



Hindustan Unilever Limited

Share Dealing Code



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Note : This Share Dealing Code was approved by the Board of Directors in their meeting held on 31st October 2009 and was modified on 14th December 2012, 8th May, 2015, 9th May 2016, 18th April, 2019, 27th January, 2021, 21st October, 2022 and 22nd January, 2025.

1. INTRODUCTION

Trading in a Company's shares by insiders, including its Directors or employees or other persons connected or deemed to be connected to the Company while in possession of unpublished price sensitive information, i.e. information that is not generally available to the public, and can materially impact the price of securities is known as 'insider trading'. Such insider trading places the average investor who does not have access to such insider information at a disadvantage. Needless to mention, this kind of profiteering by misusing any material access to confidential information available to such insiders by virtue of their position or connection with a Company, erodes investors' confidence in the integrity of the management of the Company. Thus, such conduct, apart from being unethical and immoral, is also illegal.

The Securities Exchange Board of India ("**SEBI**") has notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("**SEBI Regulations**"), which came into force on 15th May, 2015 and governs the law relating to insider trading in India.

2. OBJECTIVE

The objective of this document is to give a basic understanding of the law relating to insider trading and to reiterate the Company's policy and code for dealing in the securities of Hindustan Unilever Limited ("**HUL**" / "**Company**") and its associate companies in India, for the benefit of and compliance by all concerned. It also includes guidance to the Company's Directors and employees on the policy, pre-clearance/notification procedures to be followed at the time of dealing in shares or other securities of the Company and the option of formulation of Trading Plans pursuant to which trades may be carried out in the shares or other securities of the Company ("**HUL Securities**").

This Code places two sets of restrictions, Clause 4 of the Code applies to all HUL employees and seeks to prevent them from dealing in HUL securities when they are in possession of unpublished price sensitive information. Clauses 5, 6 and 7 of the Code apply mainly to Special Employees, as defined under this Code, and prohibit dealings in the shares and other securities of HUL at certain times, imposes a requirement of pre-clearance and sharing of trading plans pursuant to which trades may be carried out, and contains other obligations for Special Employees.

The restrictions in this Code, in certain cases, go beyond strict legal requirements and are intended to preserve the reputation of HUL and the individuals to which the Code applies.

This Code is in addition to the 'Unilever Disclosure and Share Dealing Manual' which applies for dealing in Unilever Securities.

3. IMPORTANT CONCEPTS

A. HUL SECURITIES

“HUL Securities” means shares, scrips, stock, bonds, debentures, debenture stock and other derivative instruments of HUL, which are listed on stock exchanges.

B. TRADING IN SECURITIES

“Trading in securities” means and includes an act of subscribing, buying, selling, dealing or agreeing to subscribe, buy, sell, deal in any securities. The term “trade” shall be construed accordingly.

For the avoidance of any doubt, it may be noted that dealings by a nominee on behalf of the Special Employee or dealings between Special Employees or off-market dealings or transfers without consideration shall also be constituted as trading for the purposes of this Code.

C. CONNECTED PERSON

“Connected Person” means:

- (i) any person who is or has been, during the six months prior to the concerned act, associated with a company, in any capacity, directly or indirectly, including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the company or holds any position including a professional or business relationship, whether temporary or permanent, with the company, that allows such a person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.
- (ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,
 - a) a relative of connected persons specified in clause (i); or
 - b) a holding company or associate company or subsidiary company; or
 - c) an intermediary as specified in Section 12 of the Act or an employee or Director thereof; or
 - d) an investment company, trustee company, asset management company or an employee or Director thereof; or
 - e) an official of a stock exchange or of clearing house or corporation; or
 - f) a member of board of trustees of a mutual fund or a member of the board of directors

of the asset management company of a mutual fund or is an employee thereof; or

- g) a member of the board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or
- h) an official or an employee of a self-regulatory organization recognised or authorized by the Board; or
- i) a banker of the company; or
- j) a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of a company or his relative or banker of the company, has more than ten per cent. of the holding or interest; or
- k) a firm or its partner or its employee in which a connected person specified in sub-clause (i) of clause (d) is also a partner; or
- l) a person sharing household or residence with a connected person specified in sub-clause (i) of clause (d).

D. DEPENDANT OR IMMEDIATE RELATIVE

“Immediate Relative” means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially on such person, or consults such person in taking decisions relating to trading in securities;

E. RELATIVE

“Relative” shall mean the following:

- (i) spouse of the person;
- (ii) parent of the person and parent of its spouse;
- (iii) sibling of the person and sibling of its spouse;
- (iv) child of the person and child of its spouse;
- (v) spouse of the person listed at sub-clause (iii); and
- (vi) spouse of the person listed at sub-clause (iv)

NOTE: It is intended that the relatives of a “connected person” too become connected persons for the purpose of these regulations. It is a rebuttable presumption that a connected person had UPSI.

F. GENERALLY AVAILABLE INFORMATION

“Generally Available Information” means information that is accessible to the public on a non-discriminatory basis and shall not include unverified event or information reported in print or electronic media.

G. INSIDER

“Insider” means any person (e.g. Individual, Company, Association or Body of Individuals, whether incorporated or not) who:

- i) a connected person; or
- ii) in possession of or having access to unpublished price sensitive information;

H. KEY MANAGERIAL PERSON

“Key Managerial Person” means a person as defined in Section 2(51) of the Companies Act, 2013

I. UNPUBLISHED PRICE SENSITIVE INFORMATION

“Unpublished Price Sensitive Information” means any information, relating to a Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following

- i. Financial results
- ii. Dividend
- iii. Change in Capital Structure
- iv. Mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions
- v. Changes in key managerial personnel

J. CLOSE PERIOD

A “Close Period” in relation to a Trading Window, means:

- i. The period beginning from 15 days prior to the end of financial year [31st March] up to the date of announcement of the unaudited and/or audited annual results and 48 hours thereafter;
- ii. The period beginning from 15 days prior to the end of each quarter up to the date of the announcement of unaudited quarterly result and 48 hours thereafter and
- iii. The period which the Compliance Officer determines that a designated person or a class of designated persons can reasonably be expected to have possession of unpublished price sensitive information.

The trading window may be reopened after closure, not earlier than 48 hours after the unpublished price sensitive information in question becomes generally available. Any closure shall be imposed in relation to HUL Securities to which UPSI relates, as applicable.

K. COMPLIANCE OFFICER

The Company has appointed the Company Secretary, as the Compliance Officer for the purposes of the SEBI Regulations and this Code.

