



THERMAX LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Code of Conduct for Board of Directors and Senior Management

This Code of Conduct (the "Code") aims to promote ethical conduct and maintain high standards in carrying out business transactions of Thermax Limited ("the Company"). The Code ensures legal compliance under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 & Rules made thereunder including any amendments or modifications thereof.

I. GUIDELINES FOR CODE OF CONDUCT

The principal duty of the Board and Management is to ensure that the Company is well managed and recognize that their responsibility is to shareholders and other stakeholders.

II. APPLICABILITY

The detailed Code along with the guidelines governing the same for Directors and Senior Managers is annexed.

The Annexure A of the Code shall be applicable to each Member of the Board of Directors including Independent Directors (herein after referred to as "Board") and Annexure B shall be applicable to the Senior Managers of the Company and its group companies (collectively referred to as "Senior Managers").

III. AMENDMENT/ MODIFICATION:

This Code would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Code.

CODE OF CONDUCT

Annexure A - For Directors

This Code shall be applicable to each Member of the Board of the Company. The Board shall –

1. Fulfill functions of the office with integrity, professionalism and exercise powers attached thereto in good faith and with due care and diligence, without the influence of personal interest.
2. Act in the best interests of and fulfill the fiduciary obligations to the Company's shareholders, whilst also considering the interests of other stakeholders.
3. Ensure through the oversight of systems that the Company's assets, proprietary confidential information and resources are used by the Company and its employees only for legitimate business purposes of the Company.
4. Take care to avoid any situations in which the interests of the Company and its subsidiaries / associates (“Thermax Group”) clash with their interests or of parties connected with them and, in such situations, make adequate disclosures, as necessary. Such parties include close relatives, businesses in which the concerned director/close relative is a shareholder holding >2%, partner in a partnership, owner, employee, advisor, consultant, etc.

The interests of a director may be considered to be in conflict if the director or any other entity, directly or indirectly, has a material pecuniary interest in any transaction with Thermax Group. For this purpose an entity means any person (natural or juridical) whose financial decisions are materially influenced by the director.

Where such a conflict already exists or could potentially exist, the director shall not receive any information nor influence any transaction or potential transaction or business arrangement between the Company and that party. Examples include information on business practices, pricing practices, cost build-up, etc. Similarly, information that relates to the Company’s business with such parties’ and competitors should also not be provided to such directors nor should they influence any business with them.

5. Seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company. Encourage reporting of a material violation of any laws, rules or regulations applicable to the Company or the operation of its business and ensure that the person reporting such violation is not aggrieved in any manner.
6. Comply with the terms of the Code of Conduct for Prohibition of Insider Trading approved by the Board of Directors and any other code that may be formulated from time to time, as applicable.
7. Conduct business in a responsible manner and commit to undertake:
 - a) compliance with environmental laws, regulations and standards
 - b) environmental friendly and protection measures as an integral part of the design, production, operation and maintenance of the Company's facilities
 - c) wise use of energy, and minimize any adverse impact on the environment
 - d) measures for health and safety of all stakeholders

8. Establish, review processes and systems for storage, retrieval and dissemination of documents both in physical and electronic form, so that the obligations of this Code are fulfilled.
9. The Independent Directors shall diligently perform the duties laid down under the Companies Act, 2013, specifically those mentioned in its Fourth Schedule.

CODE OF CONDUCT

Annexure B - For Senior Managers

This Code shall be applicable to each member of the Senior Management of the Company and its group companies. The Senior Managers shall be all employees who are members of the Executive Council of the Company or in the grade of Vice President or Business Heads, Company Secretary, Chief Financial Officer and such other employees of the Company and its group companies as may be designated as members of Senior Management for the purpose of this Code by the Managing Director of the Company (collectively referred to as “Senior Managers”).

The Senior Managers shall –

1. Fulfill functions of their office with diligence, integrity and professionalism.
2. Exercise their powers in good faith and with due care and diligence, without the influence of personal interest.
3. Ensure that the Company's assets, proprietary confidential information and resources are used by the Company and its employees only for legitimate business purposes of the Company.
4. Avoid any situations in which the interests of the Company and its subsidiaries / associates (“Thermax Group”) clash with their interests or of parties connected with them and, in such situations, make adequate disclosures, as necessary. The interests of a manager may be considered to be in conflict if the manager or any other entity, directly or indirectly, has a material pecuniary interest in any transaction with Thermax Group. For this purpose, an entity is any person (natural or juridical) whose financial decisions are materially influenced by the manager.
5. Be careful while circulating board papers or responding to specific questions in board meetings or otherwise. They should consult the Chairperson in case of doubt.
6. Implement internal controls, including to deter and detect fraud. The Company shall have zero tolerance for the commission or concealment of fraud or illegal acts.
7. Make sure that dealings and relationships with business associates/customers are maintained in the best interest of the Company.
8. Seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies of the Company. Encourage reporting of material violations of laws, rules or regulations applicable to the Company or the operation of its business and ensure that the person reporting such violation is not aggrieved in any manner.
9. Comply with the terms of the Code of Conduct for Prohibition of Insider Trading approved by the Board of Directors and any other Code that may be formulated from time to time, as applicable.
10. Conduct business in a responsible manner and commit to undertake:
 - a) compliance with environmental laws, regulations and standards
 - b) to incorporate environmentally friendly and protection measures as an integral part of the design, production, operation and maintenance of the Company's facilities
 - c) to encourage wise use of energy, and minimize any adverse impact on the environment
 - d) to ensure health and safety measures for all the employees and workmen (whether formal or informal)



THERMAX

11. Not accept without the prior written approval of the Managing Director, part time employment or a position of responsibility (such as a consultant or a director) with any other organization, for remuneration or otherwise.
12. Establish, review processes and systems for storage, retrieval and dissemination of documents both in physical and electronic form, so that the obligations of this Code are fulfilled.

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Adopted	Board of Directors	January 31, 2006
1 st Amendment	Board of Directors	February 4, 2020
2 nd Amendment	Board of Directors	February 4, 2022