Policy on Code of Business Conduct and Ethics

Preamble

This Code of Business Conduct and Ethics (the "Code") sets forth legal and ethical standards of conduct for Directors and employees constituting Senior Management Personnel who shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the persons identified and designated as Key Managerial personnel, other than the board of directors of Nesco Limited ("Nesco" or the "Company") and its subsidiaries and ensures compliance with legal requirements of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

1. Guidelines for Conduct

Each Director and Senior Management Personnel should seek to use due care in the performance of his/her duties, be loyal to the Company and act in good faith and in a manner the Directors and the Senior Management Personnel reasonably believes to be in or not opposed to the best interests of the Company.

Director and Senior Management Personnel should:

- dedicate sufficient time, and attention to the Company to ensure diligent performance of his/her duties and responsibilities; and

- seek to comply with all applicable laws, regulations, confidentiality obligations and corporate policies.

2. Honesty and Integrity

- Directors and Senior Management Personnel shall conduct their activities, with honesty, integrity, and fairness.

- Directors and Senior Management Personnel will act in good faith, responsibility, with due care, competence, and diligence, without allowing their independent judgment to be subordinated.

- Directors and Senior Management Personnel will act in best interests of the Company and fulfill their fiduciary obligations.

- Directors and Senior Management Personnel must not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair practice.

3. Avoidance of conflict of interests

All Directors and Senior Management Personnel shall not engage in any business, relationship, employment, or activity, which may conflict with the interest of the Company or that interferes with the performance or responsibility to the Company or is otherwise in conflict with or prejudicial to the Company.

- Directors and Senior Management Personnel should avoid conducting Company business with a relative or a firm/company in which a relative/related party is associated in any significant role.

- A Director and the Senior Management Personnel who has an actual or potential conflict of interest, including any of the situations described above, must disclose to the Board:

  (1) the existence and nature of the actual or potential conflict of interest;

  (2) all facts known to him/ her regarding the transaction that may be material to a judgment about whether to proceed with the transaction. The Director or the Senior Management Personnel may proceed with the transaction only after receiving approval from the Board.

- The Company feels that serving on the Boards of Directors of other companies may raise substantial concerns about potential conflict of interest. And therefore, all Directors must report/disclose such relationships to the Board on an annual basis. It is felt that service on the Board as a director of competitors is not in the interest of the Company and hence such a director or the Senior Management Personnel must make the Board aware of such a situation before accepting the directorship of such a company.

- No Director or Senior Management Personnel or Director may use Company's name, property, proprietary or confidential information or goodwill for personal gain or for the gain of others.

4. <u>Maintaining Confidentiality and data integrity</u>

Confidential Information" means all Unpublished Price Sensitive Information or non-public information in Nesco's possession, whether through internal or external development, that might be of use to competitors, or harmful to the financial stability or competitive position of Nesco if disclosed, including but not limited to:

- Business plans and updates
- Customer lists
- Financial, pricing and accounting data
- Suppliers' data
- Results of statutory inspections/audits
- Computer software
- Potential acquisitions, licenses or other business deals
- Potential equity interests
- Marketing and sales information

Directors and Senior Management Personnel is responsible for helping to ensure all information recorded is accurate and complete and maintained in a manner consistent with the internal policies and procedures and regulatory requirements.

Data integrity refers to the completeness, consistency, and accuracy of data. Under any circumstances, issues like data fudging, fiddling with data integrity, tampering with data or any such or similar attempt or malpractices threatening the basic core principle of the Company's business will not be tolerated, and the same will be treated as an unpardonable act with the strictest of possible measures taken against such Director or the Senior Management Personnel.

5. Transparency

All Directors, Senior Management Employees shall ensure that their actions in the conduct of business are totally transparent except where the needs of business security dictate otherwise. Such transparency shall be brought about through appropriate policies, systems, and processes, including as appropriate segregation of duties, tiered approval mechanism and involvement of more than one manager in key decisions and maintaining supporting records.

