

Conflict of Interest Policy



Internal Use

Version No. 1.0

Date: - November 1st, 2025

Introduction:-

Conflict of interest policy establishes guidelines for managing conflicts of interest related to employees, to avoid compliance risks and misconduct.

The conflict-of-interest clauses guide us to act in the interest of the Company and avoid the situation that could exploit our professional status for personal benefits.

Our employees shall always act in the interest of Company. They should ensure that any business or personal association which they may have does not create a conflict of interest, with their roles and duties in the Company or its operations, including the Nelco Limited (Nelco) and Nelco Network Products Limited (NNPL) or any of its associate Company.

Definition: -

Business Associate: - it includes employees, Associates, suppliers, customers, vendors, dealers, franchisees, or other persons with whom Nelco or Nelco Network Products Limited (NNPL) or any associate Company has any business or transactional dealings.

Competent authority (HR Head):- In case of all employees of Nelco and NNPL, the HR Head will be the competent Authority.

Conflict of Interest: - A conflict of interest could be any known transaction, relationship or service engaged by an employee, his /her immediate family /relatives which may cause concern (based upon the objective determination) that the employee could not or might not be able to fairly perform his/her duties to the Company.

Immediate family members or relatives: - It includes mother, father, spouse, son, daughter, son in law, daughter in law, brother, sister, brother-in-law, sister-in-law or immediate family members of a spouse such as mother-in-law, father-in-law, brother in law, sister-in-law.

Conflict of interest includes the situation: -

- Where the employees' private affairs or financial interests are in conflict with his/her work duties, responsibilities and obligations, or results in a perception that a conflict exists.
- That could impair the employee's ability to act in companies' interest.
- Where the actions of an employee would compromise or undermine the trust of stakeholders.

A Conflict of interest, whether actual or potential, arises when an employee's personal interests (direct or indirect) interfere, or appear to interfere, with the interests of the Company. Situations that may give rise to a conflict of interest include, but are not limited to:

- a) Proposing to engage in any personal business transaction or a personal relationship with business associates of the Company.
- b) Being offered or deriving any undue benefit, personally or for any family member, by making or influencing decisions related to any Company transaction.
- c) Being in a position to influence decisions regarding the Company's business with any business associates where an immediate family member / relative is proprietor /Director /partner or representative.
- d) Being in a position to influence decisions concerning awards or benefits such as salary increases, promotions, postings, recruitment or other forms of remuneration – for immediate family members or relatives employed within the Company.

Conflict of Interest declaration

- 1. The declaration is mandatory for all employees even if there is no conflict of interest. All employees shall declare conflict of interest or no conflict of interest either online or in a prescribed form to HR Head every financial year. Declaration with conflict of interest will be sent to the HR Head for review and approval.
- 2. The HR head shall respond to employees within a reasonable time (two weeks), enabling concerned employees to take necessary actions as advised to resolve or avoid the conflict in an expeditious manner.
- 3. In case there is any change during the year in actual or potential conflict of interest, the person concerned must immediately declare such a conflict and seek approval from HR Head.

Employees are required to consult with their superior and / Ethics counsellor whenever they have any questions or dilemma as to whether a particular circumstance may place them in a conflict-of-interest situation. Refer to Annexure -1 (Possible dilemma situation and guidelines)

Persons who fail to comply with these standards during the course of their employment will be subject to appropriate disciplinary action.

This policy applies to all employees of Nelco, NNPL and its associates. If stricter norms are prescribed under any applicable law with respect to conflict of interest, then, employees shall comply with such a stricter norm. This Conflict of Interest Policy shall be read in conjunction with all other applicable policies, codes, and guidelines of the Company. It is intended to complement, not override or derogate from, any existing provisions therein. In the event of any apparent

inconsistency, the provisions shall be harmonized to give effect to the overall intent of the Company's governance framework.

Annexure 1: *The following are only a few examples of Conflict of Interest and actual situations may vary and could be more extensive*

1. Business Dealings

- *An employee runs a side business that supplies goods/services to the Company without disclosure.*
- *An employee recommends awarding a contract to a vendor owned by their relative.*

2. Personal Gains

- *Accepting expensive gifts, entertainment, or hospitality from a vendor or customer in return for favourable treatment.*
- *Using Company information or influence to secure a personal financial advantage.*
- *Influencing decisions of an employee due to personal relationships.*

3. Employment of Relatives

- *An employee is involved in hiring, promoting, or approving salary increments for their immediate family member.*
- *A manager decides project assignments that directly benefit their relative employed in the same Company.*

4. Outside Employment / Activities

- *Working part-time for a competitor or vendor or business without prior approval.*
- *Holding a board position or partnership in a Company or business that competes with or does business with our Company.*

5. Use of Company Assets or Information

- *Using Company resources (data, equipment, contacts) to support a personal business.*
- *Sharing confidential information with relatives or friends who may benefit from it.*

6. Financial Interests

- *Investing in or holding shares in a competitor or vendor where the employee has decision-making influence.*
- *Lending money to or borrowing money from a business associate of the Company.*

Any other situation of engaging in any business activity outside Nelco or relationship with anyone associated with Company are also conflict situations to be disclosed.

Hence, it is best to disclose any situations that may indicate or have potential conflicts immediately.

Conflict of Interest Disclosure Form

Name		Employee ID	
Designation		Reporting Manager	
Department		Location	
Mobile Number		Email ID	

Declaration:

- I am aware that I am required to report Conflicts of Interest (potential/ actual) under the Tata Code of Conduct
- To the best of my knowledge, the conflict of interest exists for this financial year:

☐ Yes

☐ No

If response is Yes, please fill the following

DISCLOSURE DETAILS: -

Once the form is submitted, it will be sent for review to the HR department. The employee seeking permission is requested to refrain from participating in any activities related to the said declaration until official permission is granted.

Acknowledgement

To the best of my knowledge and belief any actual, perceived or potential conflicts between my duties as an employee and my private and/or business interests have been fully disclosed in this form in accordance with the requirements of the Nelco's Conflict of Interest Policy.

I acknowledge and agree to comply with any approach identified for removing or managing an actual, perceived or potential conflict of interest.

	Name	Designation	Signature	Date
Employee				
Reporting Manager				
Approving Authority				