



Bayer CropScience Limited

**Code of Conduct for Board of Directors & Senior
Management of the Company**

RESTRICTED

Code of Conduct for Board of Directors and Senior Management

INTRODUCTION:

The Company and the world in which we operate continue to change with dynamic speed. Despite all the change, one thing remains constant: our values. Bayer's quest for competitive excellence begins and ends with our commitment to lawful and ethical conduct and adhering to the Bayer values.

This Code of Conduct is prepared considering that the Company has been handed over by the various stakeholders in trust and the Board of Directors are the trustees of these stakeholders and owe a responsibility to ensure that the organization is managed in a manner that protects and furthers the interest of our stakeholders. Adoption of this Code of Conduct will send a strong message regarding the importance of ethical behavior at Bayer and the protection of investors' interests.

This Code of Conduct is intended to provide guidance to the Board of Directors and Senior Management of the Company to manage the affairs of the Company in an ethical manner.

This Code of Conduct is formulated in accordance with the requirements of Companies Act, 2013 and SEBI Listing Regulations.

APPLICABILITY:

The Code of Conduct applies to all the Directors of Bayer CropScience Limited ("BCSL/ Company") and the Senior Management of the Company.

The Directors and Senior Management should continue to comply with other applicable policies, rules and procedures of the Company.

DEFINITIONS:

"Act" means the Companies Act, 2013 as amended from time to time.

"Board" means the Board of Directors of Bayer CropScience Limited.

"Conflict of Interest" means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company.

"SEBI Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirement) Regulations, 2015 as amended from time to time.

"Key Managerial Personnel (KMP)" means:

- (i) Chief Executive Officer or the Managing Director or the manager
- (ii) Company Secretary
- (iii) Whole time Director

(iv) Chief Financial Officer

(v) such other officer designated as key managerial personnel by the Board.

“Senior Management” means officers/personnel of Bayer CropScience Limited who are members of its core management team excluding Board of Directors and shall specifically include chief executive, company secretary and chief financial officer.

“Independent Directors” shall mean an Independent Director as per the provisions of the Companies Act, 2013 and SEBI Listing Regulations as amended from time to time.

PRINCIPLES OF THE CODE OF CONDUCT:

➤ **General:**

The Directors and Senior Management shall at all times exhibit high ethical standards of integrity, commitment, independence of thought and judgement and shall act in the best interest of the Company. They shall fulfil their fiduciary obligations towards all stakeholders.

➤ **Representation:**

The Directors and Senior Management shall at all times represent the interest of the Company's stakeholders and try to enhance and maintain the reputation of the Company by ensuring compliance of all applicable laws, exercising their responsibilities in a bona fide manner and using the power of the office in the best interest of the Company.

➤ **Conflict of Interest:**

- The Director and Senior Management shall endeavor to avoid having his or her private interests interfere, or appear to interfere, with the interests of the Company or his or her ability to perform his or her duties and responsibilities objectively and effectively.
- The Director and Senior Management shall avoid receiving, or permitting members of their immediate family to receive, improper personal benefits from the Company, including loans from or guarantees or obligations by the Company.
- The Director shall make full disclosure to the entire Board of any transaction or relationship that the Director reasonably expects could give rise to an actual or apparent conflict of interest with the Company and seek the Board's authorization to pursue such transaction or relationship.
- The Director and Senior Management is expected to avoid situation in which his/her personal interest could conflict with the interest of the Company. In the event, when any such conflict of interest arises in the course of the business, the same may be reported to the Board for their approval.
- The Director shall refrain from any action that would lead to loss of his independence.

➤ **Participation:**

The Directors shall demonstrate their commitment to the Company by participating in Board and Committee Meetings through high levels of attendance. They shall prepare themselves

for all meetings and shall make positive contributions to the discussions and the decision making process. The Directors shall devote sufficient time and attention to their professional obligations for informed and balance decision making.

➤ **Confidentiality:**

The Directors and Senior Management shall maintain at all times the confidentiality of the information and the records of the Company and must not make use of or reveal such information or records except in the ordinary course of performance of their duties. This obligation applies not only during the Director's and Senior Management's term, but thereafter as well.