L. SPECIAL EMPLOYEES

The following categories of employees will be considered as 'Special Employees' for the purposes of this Code:

- (i) Chief Executive Officer and employees upto two levels below Chief Executive Officer of the Company;
- (ii) All management employees at work level 3X and above;
- (iii) Employees in the finance & accounts department of the Company who may have access to unpublished price sensitive information as determined by the Compliance Officer;
- (iv) Executive Assistants/Private Secretaries of Whole-time Directors and Management Committee Members;
- (v) Employees in the IT Department, Corporate Secretarial department who may have access to unpublished price sensitive information as determined by the Compliance Officer;
- (vi) Any other employee who may be notified or advised of his or her categorisation as a Special Employee for the purpose of this Code ;
- (vii) All employees of material subsidiaries of the above level prescribed in clauses (i) to (v) above;
- (viii) All promoters of the Company.

Explanation - "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds ten percent (10%) of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year or such other Company determined by the Company as material per its policy on determining material subsidiaries.

Those who are considered to be 'Special Employees' shall be notified to that effect and a copy of this Code will be provided to them. All Special Employees, to whom the Code applies, shall be required to submit a written confirmation regarding receipt of the Code with an undertaking to abide by the requirements of the Code. The said confirmation cum undertaking shall be submitted in the form prescribed in **Appendix 1**.

The Code also applies to all Non-Executive Directors as if they were Special Employees and all provisions of the Code apply for them accordingly.

M. TRADING WINDOW

“Trading Window” means a notional window used as an instrument of monitoring trading by Special Employees.

N. OTHER WORDS AND EXPRESSIONS

All words and expressions not defined herein shall have the same meaning as that set out in the SEBI Regulations.

4. RESTRICTIONS ON ALL EMPLOYEES

Employees of the Company should not deal in HUL Securities at any time when he/she is in possession of any unpublished price sensitive information. Employees must also maintain confidentiality of all unpublished price sensitive information and must not pass such information to any person either directly or indirectly except for legitimate purposes and strictly on a need to know basis.

In addition, employees should not deal in the securities of any other listed Company at any time when they are in possession of unpublished price sensitive information in relation to those securities and shall not pass such information to someone else or encourage someone else to trade in such securities at such a time.

Employees ought to note that it is a criminal offence to deal in the securities of any listed Company, directly or indirectly, when in possession of any unpublished price sensitive information in relation to such securities.

5. RESTRICTION ON SPECIAL EMPLOYEES

5.1. Over and above the basic rule applicable to all employees as set out at Clause 4 above, this Code places additional special restrictions on Special Employees from trading in HUL Securities. The Special Employees to whom this Code applies should:

- (i) not deal in HUL Securities during the Close Period
- (ii) always seek pre – clearance for trading in HUL Securities as per the procedure for seeking clearance set out in Clause 7 of this code.
- (iii) not deal in HUL securities based on short term considerations. HUL securities should not be sold by Special Employees within six (6) months of last purchase and any purchase should not be made within six (6) months of last sale. This six (6) months rule may be relaxed in individual cases by the Compliance Officer for reasons to be recorded in writing if such relaxation does not violate the SEBI

Regulations. Any request for dispensation should be included in the written notice required under clause 7 of this Code. However, this provision shall not be applicable in case of trades pursuant to exercise of stock options

- 5.2. In addition to the exemption for stock options, it is proposed to clarify that the Close Period restrictions are not applicable for certain transactions as prescribed in Clause 4 (3) of Schedule B of PIT Regulations, viz.
- Off-market Inter-se transfer between Special Employees;
 - Transaction through Block deal window mechanism between Special Employees;
 - Transaction due to statutory or regulatory obligations;
 - Trade pursuant to duly approved Trading plan;
 - Creation of pledge for bona fide purpose such as raising of funds;
 - Transactions which are undertaken in accordance with respective regulations made by SEBI such as subscribing to rights issue, further public issue, preferential allotment or tendering of shares in a buy-back offer, open offer, delisting offer or transactions which are undertaken through such other mechanism as may be specified by SEBI from time to time.
- 5.3 The Company does not encourage the Special Employees to deal in derivatives related to HUL Securities at any time [such as put and/or call options, contracts for differences and other contracts intended to secure a profit or avoid a loss based on fluctuations in the price of HUL securities] because of the speculative nature of such instruments. However, if a Special Employee decides to trade in derivatives he will be under an obligation to abide by the Code and obtain pre- clearance as per clause 7 and consequent to the transaction, make requisite disclosures as per clause 12 of the Code being provided herein.

6. FORMULATION OF TRADING PLAN

- 6.1. An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan.
- 6.2. Such trading plan shall:
- i. not entail commencement of trading on behalf of the insider earlier than one hundred and twenty calendar days from the public disclosure of the plan;
 - ii. not entail overlap of any period for which another trading plan is already in existence;
 - iii. set out following parameters for each trade to be executed:
 - (i) either the value of trade to be effected or the number of securities to be traded;

- (ii) nature of the trade;
- (iii) either specific date or time period not exceeding five consecutive trading days;
- (iv) price limit, that is an upper price limit for a buy trade and a lower price limit for a sell trade, subject to the range as specified below:
 - a. for a buy trade: the upper price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent higher than such closing price;
 - b. for a sell trade: the lower price limit shall be between the closing price on the day before submission of the trading plan and upto twenty per cent lower than such closing price.

Explanation:

- (i) While the parameters in sub-clauses (i), (ii) and (iii) shall be mandatorily mentioned for each trade, the parameter in sub-clause (iv) shall be optional.
- (ii) The price limit in sub-clause (iv) shall be rounded off to the nearest numeral.
- (iii) Insider may make adjustments, with the approval of the compliance officer, in the number of securities and price limit in the event of corporate actions related to bonus issue and stock split occurring after the approval of trading plan and the same shall be notified on the stock exchanges on which securities are listed.

- iv. not entail trading in HUL Securities for market abuse.

- 6.3. The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

Provided that pre-clearance of trades shall not be required for a trade executed as per an approved trading plan.

Provided further that trading window norms shall not be applicable for trades carried out in accordance with an approved trading plan.

- 6.4. The trading plan once approved shall be irrevocable and the insider shall mandatorily have to implement the plan, without being entitled to either execute any trade in the securities outside the scope of the trading plan or to deviate from it except due to permanent incapacity or bankruptcy or operation of law.

Provided that the implementation of the trading plan shall not be commenced if any unpublished price sensitive information in possession of the insider at the time of formulation of the plan has not become generally available at the time of the

commencement of implementation.