6. Duties of Independent Director

Independent Directors shall:

- Undertake appropriate induction programmes and regularly update and refresh their skills, knowledge and familiarity with the Company;
- 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;
- Strive to attend all meetings of Board of Directors and Board Committees of which they are members;
- Participate constructively and actively in the Board Committees in which they are chairpersons or members;
- Strive to attend the general meetings of the Company;
- Ensure that concerns about the running of the company or a proposed action 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;
- Keep themselves well informed about the Company and the external environment in which it operates;
- Not unfairly obstruct the functioning of an otherwise proper Board or committee;
- Pay sufficient attention and ensure there is adequate deliberation before approving related party transactions and assure themselves that the same are in the interest of the Company;
- Ascertain that the company has an adequate and functional vigil mechanism and ensure that the interests of a person who uses such a mechanism are not prejudicially affected on account of such use;
- Report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
- Acting within his/her authority, assist in protecting the legitimate interests of the company, shareholders and its employees;
- Not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, Unpublished Price Sensitive Information, unless such a disclosure is expressly approved by the Board or required by law.

7. Corporate Opportunities

Directors and Senior Management Personnel shall not exploit for their own personal again, opportunities that are discovered through their position with the Company, use for themselves the corporate information or property unless the same is disclosed prior to use in writing to the Managing Director by the Director or the Senior Management Personnel.

8. Company facilities and assets

No Director, or Senior Management Personnel shall misuse the company facilities. In the use of company facilities, care shall be exercised to ensure that costs are reasonable and there is no wastage.

It is expected that the assets of the Company are:

- Handled/used properly and with due care and caution;

- Not misappropriated, loaned to others, or sold or donated, without appropriate authorization;

- Safeguarded against loss, damage, misuse, or theft and

- Used primarily for Company business purposes only.

9. Compliance with Laws, Rules and Regulations

Directors and Senior Management Personnel are required to comply with all applicable laws, rules and regulations. To assist the Company in promoting lawful and ethical behaviour, Directors and Senior Management Personnel must report any violation of law, rules, regulation, or under this code of conduct to the Compliance Officer.

10. Gifts and Gratuities

No gift or other favours should ever be offered, given, provided, or accepted by any Director and Senior Management Personnel, or close relative of Director and Senior Management Personnel unless it:

- is consistent with customary business practices;
- cannot be construed as a bribe or payoff;
- does not violate any laws or regulations;
- It is not done to obtain or retain business or gain an improper advantage in business and
- It constitutes a bona fide promotion or goodwill expenditure

Every effort shall be made to refuse or return gifts having commercial value. This policy does not bar acceptance of courtesies or invitations to social events which are customary and proper under the circumstances and in keeping with good business ethics so long as no obligation is involved in such acceptance. The Company has in place an Anti-bribery, Anti-Corruption, and gifting policy which the Directors and Senior Management Personnel are expected to abide. The said Policy is uploaded on the website of the Company at www.nesco.in

11. Electronic Media Usage

Nesco provides access to and use of electronic mail, internet, and any other public or private networks, video conferencing, telephones, and other electronic media for business purposes. This is provided to make it easier for the Company employees to communicate with each other and with appropriate outside Parties, including contractors, suppliers, customers, shareholders, and government agencies.

Nesco's electronic media is not to be used for any purposes that violates applicable laws, rules and regulations and Nesco's standards, policies or procedures. Incidental personal use of electronic media that does not interfere with Nesco's business or an employee's performance of his or her abilities is acceptable if such use is not illegal.

12. Non-Discrimination

Nesco regards the diversity of its employees as a tremendous asset. Nesco is firmly committed to providing equal opportunity in all aspects of employment and will not tolerate discrimination or harassment of any kind. It is Nesco's policy to recruit, hire, promote, assign, compensate and train qualified persons without regard to race, colour, religion, sex, national origin, age, marital status, or disability. An employee engaging in any kind of discrimination will be subject to disciplinary action.