➤ **Compliance:**

- The Board and Senior Management shall ensure compliance of various legal/regulatory requirements as applicable to the business of the Company and endeavor that before any directions are given or decisions taken, relevant legal/regulatory requirements are taken into account.
- The Board and the Senior Management shall report concerns about unethical behavior, actual or suspected instances of fraud, misconduct or irregularity or failure of internal control system, likely to impact the business interest of the Company or any other information that may be perceived to be violating any legal/regulatory requirements as per the Whistle-blower Policy of the Company.
- The Board and the Senior Management shall comply with all laws, rules, and regulations governing trading in the shares of the Company and the Company's Code of Conduct for Prohibition of Insider Trading in dealing with the securities of the Company which, inter-alia, prohibits buying or selling of the Company's securities on the basis of any unpublished price sensitive information and prohibits disclosure of such information to any other person (including relatives) where such information may be used by such person for his or her personal benefit or gain.
- Any transaction falling under the definition of related party transactions as per the provisions of the Act and the SEBI Listing Regulations and as detailed in the Related Party Transaction Policy of the Company must be entered into by the Director or the Senior Management Personnel only after obtaining prior approval of the Board or any Committee thereof.

➤ **Media:**

The Directors shall not in the context of the Company's business and practices make any comment to the media or press or make themselves available for interviews by the media without prior approval of the Board.

➤ **Duties and Obligations of the Board:**

The Act significantly specifies certain duties and responsibilities of the Directors of the Company. While the list of duties as per the provisions of the Companies Act, 2013 has been enumerated below, it should however, by no means be considered to be exhaustive:

- The Directors shall devote sufficient time and attention to professional obligations for informed and balanced decision making
- The Directors shall not engage in conduct likely to bring discredit to the Company.
- The Directors shall at all times comply with the spirit, as well as the letter of law and with the principles of this Code.
- The Directors shall ensure that management is complying with applicable laws, rules and regulations.
- The Directors shall assist the Company in implementing the best corporate governance practices.
- The Directors shall strive to attend and participate constructively & actively, in all general meetings, meetings of the Board and its committees of which they are Chairman or member.
- In carrying out their obligations, the Directors shall endeavour to ensure that management is causing the Company's assets and resources to be used by the Company and its employees only for legitimate business purposes of the Company.

➤ **Code of Conduct for Independent Directors:**

A guide to professional conduct for Independent Directors is separately specified under the Companies Act, 2013, in Schedule IV - "Code for Independent Directors", which lays down the guidelines of professional conduct for Independent Directors, their role & duties, along with appointment/reappointment process, evaluation mechanism and requirement for separate meetings of Independent Directors, which is appended as Annexure I to this Code.

➤ **Affirmation of Compliance with the Code:**

All the Board of Directors and the Senior Management shall affirm compliance with this Code of Conduct within 30 days from the close of every financial year. The format of the annual declaration is provided in Annexure II.

POLICY REVIEW:

- a) This Code of Conduct is framed based on the provisions of the Act and rules thereunder read with the SEBI Listing Regulations
- b) In case of any subsequent changes in the provisions of the Act and any other regulations which makes the provision in the Code of Conduct inconsistent with the Act or any other regulations, then the provisions of the Act or regulations shall prevail and the provisions of this Code of Conduct shall be modified in due course to make it consistent with the law.
- c) The Code of Conduct shall be periodically reviewed by the Board of Directors.

DATE OF APPROVAL & AMENDMENT, IF ANY:

The Code of Conduct was adopted by the Board of Directors on May 30, 2014 and was reviewed and amended by the Board of Directors on February 11, 2021.

Annexure I

CODE FOR INDEPENDENT DIRECTORS

(As per Schedule IV of the Companies Act, 2013)

The Code is a guide to professional conduct for independent directors. Adherence to these standards by independent directors and fulfilment of their responsibilities in a professional and faithful manner will promote confidence of the investment community, particularly minority shareholders, regulators and companies in the institution of independent directors.

Role & Functions:

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) scrutinise 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 interest 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.

Duties:

The Independent Directors shall –

- 1) undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
- 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;
- 3) strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
- 4) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- 5) strive to attend the general meetings of the company;

- 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;
- 7) keep themselves well informed about the company and the external environment in which it operates;
- 8) not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- 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;
- 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;
- 11) report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- 12) acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- 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.

Separate meetings:

- 1) The independent directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of management;
- 2) All the independent directors of the company shall strive to be present at such meeting;
- 3) The meeting shall:
 - a. review the performance of non-independent directors and the Board as a whole;
 - b. review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
 - c. assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Annexure II

Annual Declaration

To,
The Company Secretary
Bayer CropScience Limited

Dear Sir/Madam,

I, do hereby acknowledge and confirm that during the financial year ended _____, I have not violated any of the provisions of the Code of Conduct applicable for Directors and Senior Management or any of the policies of the Company or legal/regulatory requirements, as may be applicable to my responsibility.

Name:

Designation:

Signature:

Date: