



## Code of Ethics



Dear Employee/ Fellow Director/Partner,

CIEL Textile Limited ("CIEL Textile" or "the Company") has over the years, developed a unique way of doing business. Based on international ethical standards and a strong value system, the CIEL Textile Group has grown to become a world-class global player in textile and garments operations, spanned across Mauritius, Madagascar, India and Bangladesh, employing more than 18,000 people. We have developed ourselves into a regional one-stop shop for textiles, with vertically integrated business units, from yarn spinning to finish garments. Textile is majority owned by CIEL Limited ("CIEL"), currently detaining 88.48% of the Company's share capital.

We constantly want to reaffirm to all our stakeholders, specifically so to our customers and suppliers, our strong commitment in doing business ethically and sustainably, and as part of CIEL Limited's Group ("the CIEL Group"), we wish to adhere to its core values, namely:

- Excellence at core
- People at heart
- Ethical and Sustainable

At CIEL Textile, we indeed believe ethics start at the top, with our Board of Directors, senior management and extend to all our employees, business partners and other stakeholders. We need to lead by example and constantly seek to improve our operations.

This Code of Ethics therefore highlights key areas which we believe are crucial in doing business fairly and ethically:

- Business Integrity
- Workplace Culture
- Data Privacy
- Reputation & Goodwill
- Environmental & Social Values

Our success depends not only on the compliance of this Code of Ethics, but also on our way of being responsible in understanding the rules and applying them.

Together, let us aim towards a robust Code of Ethics and an engaging set of core values!

Yours Sincerely,



.....  
P. Arnaud Dalais  
Chairman

22 September 2017

## **OUR CODE OF ETHICS (“the Code”)**

We abide by our high standards of business ethics everywhere we operate. The Code and our commitment are clear – we comply with all applicable laws.

This Code is to provide guidance in daily business activity where questions could arise. This Code does not attempt to summarise all laws, rules and regulations that may apply to our business, or capture all our Company policies. The Code is instead a resource for general guidance on what conduct is expected of you and where to go with questions or concerns.

It is important that you study this Code carefully as you will be asked to certify that you are aware of its contents and abide thereto.

For additional guidance, you may seek advice from CIEL Group’s Legal department or your HR Team.

### **EXPECTATIONS OF ALL EMPLOYEES**

As a CIEL Textile employee, you are expected to:

- Uphold the highest standards of ethical conduct in every action you take on CIEL Textile’s behalf.
- Know the rules and laws that govern your work, and follow them.
- Ask questions and seek guidance when you are uncertain about the right course of action.
- Report issues or concerns when they arise.
- Contribute to a workplace environment that is conducive of maintaining the highest legal and ethical standards in daily business activities.
- Ensure that reports of suspected violations are brought to the attention of the CIEL Group’s Legal and CIEL Textile’s HR Departments immediately.
- Protect reporting employees from retaliation, and safeguard the confidentiality of investigations.

### **ADDITIONAL EXPECTATIONS OF MANAGERS, EXECUTIVES, OFFICERS AND DIRECTORS**

In addition to employee expectations, managers, executives, officers and directors must take the following steps:

- Set an example with actions and words.
- Communicate clearly what is expected of their team members and set realistic work-related objectives to ensure that ethical standards will not be compromised;
- Ensure that the principles enunciated under the Code are respected and implemented in projects and assignments under their supervision;
- Follow all applicable laws and regulations;
- Create a working environment that is respectful and inclusive;
- Favour an open-door policy that will encourage their team members to seek guidance and to make reports;
- Attend to concerns that are raised by their team members;
- Ensure that the working environment is harassment free;
- Ensure that the core values enshrined in this Code are disseminated and as far as possible, abided to within the CIEL Textile Group.

## **SEEKING GUIDANCE**

Laws are often complex and their interpretation may depend on the particular facts and circumstances at issue. If you have questions about the Code or applicable laws or regulations, you may consult your direct supervisor, or, where required, the Human Resources representative or CIEL's Legal department.