Provided further that if the insider has set a price limit for a trade under sub-clause (iv) of clause (v) of sub-regulation 2, the insider shall execute the trade only if the execution price of the security is within such limit. If price of the security is outside the price limit set by the insider, the trade shall not be executed.

Explanation: In case of non-implementation (full/partial) of trading plan due to either reasons enumerated in sub-regulation 4 or failure of execution of trade due to inadequate liquidity in the scrip, the following procedure shall be adopted:

- (i) The insider shall intimate non-implementation (full/partial) of trading plan to the compliance officer within two trading days of end of tenure of the trading plan with reasons thereof and supporting documents, if any.
- (ii) Upon receipt of information from the insider, the compliance officer, shall place such information along with his recommendation to accept or reject the submissions of the insider, before the Audit Committee in the immediate next meeting. The Audit Committee shall decide whether such non-implementation (full/partial) was bona fide or not.
- (iii) The decision of the Audit Committee shall be notified by the compliance officer on the same day to the stock exchanges on which the securities are listed.
- (iv) In case the Audit Committee does not accept the submissions made by the insider, then the compliance officer shall take action as per the Code of Conduct.

6.5. The compliance officer shall approve or reject the trading plan within two trading days of receipt of the trading plan and notify the approved plan to the stock exchanges on which the securities are listed, on the day of approval.

7. PRE-CLEARANCE PROCEDURE

7.1. Pre-Clearance must be obtained during Trading Window Open Period for trading including pledging of securities of the company by all Special Employees and their Immediate Relatives.

Pre-Clearance will be triggered when special employees or their immediate relatives:
- intend to deal in the securities of the Company when the proposed number of securities to be traded is 100 or more whether in one transaction or series of transactions over a calendar quarter.

The form to obtain clearance as set out in **Appendix 2** of this Code should be forwarded to Corporate Secretarial Department duly completed, for being considered for recommendation by an appropriate person as set out below who shall further send it to the Compliance officer for approval.

DEALING BY	CLEARANCE BY
Chairman or Chief Executive Officer	Group Chief Executive Officer
Non-Executive Directors	Chief Executive Officer
Executive Directors (including members of the Management Committee)	
Compliance Officer	
Special Employees other than above	Compliance Officer

It should be noted that the form set out in **Appendix 2** contains an undertaking prescribed by the SEBI Regulations and the employees should consider its full implications before signing the form. The Compliance Officer will endeavor to give clearance within two (2) working days of receiving the request.

Explanation – No Special Employee shall seek to trade during the Close Period or seek pre-clearance with a view to trade during such period. The Company Secretary is the Compliance Officer for the purposes of the SEBI Regulations and this Code. The Company may develop an electronic method of administering the process under this Code.

- 7.2. Pre-Clearance to deal in any HUL Securities shall not be given by the Compliance Officer during any of the following periods:
- (i) Close Period
 - (ii) At the time of:
 - (a) intended declaration of interim or final dividend;
 - (b) issue of securities or buyback of securities
 - (c) any major expansion plans or execution of new projects
 - (d) amalgamations, mergers or takeovers
 - (e) disposal of undertakings
 - (f) any significant changes in policies, plans or operations of the Company
- 7.3. Pre- Clearance shall not be given to any Special Employee when who is aware / expected to be aware of one or more of the events mentioned in (ii) above, due to his involvement in the proposed transaction or has been notified by the Compliance Officer to such effect, even though full details may not have been disclosed to him on the principle of 'need to know' basis
- 7.4. Pre- Clearance shall not be given to any Special Employee during any period when there exists any matter which constitutes unpublished price sensitive information in relation to HUL Securities (whether or not the Special Employee has knowledge of such matter) and the proposed dealing would (if permitted) take place after the time when it has become reasonably probable that an announcement will be required in relation to that matter.

- 7.5. Pre- Clearance shall not be given to any Special Employee during any period when the Compliance Officer otherwise has reasons to believe that the proposed dealing is in breach of this Code, or SEBI Regulations

The periods under 7.4 and 7.5 above, shall be determined and communicated by the Compliance Officer when such eventualities arise.

- 7.6. A record of all applications received from Special Employees and all clearances given, shall be maintained by the Compliance Officer. Clearances given by the Compliance Officer will be communicated to concerned Special Employees by returning Part 2 of the application duly completed.
- 7.7. If clearance is given for any trades by the Compliance Officer, the same should be completed within seven (7) trading days (excluding the day on which clearance is given) from the grant of such clearance. A fresh clearance must be sought if such trades are not completed within such period.
- 7.8. The completion of any trade must be reported to the Compliance Officer by completing **Part 3** of the Form given in **Appendix 2** and returning the same within two days of such trade.
- 7.9. Persons to whom this Code applies must keep confidential the fact that they are intending to deal or that they have applied for clearance to deal or the clearance is granted/refused by the Compliance Officer.

8. DEALINGS BY CONNECTED PERSONS AND IMMEDIATE RELATIVES

- 8.1. A Special Employee must (so far as is consistent with his/her duties of confidentiality to HUL Group Companies) seek to prohibit any dealing in HUL Securities by persons connected to him/her or by his/her family members, relatives, stockbrokers or other associates or acquaintances at a time when Special Employees would be prohibited from trading in HUL Securities under this Code.
- 8.2. Special Employees must advise all Connected Persons/Immediate Relatives (who are also deemed to be Special Employees under this Code):
- (i) of the fact that they are covered by this Code and that this Code applies to them
 - (ii) of the Close Periods during which the connected persons/immediate relatives should not deal in HUL Securities
 - (iii) of any other periods when Special Employee knows that he/she himself/herself is

not free to deal in HUL Securities under the provisions of this Code, unless his/her duty of confidentiality to HUL/Group Companies prohibits him/her from disclosing such periods

- (iv) that the connected person / Immediate relatives must intimate him / her immediately after they have dealt in HUL Securities.

Special Employees must also take reasonable steps to prevent any dealings by or on behalf of Connected Persons and Dependents in HUL Securities on considerations of a short-term nature.

9. SPECIAL EMPLOYEE ACTING AS TRUSTEE

When a Special Employee acts as a trustee, the provisions of this Code will normally still apply as if he/she is also a beneficiary. This may not be the case if either he/she is only a nominee trustee without any discretion of his/her own or if his/her co-trustees act completely independently of the Special Employee.

