Policy on Code of Conduct & Ethics

Of

FDPL FINANCE PRIVATE LIMITED

(FFPL)

Approval Date	Version History	Approval Authority
12-Dec-23	V-FY2301	Board of Directors
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Introduction

At FDPL Finance Pvt Ltd. ('FFPL / the Company'), we believe that integrity and ethical behavior form the foundation of a resilient and trusted financial institution. Every action taken by our employees and Directors has the potential to influence the customer's confidence, stakeholders' trust, and regulatory credibility. This Code of Conduct Policy has therefore been developed to provide clear expectations of professional behavior, define acceptable business practices, and set boundaries that safeguard against conduct risks.
This Policy applies equally to all members of the Board of Directors and to every employee of FFPL, regardless of role or seniority. It is not only a set of rules, but also a commitment to uphold the highest standards of honesty, fairness, and accountability in all dealings.

Purpose and Scope

The Policy is intended to guide how we conduct ourselves within the organization, how we interact with customers, regulators, and business partners, and how we represent the Company to the outside world. Our goal is to ensure that every financial service provided by the Company is delivered responsibly, without negligence or misconduct, and with the highest regard for ethical values.
The objectives of this Code are to:

- Set clear expectations for integrity and ethical behavior across all levels of the Company
- Identify acceptable and unacceptable business practices
- Prevent and address conflicts of interest
- Prohibit the inappropriate provision of financial services, whether willful or negligent
- Establish accountability mechanisms and a culture of responsibility
- Guide for reporting concerns without fear of retaliation

This Code applies without exception to:

- All members of the Board of Directors and Directors
- All Senior Management personnel
- All permanent, contractual, and temporary employees
- Consultants and advisors acting on behalf of FFPL

1. Key Definitions

Conduct Risk	The risk of harm to customers, market integrity, or FFPL itself arising from inappropriate behavior, whether willful or negligent.
Conflict of Interest	Any situation in which a personal, financial, or other interest of an individual or of a person closely connected to them could improperly influence their judgment or actions in their capacity at FFPL.
Confidential Information	Any non-public information relating to FFPL, its customers, business partners, employees, or operations that has not been authorized for public disclosure.

Related Party	Any person or entity with a personal, financial, or professional relationship with an FFPL employee that could give rise to a conflict of interest.
Grievance Officer	The designated officer responsible for receiving and resolving complaints regarding violations of this Code
Whistleblower	Any individual who in good faith reports a suspected or actual violation of this Code or applicable law.

Core Values and Principles

The principles that underpin this Policy are straightforward but powerful:

- ***Integrity in all actions:*** Every decision must be rooted in honesty and transparency. Short-term gains that compromise long-term trust are unacceptable.
- ***Respect and fairness:*** We value diversity, prohibit discrimination, and expect courteous and professional conduct in all interactions, whether with colleagues, customers, or third parties.
- ***Compliance and accountability:*** Adherence to applicable laws, regulations, and internal policies is not optional. Where mistakes occur, accountability must be accepted and lessons learned.
- ***Confidentiality and trust:*** Customer and company information is to be treated with utmost confidentiality and care, used only for legitimate purposes, and safeguarded from misuse.
- ***Responsible financial services:*** Products and services must be appropriate, fairly explained, and free from misrepresentation or undue pressure.

Acceptable and Unacceptable Conduct

The Company expects its employees and Directors to consistently demonstrate behavior that aligns with our values. Acting with professionalism, keeping accurate records, and using the Company resources responsibly are part of our daily responsibilities.
Equally, the organization maintains zero tolerance for misconduct. Practices such as conflicts of interest, misuse of inside or confidential information, bribery or facilitation payments, wilful mis-selling, fraudulent activity, harassment, discrimination, or negligence in the provision of financial services are expressly prohibited.

Conflict of Interest

- All employees and Directors must avoid situations where personal interests could conflict, or appear to conflict, with the interests of FFPL. Conflicts may arise through financial interests in vendors or borrowers, family relationships, or outside employment or business activity. Where a conflict cannot be avoided, it must be transparently managed and approved through appropriate governance channels.
- Personnel shall disclose any actual or potential conflict of interest to their reporting authority in writing within five business days of becoming aware of it.
- No personnel shall participate in any decision, transaction, or approval process in which they have an undisclosed personal or financial interest.

Gifts and Hospitality

In order to maintain independence of judgment, no employee or Director may accept or offer gifts, favors, or hospitality that could improperly influence a business decision. Modest tokens or customary courtesies may be permitted if they are reasonable in value, transparent, and disclosed. Cash gifts or extravagant entertainment are strictly prohibited. The Company may issue detailed guidelines from time to time to provide clarity.