## CODE OF ETHICS DETAILS

### BUSINESS INTEGRITY

#### *Conflict of Interest*

#### **We will always act in the best interests of CIEL Textile.**

A Conflict of Interest occurs when personal interests of an employee/officer/director or the interests of a related third party compete with the interests of CIEL Textile. In such a situation, it can be difficult for the employee/officer/director to act fully in the best interests of CIEL Textile.

You shall at all times avoid situations which might result in or give an appearance of a conflict between your interests (or that of your related party) and those of CIEL Textile or the CIEL Textile Group.

Your related party could be one of your family members or friends.

There are no clear-cut rules for defining a conflict situation. You need to use your judgment and ask yourself whether in a given situation your objectivity might be questioned. A perception of conflict may arise in the following circumstances:

- outside jobs;
- personal investment decisions and outside business ventures that might compromise your ability to make objective and sound decisions in the best interests of CIEL Textile and or CIEL Textile Group;
- use your employment, directorship or otherwise use your association with CIEL Textile and/or the CIEL Textile Group, to promote the interests of another organisation or related person.

The Audit & Risk Committee is responsible for reviewing and approving any conflicts-of-interest and related-party transactions and shall work with the auditor of CIEL Textile on detecting and reporting on related-party transactions.

#### *Gifts & Entertainment*

#### **We compete and do business based only on quality and competence.**

You shall not be influenced by receiving favours nor shall you try to improperly influence others by providing favours.

You should not accept or provide gifts or entertainment in return for any business, services or confidential information, or if the intent is to bias a decision. It is our view that no reason could justify such a course of action. You cannot justify any such practice by stating that "others have been doing it" or that "it is necessary to compete".

You should build sound relationship with all stakeholders and should prevent, identify and address situations that might cross the line.

## ***Anti-Bribery***

### **We condemn any form of bribery and corruption.**

You must never, directly or through intermediaries, offer or promise any personal or improper financial or other advantage in order to obtain or retain a business or other advantage from a third party, whether public or private. Nor must you accept any such advantage in return for any preferential treatment of a third party.

Moreover, you must refrain from any activity or behavior that could give rise to the appearance or suspicion of such conduct or the attempt thereof. You should be aware that the offering or giving of improper benefits in order to influence the decision of the recipient, even if he or she is not a government official, may not only entail disciplinary sanctions but also result in criminal charges. Improper benefits may consist of anything of value for the recipient, including employment or consultancy contracts for closely related parties. Giving or offering or promising any public official a gratification may amount to bribery when it is intended to procure the following (non-exhaustive list) on the part of the public official:

- doing, or abstaining from doing an act (or having already done so) in the execution of his functions or which is facilitated given his functions;
- expediting, delaying, hindering or preventing an act (or having already done so) which is part of his function or which is facilitated given his functions;
- voting or abstaining from voting (or having already done so) at a meeting of a public body of which he is a member, director or employee;
- or use his influence to obtain a contract or other benefit from a public body.

## ***Insider Trading***

### **We respect and follow the Insider Trading Rules when buying or selling CIEL Textile securities.**

CIEL Textile prohibits the purchase and sale of CIEL Textile shares or securities on the basis of potentially share price relevant information that is not yet public. Non-compliance may not only entail disciplinary sanctions, but also result in criminal charges. When in doubt regarding the interpretation or applicability of CIEL Textile's insider trading rules, employees shall consult with CIEL Group's Legal department.

This restriction would also apply to securities or shares of companies forming part of the CIEL Group wherever, through your employment or relationship with the CIEL Group, you are in possession of sensitive and confidential information not yet public.

Inside information is information not available to the public and, if disclosed to the public, would have a material effect on the share price of CIEL Textile or any quoted company of CIEL Group.

You should also refrain from tipping off and should not disclose confidential information to other persons otherwise than in the proper performance of your employment and/or duties as an officer or director of CIEL.

Senior executives and officers<sup>11</sup> and those who assume responsibility at board level should become

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<sup>1</sup> "officer" means a member of a board of directors, a chief executive, a managing director, a chief financial officer or chief financial controller, an executive, a secretary, a partner, a trustee, or a person holding any similar function with a licensee, a CIS, a reporting issuer or a trust.

acquainted with the rules set out in the DEM Rules issued by the Stock Exchange of Mauritius as well as the definition of “insider of a reporting issuer” and the provisions of Section 108 and following of the Securities Act 2005.