10. ROLE OF COMPLIANCE OFFICER

10.1 The Compliance Officer shall, apart from carrying out the duties enshrined hereinabove, report to the Board of Directors of the Company and in particular, provide reports to the Chairman of the Audit Committee, if any, or to the Chairman of the Board of Directors at such frequency as may be stipulated by the Board of Directors, but not less than once in a year.

10.2 The Compliance Officer shall assist all employees in addressing any clarifications regarding the SEBI Regulations and the Code.

11. PRESERVATION OF "PRICE SENSITIVE INFORMATION"

11.1. No insider in relation to the Company shall communicate, provide, or allow access to any unpublished price sensitive information, relating to the Company or the HUL Securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

11.2. No insider in relation to the Company shall procure from or cause the communication by any insider of unpublished price sensitive information, relating to the Company or HUL Securities listed or proposed to be listed, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

11.3. All information shall be handled within the Company on a 'need-to-know' basis and no

unpublished price sensitive information shall be communicated to any person except in furtherance of the insider's legitimate purposes, performance of duties or discharge of his/her legal obligations.

- 11.4. Any person in receipt of unpublished price sensitive information pursuant to a “legitimate purpose” shall be considered an “insider” and notice shall be given to such persons to maintain confidentiality of such unpublished price sensitive information by the Compliance Officer.

“Legitimate Purpose” shall be determined in accordance with the Code of Fair Disclosure and Conduct, as amended from time to time. The Code of Fair Disclosure and Conduct is annexed herewith as ‘**Annexure A**’ to this Code.

Illustrative Examples of Legitimate Purposes:

- sharing of draft accounts with the statutory auditor
- sharing of information pertaining to Intellectual Property Rights with an attorney etc.

- 11.5. For the purposes of this clause, ‘need to know basis’ will mean:
- a. Unpublished Price Sensitive Information should be disclosed only to those within the Company who need the information to discharge their role and perform their duty and whose possession of such information will not give rise to a conflict of interest or appearance of misuse of the information.
 - b. All non-public information directly received by any employee should immediately be reported to the Compliance Officer.

- 11.6. The Company shall enter the details of the person or entity with who UPSI is shared under this part in a digital database.

- 11.7. Files containing confidential information shall be kept secure. Computer files must have adequate security of login and password, etc.

12. **REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES**

12.1. **Initial Disclosure**

Every person on appointment as a Key Managerial Personnel or a Director or being designated as a Special Employee of the Company or upon becoming a promoter or member of the promoter group shall disclose his holding of HUL Securities, including the holding of their Immediate Relatives, and of any other person for whom such person takes trading decisions on the date of appointment or becoming a promoter or member of the

promoter group, to the Company within seven days of such appointment or becoming a promoter in the prescribed Form B as set out in **Appendix 3**.

12.2. **Continual Disclosure**

- (i) Every promoter, member of the promoter group, Special Employee and Director of the Company shall disclose to the Company as per **Form C** set out in **Appendix 4**, the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rs. Ten lakhs). The disclosure shall be made within 2 working days of:
 - (a) the receipt of intimation of allotment of shares, or
 - (b) the acquisition or sale of shares or voting rights, as the case may be
- (ii) Every Promoter, member of the promoter group, Key Managerial Personnel, Director and Special Employee of the Company shall disclose annual statements of their holding, and the holding of their Immediate Relatives and of any other person for whom such person takes trading decisions, of HUL Securities to the Compliance Officer as on 31st March every year in such form and manner set out in **Appendix 5** or as may be prescribed by the Compliance Officer from time-to-time. Such statement shall be submitted on or before 30th April, each year.

12.3. **Other Disclosures**

12.3.1. Every Special Employee shall disclose names and Permanent Account Number (“**PAN**”) or any other identifier authorized by law as may be required of the following persons to the Company on an annual basis and as and when the information changes:

- (i) immediate relatives;
- (ii) persons with whom such Special Employee shares a Material Financial Relationship; and
- (iii) phone, mobile and cell numbers which are used by them.

In addition, the names of educational institutions from which Special Employees have graduated and names of their past employers shall also be disclosed on a one time basis.

12.3.2. For the purposes of 12.3. 1., the following persons will be deemed to have a “Material Financial Relationship” with a Special Employee -

- (i) Any person who has received any kind of payment from a Special Employee whether by way of a loan or a gift, other than on an arms-length basis, during the immediate preceding twelve months, where the amount paid by the Special Employee represents 25% or more of the annual income of such Special Employee;
- (ii) Any person who has made a payment to the Special Employee whether by way of a loan or a gift, other than on an arms-length basis, during the immediate preceding twelve months, where the amount paid to the Special Employee represents 25% or more of the annual income of such Special Employee; or

For the purposes of this clause, the “annual income” of the Special Employee shall be determined as being the extant CTC (Cost to Company) of the relevant Special Employee.

12.4. **REPORTING TO THE BOARD**

A quarterly report of the dealings in HUL Securities by or on behalf of any Non-Executive Director or a Special Employee shall be circulated to the members of HUL Board in the quarterly Board Meetings.

13. **PROTECTION AGAINST RETALIATION AND VICTIMIZATION**

Employees will be protected against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by the Board or he or she is eligible for a Reward under these regulations, by reason of:

- i. Filing a Voluntary Information Disclosure Form under these regulations;
- ii. Testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board; or
- iii. Breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner.

Provided that such protection shall not be available for any employee who files or threatens to file Voluntary Information Disclosure with

- i. Malafide intention; or
- ii. Motive to harass the Company

iii. Motive to extort money from the Company

Explanation - For the above purpose, "employee" means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under these regulations and is a director, partner, regular or contractual employee, but does not include an advocate.

14. NON-COMPLIANCE OF THIS CODE

- a. In respect of any non-compliance of this Code or the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information of the Company, the Compliance Officer shall report to the Board and in particular, shall provide reports to the Chairman of the Board at least once every year, or more frequently if so stipulated by the Board, or if the Compliance Officer so considers it necessary.
- b. In addition to the above, the Audit Committee shall review compliance with the provisions of the SEBI Regulations at least once in a financial year and shall verify that the systems for internal controls which are required to be maintained per these Regulations are adequate and are operating effectively.
- c. The Company shall initiate appropriate inquiries on becoming aware of leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information in accordance with the policy formulated by the Board of Directors of the Company and inform SEBI promptly of such leaks, inquiries and results of such inquiries.

15. SHARE DEALING CODE COMPLIANCE COMMITTEE

There shall be a Committee called the Share Dealing Code Compliance Committee ("**Committee**") comprising of

- Chief Executive Officer,
- Executive Director, Finance & IT and Chief Financial Officer,
- Executive Director, Legal & Corporate Affairs and
- Company Secretary & Compliance Officer.

