, social and governance ("ESG") risks and realise ESG opportunities as a fundamental part of the Company's value.

2. Objectives and Policies

- (i) The Environment. The Company will:
 - a) operate in compliance with applicable local and national laws (at the minimum);
 - b) assess the environmental impact of their operations as follows:
 - (i) identify potential risks and appropriate mitigating measures through an environmental impact assessment where business operations could involve loss of biodiversity or habitat, emission of significant quantities of greenhouse gases, severe degradation of water or air quality, substantial solid waste or other significant negative environmental impacts; and
 - (ii) consider the potential for positive environmental impacts from business activities; and

- (iii) take appropriate actions to mitigate environmental risks, ameliorate environmental damage, and enhance positive effects as follows:
 - (A) where an activity is assessed to present significant environmental risks, work over time to apply the relevant IFC & CDC policies and guidelines, if these are more stringent than local legislation, with appropriate targets and timetable for improvements; and
 - (B) as appropriate, work over time towards international environmental best practice standards.

(ii) Social Matters

a) Labour and Working Conditions: Policy

The Company will:

- (A) comply with applicable local and national laws (as a minimum);
- (B) not employ or make use of forced labour of any kind;
- (C) not employ or make use of harmful child labour;
- (D) pay wages which meet or exceed industry or legal minima;
- (E) treat its employees fairly in terms of recruitment, progression, terms and conditions of work and representation, irrespective of gender, race, colour, disability, political opinion, sexual orientation, age, religion, social or ethnic origin, or HIV status;
- (F) allow consultative work-place structures and associations which provide employees with an opportunity to present their views to management; and
- (G) for remote operations involving the relocation of employees for extended periods of time, ensure that such employees have access to adequate housing and basic services.

b) Health and Safety

The Company will:

- (i) comply with applicable local and national laws (as a minimum);
- (ii) assess the health and safety risks arising from work activities; and
- (iii) take appropriate actions to eliminate or reduce risks to health and safety as follows:

- (A) where an activity is assessed to present significant health and safety risks, work over time to apply the relevant IFC & CDC policies and guidelines, if these are more stringent than local legislation, with appropriate targets and timetable for improvements; and
 - (B) as appropriate, work over time towards international best practice standards for health and safety.
 - (C) Report serious incidents within 48 hours of occurrence to the fund manager
- c) Other Social Matters

The Company will:

- (i) take account of their impact on employees, contractors, the local community and all others affected by their operations as follows;
- (ii) identify potential adverse effects and appropriate mitigating measures through a social impact assessment in cases involving resettlement, critical cultural heritage, indigenous peoples, or other issues where the negative impact could be significant;
- (iii) consider social development contributions; and
- (iv) take appropriate actions to mitigate risks, ameliorate negative impacts, and enhance positive effects.

3. Governance: Business Integrity and Good Corporate Governance

The Company will:

- (i) comply with all Applicable Laws and promote international best practice, including those laws and international best practice standards intended to prevent extortion, bribery and financial crime;
- (ii) uphold high standards of business integrity and honesty;
- (iii) deal with regulators in an open and co-operative manner;
- (iv) prohibit all employees from making or receiving gifts of substance in the course of business;
- (v) prohibit the making of payments as improper inducement to confer preferential treatment;
- (vi) prohibit contributions to political parties or political candidates, where these could constitute conflicts of interest;
- (vii) properly record, report and review financial and tax information;

- (viii) promote transparency and accountability grounded in sound business ethics;
- (ix) use information received from its partners only in the best interests of the business relationship and not for personal financial gain by any employee;
- (x) clearly define responsibilities, procedures and controls with appropriate checks and balances in company management structures; and
- (xi) use effective systems of internal control and risk management covering all significant issues, including environmental, social and ethical issues.

4. Exclusions

The Company will not carry out the following activity or engage in the following businesses:

- (a) production of or trade in any product or activity deemed illegal under applicable local or national laws or regulations, or banned by global conventions and agreements, such as certain:
 - (i) hazardous chemicals, pesticides and wastes;
 - (ii) ozone depleting substances; and
 - (iii) endangered or protected wildlife or wildlife products;
- (b) production of or trade in nuclear products, primarily designed or primarily designated for military purposes; or
- (c) production of, use of or trade in unbonded asbestos fibres.
- (d) The Company will not engage in the following activities or in the manufacture of products, which are, or are intended to be, a significant source of revenue:
 - (i) gambling;
 - (ii) pornography; or
 - (iii) tobacco or tobacco related products.