13. Human Rights Policy

Company recognizes and respects human rights and the dignity of people. Nesco is committed to create a safe and discrimination-free environment and strives to promote human rights of its workforce and stakeholders including the communities that are impacted by its operations. The Company has in place a policy on Human Rights and the same is available on the website of the Company at www.nesco.in

14. Anti-Bribery and Anti-Corruption

Company discourages bribery and corruption in any form. Directors and Senior Management Personnel shall not indulge into illicit practices like, offer to pay, make payments, promise to pay, or issue authorization to pay any money, gift, or anything of value to a government officer, customers, vendors, consultants, etc. that is perceived as intended, directly or indirectly, to improperly influence any business decision, any act or failure to act, any commitment of fraud, or opportunity for the commission of any fraud. The Company has in place an Anti- Bribery and Anti-Corruption and Gifting Policy. Directors and the Senior Management Personnel are expected to abide by the terms and conditions of the said Policy. The said policy is available on the website of the Company at www.nesco.in

15. Whistle Blower Mechanism

Nesco believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behaviour. It is the intent of the Company to adhere to various legal or regulatory requirements. Thus, in line with this objective, the Company has laid down the Whistle Blower Policy which enables all its Stakeholders, Directors and Employees of the Company to bring to the notice of the management, any unethical practice/breach of Company's policy and to create awareness amongst employees to report instances of leak of Unpublished Price Sensitive Information of the Company. The whistle blower policy and its mechanisim is available on the website of the Company at www.nesco.in

16. Health and Safety

The Company strives to provide each employee with a safe and healthy work environment. Each employee has responsibility for maintaining a safe and healthy workplace for all employees by following safety and health rules and practices and reporting accidents, injuries and unsafe equipment, practices, or conditions.

17. Prevention of Sexual Harassment at workplace

Nesco is committed to maintaining a productive environment for all its employees at various levels in the organization, free of sexual harassment and discrimination based on gender. Nesco has framed the 'Policy against Sexual Harassment at Workplace' in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy has set the mechanism for reporting and redressal of grievances under sexual harassment. An employee engaging in sexual harassment will be subject to disciplinary action in accordance with Policy. The said policy is available on the website of the Company at www.nesco.in

18. Insider Trading in the Securities of the Company

The Company has formulated Nesco's Code to Regulate, Monitor and Report trading by Designated Persons. The said policy is available on the website of the Company at www.nesco.in. The Directors and the Senior Management Personnel shall comply with the requirements of the said Code. If a person possesses Unpublished Price Sensitive Information (UPSI) concerning a Company that influence publicly traded securities, it is generally illegal for the person to trade in securities of that company or to "tip" others who might trade in such securities. Directors and Senior Management Personnel covered by this Code and third parties who are in a confidential relationship with Nesco shall not trade in securities of the Company while they are in possession of Unpublished Price Sensitive Information (UPSI) regarding the operations or prospects of the Company that have not been publicly disclosed and disseminated.

Directors and Senior Management Personnel covered by this Code shall not disclose any such UPSI to third parties except when done for legitimate business purposes (and covered by an appropriate confidential disclosure agreement wherever needed). In such cases the Designated Persons must have no reason to believe the information will be misused or the disclosures might otherwise violate securities laws.

19. Accountability for adherence to this Code

Directors and Senior Management Personnel are responsible for decision-making and for adherence to this Code.

- Internal Investigations: Nesco will promptly investigate all alleged violations and potential violations of this Code, or of any related to the Company's standard, policy, or procedure. Any allegations will be treated confidentially, to the extent consistent with the Company's interests and its legal obligations. All are expected to co-operate in the investigation of an alleged violation of the Code.

- Disciplinary Action: To the extent legally permissible under applicable law, appropriate disciplinary action will be taken, in relation to violation of this Code.

- Certification. All Directors and Senior Management Personnel must certify, in writing or electronically, that they have received, read, understood, and shall abide by this Code.

20. Duty to Report Violations

Directors and Senior Management Personnel are responsible for reporting in good faith to the Company any circumstances that they believe may constitute a violation of this Code, as well as any other Company policies. One should direct policy violations to the Compliance Officer in writing. The Company will investigate any matter so reported and will take appropriate corrective action.

21. Waivers of this Code of Business Conduct and Ethics

While some of the Policies contained in this Code must be strictly adhered to and no exceptions can be allowed any Director or Senior Management Personnel who seeks an exception to any of these policies must contact the Managing Director of the Company. Any waiver of this Code or any change to this Code may be made only by the Board of Directors or such designated authorities of the Company.

22. Review and Amendment

The Board of Directors shall review and amend this policy as it may deem fit and proper.

23. Disclosure of this code

This code shall be uploaded on the website of the Company at www.nesco.in

3rd draft of this code reviewed and approved by the Board of Directors at its meeting held on 30th January 2025.