The Committee will concern itself with the establishment and maintenance of disclosures, control of Unpublished Price Sensitive Information alongwith a suitable procedure, protocol for sharing informing which is for legitimate purposes and which is in the best interests of the Company and also with the appropriateness of the disclosures. The Committee shall also decide the suitable actions under Clause 14 of this Code for any breach of the Code. Further, such Committee will also concern itself with any leak / suspected leak of unpublished price sensitive information and inquiries as laid out in the Policy on procedures to be conducted while conducting an inquiry in the event of leak or suspected leak of unpublished price sensitive

information. The policy on 'procedures to be adopted while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information' is annexed as **Annexure B** to this Code.

16. PENALTIES

16.1. PENALTIES BY THE COMPANY

Failure to comply with this Code is a serious disciplinary matter and may also constitute a criminal offence in certain cases.

Any employee who violates the provisions of this Code shall be liable for such penal/disciplinary / remedial action as may be considered appropriate by the 'Share Dealing Code Compliance Committee' as per the sanction framework of the code prescribed in **Appendix 6**.

All Breaches of this Code with actions taken by the 'Share Dealing Code Compliance Committee' shall be reported to the Board of Directors of the Company. In case of any observed violations of the SEBI Regulations, the Board of Directors shall inform Stock Exchanges promptly of the same.

The above actions of Company will be without prejudice to any civil or criminal action that the regulatory authorities may initiate against such an employee.

Any amount collected by the Company under the Code shall be remitted to the Investor Protection and Education Fund administered by SEBI under the Act.

16.2. PENALTIES BY THE STATUTORY AUTHORITIES

Under Section 15G of SEBI Act, any insider who indulges in insider trading is liable to a penalty of Rs. 25 crores or three times the amount of profits made out of insider trading, whichever is higher. Under Section 24 of the SEBI Act, anyone who contravenes the Insider Trading Regulations is punishable with imprisonment which may extend to ten years, or with fine, which may extend to Rs. 25 crores or with both.

It may also be noted that *mens rea* or criminal intent is not relevant in an offence of insider trading. Whether or not any actual gains were made or losses were avoided out of such deal also has no bearing on the maintainability of the criminal proceedings though depending on the facts of the case, the Court may take these factors into account while deciding the extent of penalty/punishment.

SEBI can also pass directions to an insider found indulging in insider trading, not to deal in the Company's shares in any particular manner or prohibit him from disposing any of the



shares acquired in violation of the Regulations and/or restrain him from communicating to or counselling any other person to deal in the Company's shares.

17. ENQUIRIES / CONSULTATION

Any person, to whom this Code applies, and who has any doubt as to interpretation of any Clause of the Code, should at all times consult the Compliance Officer. All communications under this Code should be addressed to the Corporate Secretarial Department at Mumbai or to the designated e-mail: comsec.hul@unilever.com.

Annexure A

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

[Pursuant to Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015]

Hindustan Unilever Limited (“**HUL**” / “**Company**”) believes in fair disclosure of all unpublished price sensitive information on a non-discriminatory basis in order to enable fair price discovery in the securities of the Company. In this regard, it is to be noted that Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“**Regulations**”) requires a listed Company to formulate and publish on its official website a “Code of Practices and Procedure for Fair Disclosure of Unpublished Price Sensitive Information (“**UPSI**”)” in adherence to the principles set out in Schedule A to the said Regulations. HUL believes in fairness of information, uniformity of information and confidentiality of UPSI.

In light thereof, the following is being set out as the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” which applies to all employees of HUL regardless of whether they are designated as Special Employees for the purposes of the Share dealing code.

- 1) The Company will strive to make prompt public disclosure of UPSI that would impact price discovery, as soon as it has credible and concrete information, in order to make such information ‘generally available’ i.e. to make the information accessible to the public on a non-discriminatory basis.
- 2) The Company will strive to make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosures.
- 3) The Compliance Officer shall be the Chief Investor Relations Officer entrusted with the administration of this code and must be contacted in case of any queries or uncertainties pertaining to UPSI or of the obligations or directions placed herein
- 4) If any employee(s) ends up disclosing any UPSI selectively, inadvertently or otherwise, such employee must forthwith intimate the Compliance Officer, about the occurrence of such event;
- 5) The Company will strive to make appropriate and fair responses to queries on news reports and requests for verification of market rumors by regulatory authorities.
- 6) The Company shall ensure that information shared with analysts and research personnel is not UPSI. Authorized representatives of the Company shall be present at meetings with analysts,

media persons and institutional investors. Unanticipated questions may be taken on notice and a considered response given later. If the answer includes UPSI, a public announcement shall be made before responding. There shall be simultaneous release of information after every such meet.

- 7) Best practices shall be developed to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the Company's website www.hul.co.in to ensure official confirmation and documentation of disclosures made. Employee shall handle all UPSI on a need-to-know basis and in furtherance of her role, tasks and duties owed to the organization.
- 8) Therefore, any information which is in the nature of UPSI shared with third parties such as lenders, customers, suppliers, merchant bankers, legal advisors, auditors, or any other counterparty is ought to be done only when the employee is satisfied that such sharing is necessary for 'legitimate purposes' and to carry out their legitimate duties and in proper discharge of their responsibility owed to the organization.
- 9) As an organization, the Company will engage with such counterparties where such communication would be necessary for legitimate purposes bearing in mind the same principle of sharing information on a 'need-to-know basis'. The Company will require any recipient of any information to execute Non-Disclosure Agreements in accordance with extant policy.
- 10) The Company shall enter the details of the person or entity with whom UPSI is shared in a digital database.

POLICY ON PROCEDURES TO BE ADOPTED WHILE CONDUCTING AN INQUIRY IN THE EVENT OF LEAK OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION

(Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015)

Leak of UPSI distorts this “Policy on procedures to be conducted while conducting an inquiry in the event of leak or suspected leak of unpublished price sensitive information”, as may be amended from time to time (the “Policy”) is approved by the Board of Directors of Hindustan Unilever Limited (the “Company”) on 18th April, 2019. The Policy has been formulated under Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended (the “Insider Trading Regulations”), with an objective to put in place a framework for inquiry in the event of leak or suspected leak of unpublished price sensitive information.