### ***Raising Concerns***

#### **We foster a culture of integrity and good governance, and encourage all means to achieve same.**

Employees who have genuine concerns about a wrong doing including, but not limited to, corruption, illegal, fraudulent or hazardous activities and/or violations of law, regulations, this Code or Company policies are encouraged to promptly report them.

Indeed, if you have come across such behavior - or you have reasonable grounds for believing that such behavior is taking place within CIEL Textile – you may first raise it verbally or in writing with your **direct manager, the HR department or the CIEL Group’s Legal department** (the “Management”). If for any reason, you feel that it is not appropriate to make such a report to any of the above-mentioned person or department, you may address your report to the **Chief Executive Officer**. If you believe that in the particular circumstances, even the Chief Executive Officer is not the appropriate person to whom you can make a report, you may address your report to the chairman of the **Corporate Governance, Ethics, Nomination and Remuneration Committee** (“CGENRC”).

The CGENRC will be informed of the breaches and concerns raised. Subject to any applicable law, the CGENRC shall in its own discretion decide on appropriate actions to be conducted to resolve the issues and in particular ensure that the necessary investigations are carried out. Minor issues or breaches may be dealt with directly by the Management and/or the Chief Executive Officer.

CIEL Textile will treat all such disclosures in a **confidential** and **sensitive manner** and will not permit any retaliation against any Employee who, in good faith, has reported an act of corruption or malpractice or suspected illegal and dishonest activity, or any activity that he/she has witnessed, even if the facts reported prove to be inaccurate.

### **WORKPLACE CULTURE**

#### ***The Employment Policy of CIEL Textile***

The Employees of the CIEL Textile Group are key to its success. CIEL Textile believes in the competence and the willingness of its Employees to act fairly and ethically. We are an equal opportunities employer and strive to create a working environment that is conducive to team work, diversity and mutual respect. The CIEL Textile Group recruits’ personnel based solely on the basis of requirements and specific capabilities of individual applicants.

CIEL Textile values the contribution of each Employee. It is believed that more can be achieved when people from different backgrounds work together. In fact, diversity is a determinative factor for our competitiveness, attractiveness and ability to innovate and adapt.

CIEL Textile is committed to ensure the welfare of all Employees and pays particular attention to working conditions, the rights of every individual and ensures that the workplace is harassment and discrimination free. CIEL Textile regularly engages with the CIEL Textile Group Employees and encourages an ongoing dialogue to improve working conditions.

## ***Workplace Harassment***

### **We embrace diversity and respect the personal dignity of our fellow employees.**

CIEL Textile respects the personal dignity, privacy and personal rights of every employee and is committed to maintaining a workplace free from discrimination and harassment. CIEL Textile does not discriminate on the basis of origin, nationality, religion, race, gender, age or sexual orientation, or engage in any kind of verbal or physical harassment based on any of the above or any other reason.

Example of Workplace Harassment:

- Written or verbal abuse or threats;
- Unwelcome remarks, jokes, slurs or taunting of a discriminatory nature;
- Practical jokes that embarrass or insult someone;
- Ignoring, isolating or segregating a person because of a protected classification;
- Materials that are of a discriminatory nature that are displayed publicly or circulated in the workplace;
- Unwanted physical contact;
- Through social media.

The employees of CIEL Textile Group must be regularly appraised: career progression is discussed, objectives are set and performance and adherence to the Code are determined.

As such, the employees of CIEL Textile Group must ensure that they carry out their duties in compliance with the Code and base their decisions on the principles enunciated herein. Everyone should be treated with respect, dignity and fairness. All work related and human resources decisions should be taken based on merit without any discrimination based on the following factors, amongst others:

- Age;
- Caste;
- Colour;
- Creed;
- Ethnic origin;
- Impairment (an impairment may be a physical, mental or psychological handicap or may take the form of a disease);
- Marital status;
- Place of origin;
- Political opinion;
- Race;
- Religion;
- Sex;
- Sexual orientation.