Use of Confidential Information

- Employees and Directors are entrusted with access to sensitive customer and Company information. Such information must be safeguarded and used solely for authorized business purposes.
- The use of confidential or proprietary information for personal gain, for the benefit of others, or for trading or speculative activity is expressly forbidden. This obligation continues even after cessation of employment or directorship.
- Additionally, all personnel must also comply with:
    - FFPL's Privacy Policy and the Digital Personal Data Protection Act, 2023 (DPDPA), including obligations relating to the lawful processing, storage, and deletion of personal data.
    - RBI guidelines on data localization and customer data protection applicable to NBFCs.
    - FFPL's data access controls and information security policies, including restrictions on sharing data outside authorized channels.
    - The obligation to report any actual or suspected data breach immediately to the IT / Compliance Function.

Fair Treatment of Customers

- Every interaction with customers must reflect the Company's commitment to fairness and transparency. Products and services shall be explained in clear terms, with full disclosure of costs, risks, and conditions.
- Misrepresentation, mis-selling, or undue pressure to accept a financial service are strictly prohibited.
- Particular care must be taken to ensure that vulnerable customers are treated with dignity and given adequate opportunity to make informed decisions.
- Customer grievances shall be processed in good faith and within the timelines prescribed by RBI, without seeking to suppress or delay legitimate complaints.
- Ensure that collection and recovery activities comply with RBI guidelines on Fair Practices Code for NBFCs and do not involve coercive, abusive, or deceptive conduct.
- No personnel shall engage in any practice that exploits customers' financial distress, limited literacy, or lack of familiarity with financial products.

Use of FFPL's Resources

FFPL's assets and resources, including IT systems, data, financial resources, and intellectual property, are to be used solely for legitimate business purposes. Personnel shall not use Company systems or resources for personal benefit or unauthorized activities, shall safeguard assets entrusted to them, and shall immediately report any loss, damage, or suspected misuse.

Oversight and Implementation

To give effect to the three-tier accountability structure required under the RBI's Guidance Note on Operational Risk Management & Operational Resilience, responsibilities are allocated as follows:

Board of Directors

- Approve this Policy and ensure it is reviewed and updated at least annually, or sooner following material regulatory changes or significant conduct incidents.
- Set and demonstrate the ethical tone of the organisation through their own conduct and decision-making.
- Oversee implementation through the Risk Management Committee.
- Review material conduct violations and their resolutions on a quarterly basis.
- Ensure this Policy is publicly available on FFPL's website.

Senior Management

- Translate Board-level ethical expectations into specific, enforceable procedures across all business functions.
- Set clear expectations and define individual accountability for conduct standards.
- Ensure that compensation and incentive structures are reviewed for conduct risk. Inappropriate incentives that could lead to mis-selling, data misuse, or other misconduct are to be identified and remediated.
- Ensure quarterly reporting to the Risk Management Committee on conduct risk indicators, disclosures received, and investigations in progress.

All Personnel

- Read, understand, and comply with this Policy.
- Complete mandatory training and attestation as required.
- Promptly disclose conflicts of interest, potential violations, and ethics concerns.
- Cooperate fully with any investigation into an alleged violation.
- Refrain from retaliating against any person who raises a concern in good faith.

Attestation and Review

To reinforce personal responsibility, all employees and Directors are required to annually attest that they have read, understood, and complied with this Policy. HR shall maintain a register of all completed attestations and make it available to the Compliance Function and internal audit on request.
The Policy itself will be reviewed by the Board on an annual basis, or earlier if required by regulatory or business changes. Conduct risk indicators and material violations shall be reported to the Risk

Management Committee quarterly and incorporated into FFPL's Operational Risk reporting to the Board.

Communication and Accessibility

Transparency is an important part of maintaining trust. This Policy will therefore be made publicly available on the Company's website. Training sessions and awareness workshops will be conducted regularly to help employees internalize these principles and apply them in practice.

Reporting Concerns

The Company encourages a culture of openness where individuals can raise concerns about suspected misconduct without fear of retaliation. All employees and Directors have a duty to report any actual or suspected breach of this Policy through the established Whistle-blower Mechanism.

Whistleblower protection

No personnel shall face any retaliation, adverse employment action, harassment, or victimization as a result of raising concern in good faith under this Policy. Any act of retaliation against a whistleblower shall itself be treated as a serious violation of this Policy and shall be subject to disciplinary action. The identity of a person who raises a concern shall be fully kept confidential, permitted by law and consistent with conducting a fair investigation.

Consequences of Breach

Violations of this Code will be taken seriously and may result in disciplinary action, including warning, suspension, termination, or legal proceedings depending on the gravity of the breach. Where required, breaches will also be reported to regulators or other authorities.
In determining the appropriate consequence, FFPL shall take into account:

- Whether the violation was deliberate or negligent.
- The financial or reputational harm caused to FFPL, its customers, or other stakeholders.
- Whether the individual disclosed the matter proactively and cooperated with the investigation.
- Prior conduct history of the individual.

Nothing in this section limits FFPL's rights and remedies under applicable law or any relevant employment agreement.

Conclusion

Conduct Policy Conduct

The Code of Conduct is more than a compliance requirement; it reflects who we are as an organization and how we aspire to operate. By following this Policy, every individual at FFPL contributes to building an organization that is trusted by customers, respected by regulators, and admired in the financial sector.