DEFINITIONS

For the purpose of this Policy, unless the context otherwise requires, the following words, expressions and derivations therefrom shall have the meanings assigned to them as under:

“Board of Directors” or “Board” shall mean the Board of Directors of the Company;

“Company” shall mean Hindustan Unilever Limited;

“Insider Trading Regulations” shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

“Policy” shall mean this “Policy and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information”, as amended from time to time, formulated under Regulation 9A(5) of the Insider Trading Regulations;

“Unpublished Price Sensitive Information” or “UPSI” shall mean any information, relating to the Company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:

- financial results;
- dividends;
- change in capital structure;
- mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
- changes in key managerial personnel.

Words and expressions used and not defined herein shall have the meanings assigned to them in the Insider Trading Regulations.

INQUIRY COMMITTEE

The Share Dealing Code Compliance Committee (“hereinafter referred to as Inquiry Committee”) as envisaged under the Share Dealing Code of the Company shall

- deal with any leak of UPSI or suspected leak of UPSI, upon becoming aware of such leak;
- conduct inquiries as laid out in this Policy in case of such leaks or suspected leaks and inform the SEBI of such leaks, inquiries and result of such inquiries.

QUORUM OF THE INQUIRY COMMITTEE PROCEEDINGS

While conducting an inquiry, a minimum of two members of the Inquiry Committee shall be present. The Inquiry Committee may designate additional persons or third parties to also attend and participate in an inquiry conducted by the Inquiry Committee. If a minimum of two members of the Inquiry Committee are not present or not available, or any member of the Inquiry Committee is under investigation, then the Board shall have the power to nominate alternate member(s) in place of the member who is not available or cannot be present to conduct the inquiry.

INQUIRY PROCESS

- Upon receipt of information or upon becoming aware of a leak or suspected leak of UPSI, the Inquiry Committee shall send details of the information to be sought to the head of the relevant department viz., finance, Company secretarial department etc., which had access to the UPSI or to which the UPSI is related (“Relevant Person”). The indicative list of questions and information to be sought from the Relevant Person are given in Annexure to this Policy.
- The Inquiry Committee shall appoint external advisers as consultants as may be necessary to assist them in the inquiry.
- The Inquiry Committee shall separately obtain from the IT department all emails and records of the relevant persons in the department where the leak could have originated.
- The Relevant Person shall file its reply to the information sought by the Inquiry Committee, along with the list of documents, names and addresses of persons with whom the information was shared etc., within the period stipulated by the Inquiry Committee.
- The Inquiry Committee shall also call for a meeting with the Relevant Person.
- The Inquiry Committee shall make transcripts or records of proceedings of meetings with Relevant Persons and ensure that requisite information and documentation is

made available to the Board.

- Such Inquiry Committee shall be completed by the Inquiry Committee in a timely manner.
- Thereafter, such action as prescribed under the Share Dealing Code of the Company as well as the Insider Trading Regulations as may be applicable shall be taken.
- During the pendency of the inquiry proceedings, the Inquiry Committee may restrain the Relevant Person from accessing the documents/emails, from which the Inquiry Committee believes, the leak or suspected leak originated.

POWERS OF THE INQUIRY COMMITTEE

- The Inquiry Committee shall have the powers to summon and enforce the attendance of any person and conduct an examination, request the discovery and production of documents and / or any other matter which may be prescribed and deemed necessary for the inquiry process.
- Any refusal by any employee of the Company to attend the inquiry proceedings when summoned or to provide to the Inquiry Committee any documents and / or information within his / her power or possession shall constitute a misconduct, rendering such employee for adverse action as the Inquiry Committee or Board deems fit.
- The Inquiry Committee itself may, suo moto, call for the details of any leak or suspected leak of USPI or upon receipt of any such information, may investigate or deal with such matter per this Policy. The Inquiry Committee may seek information from the IT department for details of the persons accessing personal email id from office computers, from where the USPI may have been leaked.
- The Inquiry Committee shall have the right to terminate the inquiry proceedings or to give an ex-parte decision on the Relevant Person, if the Relevant Person fails, without sufficient cause, to present themselves, for any meeting convened by the Inquiry Committee.

AUTHORITY TO MAKE ALTERATIONS

The Board is authorised to make such alterations to this Policy from time to time as considered appropriate,

The provisions of the Policy have to be read along with the Insider Trading Regulations and if there is any inconsistency/contradiction between the two, the provisions of the Insider Trading Regulations shall prevail.

ANNEXURE

The indicative list of questions and information to be sought from the Relevant Person are given below:

- Relevant Person to provide details of documents/files/information shared with different team members and also provide details of the medium through which such information was shared i.e. email, common access controlled shared folders, password protected files, etc.
- Relevant Person to provide a detailed timeline from which it was made aware of the UPSI till the date of receipt of notice of information sought from the Inquiry Committee.
- Relevant Person to evaluate role of each and every employee including employee from the support function who were part of the meetings in which UPSI was discussed and whether the Relevant Person noticed any suspicious activity on part of all persons attending these meetings.
- Whether the Relevant Person is aware of any activity of a person in its department who may be involved in the said leak of UPSI.
- Whether adequate safeguards per existing procedures were undertaken by the Relevant Person while dealing with UPSI.
- Whether access to the room where the documents in relation to UPSI were stored, was given to a limited set of authorized personnel.
- Whether the documents in relation to UPSI were disposed of in a proper manner.
- Whether access to the internet/USB drive was provided on computers on which sensitive data regarding UPSI was stored.



APPENDIX 1

HUL SHARE DEALING CODE
CONFIRMATION CUM UNDERTAKING

To, Compliance Officer,

Hindustan Unilever Limited

Name : _____
Employee Id No. : _____
Designation : _____
Unit / Location : _____
Mobile No. : _____

I have received the copy of Share Dealing Code of HUL. I have read and understood the requirements of the Code and hereby agree to abide by the same.

I understand that any breach of the Code could lead to monetary/disciplinary action as prescribed under the Share Dealing Code.

Signature:

Date:



**HUL SHARE DEALING CODE
PRE-CLEARANCE FORM**

APPENDIX 2

1. APPLICATION TO DEAL

To : Compliance Officer, HUL
From (Name of the Employee) : _____
Employee Id No. : _____
Department /Unit : _____
Location : _____

With reference to the HUL Share Dealing Code, I hereby give notice that I propose to carry out the following transaction:

Transaction in name of	
Relation	
PAN	
DP ID/CL ID/Folio No.	
Type of Transaction	Open Market Purchase / Open Market Sale/ ESOP cash / ESOP Cashless / Gift
Type of Securities	
Number of Shares	

(Please give additional information if the transaction is proposed to be effected through connected persons or as a Trustee).