## ***Fair Dealing***

### **We believe in the importance of free competition.**

CIEL Textile is prepared to compete successfully in today's business environment and will always do so in full compliance with all applicable antitrust, competition and fair dealing laws.

Most countries in which CIEL Textile Group operates have strict anti-trust laws preventing operators



from distorting the market and competing unfairly. CIEL Textile Group competes fiercely but fairly.

Even more relevant to the activities of CIEL Textile Group are the rules requiring advance review and seeking permission for mergers and acquisitions and dealing in securities. Securities law prohibit the making of untrue or misleading statements of material fact in any filings with the Stock Exchange of Mauritius or any other body regulating transactions in securities. We must never file any information containing untrue or misleading information to any regulatory body.

### ***Privacy & Social Media***

**We expect you to lead by example, demonstrating a strong commitment to compliance.**

Just like our words and actions, messages and graphics in electronic form can be offensive to some people.

Ensure that you:

- Do not send racial, sexual, defamatory, threatening or obscene messages to any employee or anyone outside the Company;
- Do not download, retrieve, send or store inappropriate, sexually explicit or racist material on your computer or other Company electronic device;
- Do not instigate or distribute 'junk or chain' mail that can congest the network and inhibit the free flow of business information.

### **DATA PRIVACY**

#### ***Confidential Information***

**We value and protect our confidential information and we respect the confidential information of others, including our partners and Employees.**

Confidential information consists of any information that is not or not yet public information. It includes trade secrets, business, marketing and service plans, consumer insights, engineering and manufacturing ideas, product recipes, designs, databases, records, salary information and any non-published financial or other data.

Confidential Information – including information about corporate opportunities and investment possibilities – is one of the most valuable assets of CIEL Textile and its group companies. You are prohibited from disclosing confidential information whether verbally, in writing or electronically unless in the proper performance of your employment/duties towards CIEL Textile.

#### ***Protection of company assets, accounting***

**We insist on honesty and we respect the Company's assets and property.**

You must never engage in fraudulent or any other dishonest conduct involving the property or assets or the financial reporting and accounting of CIEL Textile or any company of its group. This may not only entail disciplinary sanctions but also result in criminal charges.

## ***Information Security***

IT and communication resources are provided to employees, officers and directors of CIEL Textile and of its group companies for work-related purposes and are monitored regularly to prevent cyber-attacks and malicious activities. Limited personal use may be accepted if in line with applicable rules. You should always be vigilant to scams like phishing and should immediately report any incidents including loss of information on equipment provided to you. You have a duty to ensure that usernames and passwords issued to you are securely kept.

## **REPUTATION AND GOODWILL**

### **We care for and value our reputation and goodwill.**

CIEL Textile's reputation and goodwill, and that of CIEL Textile Group, is one of its most important assets. You must therefore avoid any communications (written or oral), disclosure or interaction that might defame CIEL Textile or CIEL Textile Group or otherwise damage its reputation.

You should not make any public statement either to the media or on any other forum (including social media and blogs) relating to CIEL Textile or CIEL Textile Group unless you have been properly mandated to do so.

Moreover, in all communications sent on behalf of CIEL Textile, you should always be courteous irrespective of the situation. In all your communications, you should place yourself in the position of the recipient(s) and figure out how your communication may be understood at the other end.

CIEL Textile has no intention of interfering with your private lives and out of office social interactions. However, you should be aware of the possibility that views you express outside of your work sphere may at times be interpreted as the views of CIEL Textile and, as such, may have unintended consequences on our reputation.

## **ENVIRONMENTAL & SOCIAL VALUES**

### **We nurture a humane, ethical and transparent way of doing business through the integration of sustainable considerations into its business decision-making process.**

We believe that creating value for our stakeholders, the communities in which we operate and the environment can only help strengthen CIEL Textile's businesses.

CIEL Textile is committed to implementing, maintaining and fostering the best environmental and social related practices across its value chain.

In that respect, CIEL Textile has developed a comprehensive decentralised sustainability policy and management system and has set up committees to ensure that the CIEL Textile Group goes further than compliance, thereby giving us a market edge which will allow the CIEL Textile Group to thrive in increasingly competitive markets