

## **DOLPHIN OFFSHORE'S CODE OF CONDUCT FOR DIRECTORS AND MANAGEMENT** **(2014)**

The principal duty of the Board of Directors along with the Management is to assure that the Company is well managed in the interests of its shareholders. The Board of Directors plays a central role in the Company's governance. It is the supreme decision making authority on all matters except those reserved for the shareholders. The Board of Directors other than Executive Chairman, Managing Director & Joint Managing Director (Executive Directors) are not expected to assume an active role in the day-to-day management of the Company. The Management shall mean personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads. The following principles guide the conduct of the Directors and the Management:

### 1. **Honesty and Integrity**

- 1.1 The Directors and the Management shall act honestly and with integrity in all of their dealings for the Company.
- 1.2 The Directors and Management shall not discriminate on the grounds of a person's race, religion, gender and marital status.
- 1.3 Directors and Management shall not make any promise or commitments that the Company does not intend to, or would be unable to honour.
- 1.4 Directors and Management shall adhere to the truth and should not directly or indirectly make false statements, nor mislead by omission.
- 1.5 Directors and Management shall adhere to fair dealing and promote fair dealing by the Company, its employees, agents, customers and suppliers.

2. **Personal Transaction**

2.1 Directors' and Managements' personal or other business dealing will be kept separate from the Company, unless such dealings have been properly disclosed and approved by the Board of Directors / Shareholders and are at arm's length.

2.2 Directors and Management shall not use the name of the Company or their status to seek personal gain for any personal or business transaction.

2.3 Directors and Management personnel shall use goods, services and facilities provided to them by the Company strictly in accordance with the terms on which they are provided, and shall prevent their misuse.

2.4 Directors and Management personnel shall not compete with Company.

3. **Confidentiality**

Directors and Management should maintain the confidentiality of information entrusted to them in carrying out their duties and responsibilities, except where disclosure is approved by the Company or legally mandated or when such information has been made available in the public domain. This obligation applies not only during the person's term, but thereafter as well for such periods as Management may decide.

4. **Disclosure of Interest**

Directors and Management should make full disclosure to the Company of any transaction or relationship that may lead to potential or actual conflicts of interest with Company.

5. **Protection and Proper Use of Company's assets**

Directors and Management while carrying out their duties and responsibilities should ensure that assets of the Company are adequately protected and are used only for legitimate business purposes of the Company.

6. **Compliance with Laws, Rules and Regulations**

Directors and Management while carrying out their duties and responsibilities, should comply, and endeavour to ensure that they are causing the Company to comply, with applicable laws, rules and regulations. In addition, if any Director / any member of Management becomes aware of any information that he or she believes constitutes evidence of a material violation of the securities or other laws, rules or regulations applicable to the Company or the operation of its business, by the Company, any employee or another director, then such person should immediately bring such information to the attention of Executive Directors or Mr. Sabyasachi Hajara, Non Executive Director.

7. **Gifts, Entertainment etc.**

7.1 The Management shall disclose to the Company any Gifts or personal gain received by them in excess of Rs.1,000/-.

7.2 Directors and Management shall encourage the Reporting of Illegal or Unethical Behavior.

7.3 Whistle Blower Policy: Directors should endeavor to ensure that management is causing the Company to promote ethical behavior and to encourage employees to report evidence of illegal or unethical behavior to appropriate Company personnel, Executive Directors or Mr. Sabyasachi Hajara, Non Executive Director. Directors should endeavor to ensure that the Company would not allow retaliation against any employee who makes a good faith report about a possible violation of the Company Code of Conduct.

8. **Insider Trading**

Directors and Management should observe Company policies applicable to them on disclosures and internal procedure for prevention of Insider Trading and also the Code of Conduct for prevention of Insider Trading and all other requirements, which may be required under The Securities and Exchange Board of India (Insider Trading) Regulations, 1992 and any amendments thereof.

9. **Additional requirements for Independent Directors as per Schedule IV of the Companies Act, 2013 and rules thereunder**

**Conduct**

An Independent Director shall:

- 1) uphold ethical standards of integrity and probity;
- 2) act objectively and constructively while exercising his duties;
- 3) exercise his responsibilities in a *bona fide* manner in the interest of the company;
- 4) devote sufficient time and attention to his professional obligations for informed and balanced decision making;
- 5) not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while

- concurring in or dissenting from the collective judgment of the Board in its decision making;
- 6) not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
  - 7) refrain from any action that would lead to loss of his independence;
  - 8) where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly;
  - 9) assist the company in implementing the best corporate governance practices.

#### **Duties of Independent Director**

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.