UNDERTAKING

I hereby undertake and confirm:

- (a) that I do not have any access or have not received price sensitive information upto the time of signing of this undertaking.
- (b) that in case I access to or receive any price sensitive information after the signing of this undertaking but before the execution of the transaction, I shall inform the Compliance Officer of the change in my position and that I would completely refrain from dealing in the securities of the Company till the time such information becomes public.
- (c) that I have not contravened the code of conduct for prevention of insider trading as notified by the Company from time to time.
- (d) that I have made a full and true disclosure in this application.

Date: _____
_____ (Signature)

2. AUTHORISED TO DEAL

The above transaction has been authorised **in full / to the extent of _____ shares**. Your dealing must be completed within 7 days excluding _____ (the date of approval).

Please confirm by completing Part 3 below and returning this Form to us immediately on completion of transaction.

Date: _____
_____ (Compliance Officer)

3. CONFIRMATION OF DEALING

I confirm that the share dealing was completed on _____ (Insert date) by **buying/selling _____ shares/debentures through open market/ under ESOPs/Gift _____**

Date: _____
Note: _____ (Signature)

It is critically important that the Applicant Employee sends this confirmation IMMEDIATELY after completing the transaction by e-mail to the Compliance Officer, followed by dispatching the form, duly signed.

HUL SHARE DEALING CODE
Form B
SEBI (Prohibition of Insider Trading) Regulations, 2015

[Regulation 7 (1) (b) read with Regulation 6(2) – Disclosure on becoming a Key Managerial Personnel/Director/Promoter/Member of the promoter group] Name of the Company: Hindustan Unilever Limited

ISIN of the Company: INE030A01027

Details of Securities held on appointment of Key Managerial Personnel (KMP) or Director or upon becoming a Promoter or member of the promoter group of a listed company and immediate relatives of such persons and by other such persons.

Name, PAN, CIN/DIN & Addresses with contact nos.	Category of Person (KMP / Director or Promoter or member of the promoter group/ Immediate relative to/others, etc.)	Date of appointment of KMP/Director / OR Date of becoming Promoter/ member of the promoter group	Securities held at the time of appointment of KMP/Director or upon becoming Promoter or member of the promoter group		% of Shareholding	Open Interest of the Future contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group			Open Interest of the Option Contracts held at the time of appointment of Director/KMP or upon becoming Promoter/member of the promoter group		
			Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Rights entitlements, etc.)	No.		Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms	Contract specifications	Number of units (contracts * lot size)	Notional value in Rupee terms
1	2	3	4	5	6	7	8	9	10	11	12

Note: In case of Options, notional value shall be calculated based on premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:

HUL SHARE DEALING CODE

Form C

**SEBI (Prohibition of Insider Trading) Regulations, 2015
[Regulation 7 (2) read with Regulation 6(2) – Continual Disclosure]**

Name of the Company: Hindustan Unilever Limited

ISIN of the Company: INE030A01027

Details of change in holding of Securities of Promoter, Member of the Promoter Group, Designated Person or Director of a listed company and immediate relatives of such persons and other such persons..

Name, PAN, CIN/DIN & addresses with contact nos.	Category of Person (Promoter/member of the promoter group/designated person/Directors/immediate Relative to/others etc.)	Securities held prior to Acquisition / disposal		Securities acquired / Disposed				Securities held post acquisition / disposal		Date of allotment advice/ acquisition of shares / disposal of shares, specify		Date of intimation to company	Mode of Acquisition/ disposal (on market purchase/ public rights/ preferential offer / off market / Inter-se transfer, ESOPs, etc.	Exchange on which the trade was executed	Trading in derivatives (Specify type of contract, Futures or Options etc)				Exchange on which the trade was executed		
		Type of security (For eg. – Shares, Warrants, Convertible Debentures, Right entitlements, etc.)	No. & % of shareholding	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Right entitlement, etc.)	No.	Value	Transaction type (Purchase/ Sale/ Pledge/ evocation/ Invocation/ Others- please specify)	Type of securities (For eg. – Shares, Warrants, Convertible Debentures, Right entitlement, etc.)	No. & % of shareholding	From	To				Type of Contract	Contract Specifications	Buy			Sell	
																	Notional Value	Number of units (contracts * lot size)		Notional Value	Number of units (contracts * lot size)
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
															N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: (i) "Securities" shall have the meaning as defined under regulation 2(1)(i) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

(ii) Value of transaction excludes taxes/brokerage/any other charges

(iii) In case of Options, notional value shall be calculated based on Premium plus strike price of options.

Name & Signature:

Designation:

Date:

Place:



APPENDIX 5

HUL SHARE DEALING CODE
ANNUAL DISCLOSURE
[Clause 12 of Share Dealing Code]

To, Compliance Officer,

Hindustan Unilever Limited

Date: _____

Name : _____

Employee Id No. : _____

Designation : _____

Unit / Location : _____

Mobile No. : _____

PAN : _____

Details of Transactions		
Self:		
Particulars/Type of Transaction	Number of shares (including derivatives)	Date of Pre-Clearance
As on 1st April _____ (Last Year)		
As on 31st March _____ (Current Year)		
Immediate Relatives (Name and Relation):		
Particulars/Type of Transaction	Number of shares (including derivatives)	Date of Pre-Clearance
As on 1st April _____ (Last Year)		
As on 31st March _____ (Current Year)		

Signature: _____

HUL SHARE DEALING CODE SANCTIONS
FRAMEWORK

Categorisation of Code Breaches		Suggested Sanctions	
	Procedural Violations	1st time Violation	Repeat Violation
1	Non-submission of Initial Disclosure with prescribed details <i>(Timeline – within 7 days of inclusion as Special Employee)</i>	- Verbal Warning	- Written Warning (If non-compliance continues for a further period of 7 days after the 1st warning)
2	Misreporting / Non-reporting of mandatory details required under the Code (For e.g. incorrect PAN / non-disclosure of Immediate Relatives)	- Verbal Warning (New Joinee) - Written Warning (Beyond one year of employment)	- Written Warning (If non-compliance continues for a further period of 7 days after the 1st warning) AND - Monetary Penalty of Rs. 10,000/-
3	Non-submission / delay in submission of Annual Disclosure <i>(Timeline – within 30 days from the end of the financial year i.e. by 30th April)</i>	- Written Warning	- Written Warning AND - Monetary Penalty of Rs. 10,000/-
	Derelict Violations	1st time Violation	Repeat Violation
4	Trading (including Pledging) in HUL Securities beyond a period of 7 trading days after obtaining pre-clearance.	- Written Warning AND - Monetary Penalty of Rs. 5,000/-	- Written Warning AND - Monetary Penalty of Rs. 10,000/- and Rs. 500/- per trading day till the default continues.
5	Trading (including Pledging) in HUL Securities more than the shares / securities for which the approval was obtained	- Written Warning AND - Monetary Penalty of Rs. 5,000/- AND - 10% of the transaction of value of the number of shares traded in excess of the approved quantity	- Written Warning AND - Monetary Penalty of Rs. 15,000/- AND - 15% of the transaction of value of the number of shares traded in excess of the approved quantity

Categorisation of Code Breaches		Suggested Sanctions	
6	Non-submission of confirmation of dealing (whether traded or not) after obtaining pre-clearance.	- Written Warning	- Written Warning AND - Monetary Penalty of Rs. 5,000/- and Rs. 100/- per trading day till the default continues.
7	Non-submission of Form C for single or series of transactions (purchase / sale) exceeding Rs. 10 lakhs in a calendar quarter. <i>(such transaction should not be based on UPSI and should be undertaken during open periods)</i>	- Written Warning AND - Monetary Penalty of Rs. 15,000/-	- Written Warning AND - Minimum Monetary Penalty of Rs. 20,000/- and Rs. 500/- per trading day till the default continues.
	Significant Violations	1st time Violation	Repeat Violation
8	Trading (including Pledging) in HUL Securities without obtaining pre-clearance from the Compliance Officer during Open Period	For Special Employees in WL3 and above: Minimum Penalty of Rs. 50,000/- or 30% of the transaction value, whichever is higher. For Special Employees below WL3: Minimum Penalty of Rs. 25,000/- or 10% of the transaction value, whichever is higher.	For Special Employees in WL3 and above: Minimum Penalty of Rs. 1,00,000/- or 30% of the transaction value, whichever is higher. For Special Employees below WL3: Minimum Penalty of Rs. 50,000/- or 20% of the transaction value, whichever is higher.
9	Dealing (including Pledging) in HUL Securities during Closed Period (Note : There is no threshold on the number of shares for trading in Closed Period <i>(For eg, trading of even one share by a Special Employee during Closed Period will attract a sanction)</i>)	For Special Employees in WL3 and above: - Written Warning AND - Minimum Monetary penalty of Rs. 10,000/- OR - 20% of the Transaction Value, whichever is higher For Special Employees below WL3: - Written Warning AND - Minimum Monetary penalty of Rs. 5,000/- OR - 10% of the Transaction Value, whichever is higher.	For Special Employees in WL3 and above: - Written Warning AND - Minimum Monetary penalty of Rs. 50,000/- OR - 30% of the Transaction Value, whichever is higher For Special Employees below WL3: - Written Warning AND - Minimum Monetary penalty of Rs. 10,000/- OR - 10% of the Transaction Value, whichever is higher.

Categorisation of Code Breaches		Suggested Sanctions	
	Contra-Trade Violation	1st time Violation	Repeat Violation
10	<p>Contra-Trade - Dealing in opposite transactions of sale and purchase during a period of six months. (Note : There is no threshold on the number of shares for trading in Closed Period) <i>(For eg, trading of even one share by a Special Employee during Closed Period will attract a sanction)</i></p>	<p>For Special Employees in WL3 and above:</p> <ul style="list-style-type: none"> - Written Warning AND - Minimum Monetary penalty of Rs. 50,000/- OR - 20% of the Transaction Value, whichever is higher AND - Disgorgement of Profits/Gain or Loss avoided <p>For Special Employees below WL3:</p> <ul style="list-style-type: none"> - Written Warning AND - Minimum Monetary penalty of Rs. 25,000/- OR - 10% of the Transaction Value, whichever is higher AND - Disgorgement of Profits/Gain or Loss avoided 	<p>For Special Employees in WL3 and above:</p> <ul style="list-style-type: none"> - Written Warning AND - Minimum Monetary penalty of Rs. 1,00,000/- OR - 30% of the Transaction Value, whichever is higher AND - Disgorgement of Profits/Gain or Loss avoided <p>For Special Employees below WL3:</p> <ul style="list-style-type: none"> - Written Warning AND - Minimum Monetary penalty of Rs. 50,000/- OR - 20% of the Transaction Value, whichever is higher AND - Disgorgement of Profits/Gain or Loss avoided
	Leak of UPSI	1st time Violation	Repeat Violation
11	Dealing in HUL Securities based on unpublished price sensitive information	<ul style="list-style-type: none"> - Written Warning AND - Disgorgement of Profits/Gain or Loss avoided AND 	- As determined by the Share Dealing Code Committee & Audit Committee
12	Passing on UPSI or making recommendations directly / indirectly for dealing in HUL securities on the basis of such information	<ul style="list-style-type: none"> - Monetary Penalty of Rs. 5,00,000/- AND - Disciplinary Action including <ul style="list-style-type: none"> o wage freeze, suspension, termination and initiation of legal action 	

Notes:

1. Sanctions mentioned above are not mutually exclusive and more than one can be applied in any situation;
2. The Share Dealing Code Committee while deciding the level of sanctions may take into account factors such as knowledge of price sensitive information, level of management responsibility of the individual concerned, numbers of securities transacted, whether the breach occurred as a result of deliberate intent or not;
3. The above penalty structure is applicable in case of violation by immediate relatives of Special Employees as well;
4. The penalties collected in this regard, shall be remitted by the Company to the Investor Protection and Education Fund of SEBI;
5. The above framework provides a guide for determining the appropriate penalty for a breach of the Code or Regulations and the Compliance Officer / Share Dealing Code Committee may decide any other actions not listed above as may be necessary based on circumstances of a particular case. Such penalties may include wage freeze, suspension, recovery, termination and initiation of any other legal action.

Definitions:

1. Procedural Violations - Violations where the Designated Person (DP) or his / her immediate relatives have not followed the process or provided requisite disclosures as detailed in the Code of Conduct.
2. Derelict Violations - a. Trading after / beyond the approved days b. Trading more than the approved quantity c. Non-compliance/ delay in compliance with remedial actions if any imposed by the Compliance Officer / Audit Committee
3. Significant Violations - Violations where the Designated Person has traded when Trading Window is Open/ Closed, DP was in possession of UPSI.
4. Contra Trade - Entering into opposite transaction (Buying/selling of shares or vice versa) through stock exchanges or offline transaction through depository participant(s) within a period of 6 months.
