



What are Ethics??

A "Common Sense" which tells you what is right? OR what is wrong?



A Guide to Ethics Management

(A Metalantic Employee Handbook)



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Objectives of the Policy

1. To reduce business risk for METALANTIC
2. Long term survival and success of the Organization
3. Achieving sustainable development via ethical behavior
4. To strengthen METALANTIC vision & values
5. To increase METALANTIC goodwill and market share among competitors



Understanding of Code of Ethics

Before Understanding Code of Ethics we must understand the difference between Ethics & Values is.



COMPARISON	ETHICS	VALUES
Meaning	Ethics refers to the guidelines for conduct, that address question about morality.	Value is defined as the principles and ideals, that helps them in making judgment of what is more important.
What are they?	System of moral principles.	Stimuli for thinking.
Consistency	Uniform	Differs from person to person
Tells	What is morally correct or incorrect, in the given situation?	What we want to do or achieve.
Determines	Extent of rightness or wrongness of our options.	Level of importance.
What it does?	Constrains	Motivates

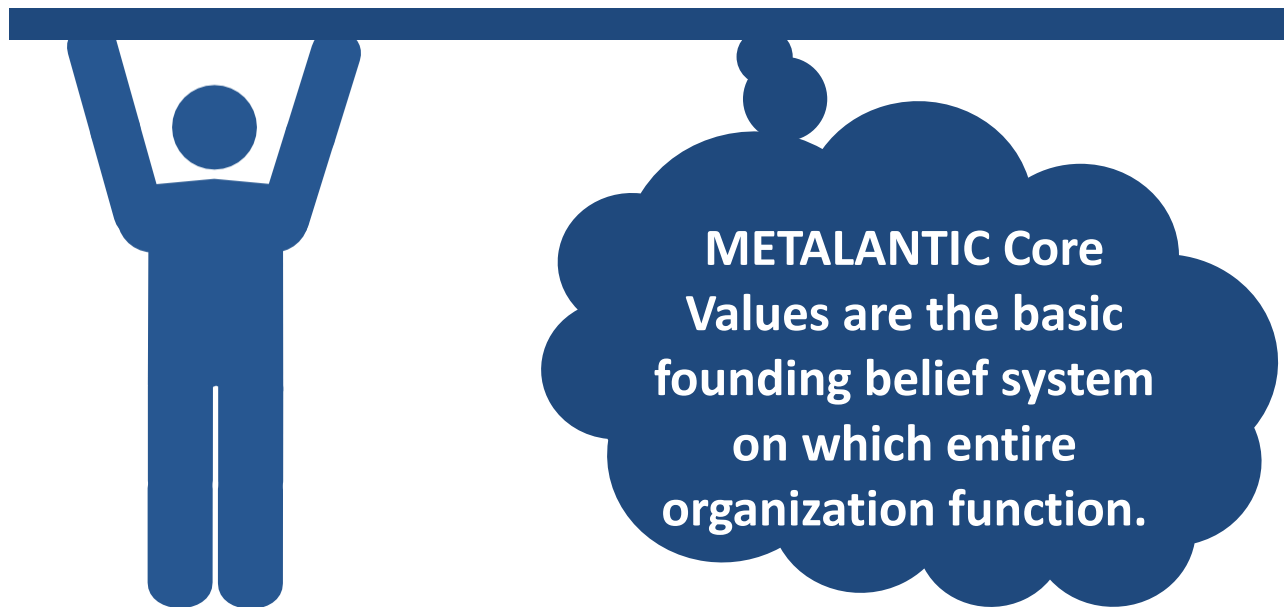


METALANTIC Core Values

Transparency

Collaboration

Integrity





METALANTIC Code of Ethics

Codes of ethics are general guides to day to day working actions / decisions in METALANTIC.

In order to impart METALANTIC's Core Values in our day-to-day life we practice below codes for ethics in our work culture.

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Trust

Trust is the state of confidence in the honesty or integrity of a person or thing or a belief that someone is being truthful.

In our day to day business working life, maintaining code of trust is most crucial.

Now we will see some examples by which we will understand that how being a trustworthy person or a legal entity is an ethical behavior:



Example 1:

Every customer gets non-disclosure agreement signed from the supplier, before entering into a business relationship. But if an employer or an employee or any other stakeholder knowingly or un-knowingly discloses customers confidential information in pursuit of some advantages will be treated as un-ethical behavior.

How to prevent this:

By the way of training and awareness regarding disclosure of information stated in code of conduct document.

How to control this:

Management can take disciplinary action against those who has done it. Customer can also take punitive action if management also found involved in it.

Example 2:

Every quality management system like ISO 9001, IATF 16949, ISO 14001, ISO 45001 create some trust in the mind of customer before starting business with a supplier, but if knowingly or un-knowingly an employee or organization violate some controls for e.g. in PPAP, in-process inspection is agreed in every 2 hours frequency during



business finalization, but some employees do not do it because they are assured of part quality without it, here customer will not come and check every time, but this will be termed as breach of trust and a depiction of un-ethical behavior.

Integrity

It is the quality of being honest and having strong moral principles.

Always do right things without compromise.



Example 1:

A machine operator observe some variation in the running component due to tool wear out at the end of his shift time, but he did not report this message to the next shift operator nor his superior out of the fear that blame will come on his head.

Here the act of operator will be termed as unethical as, if he would have informed this

information at right time, may be company could have saved many NG parts due to this tool problem.

How to prevent this:

By the way of training, awareness, rewards and appreciation regarding being honest as stated in code of conduct document.

How to control this:

Such things are hardly get noticed by superiors, managers or management as they are intentional act of ignorance out of fear or punishment by an employee.

METALANTIC here make their employees aware and galvanize them by the way of departmental communication, appreciation, reward for being vigilant or fearless in reporting issues related with manufacturing processes.

Example 2:

In example 1 earlier, if the operator report the tool wear out to his supervisor during shift changeover and out of production pressure, his supervisor ask him to keep his mouth shut, and operator obeys accordingly knowing that this will lead to NG part production, will be termed as unethical behavior for both operator and supervisor.

Example 3:

A marketing person knows the target price of a potential customer order but he decides to keep quiet during price negotiation in front of his other team members and ends up finalizing the order at a lower price, just to take revenge from his team mates or superior. Here prima



facie that marketing person is not apparently at fault, but his integrity is at stake as he risks companies profitability due to his personal satisfaction which otherwise people do not know.

Honesty

Always try being honest and saying what is true and forthcoming. Never speak lie out of fear of punishment or disregard, as truth always prevails and one day it comes out open from all the avalanche of lies or misrepresentations.



Example 1:

A supplier quality manager audits a raw material supplier and he observes much non-compliance during that supplier audit, but because of some favor extended by supplier if that manager gets ready to pass that supplier to supply material will be

treated as dishonest and unethical behavior.

How to prevent this:

METALANTIC always select their internal auditors with highest moral standards and after thoroughly checking their past history of work experiences.

METALANTIC also inform them about its consequences wherein company can suffer huge losses due to quality rejections and ultimately disruption in supply chain.

How to control this:

An honest incoming material inspector will surely arrest bad quality raw material during his inspection process before it could move out to next process in production, thus right training, timely appreciation and appraisal is must for such actions to happen.

Example 2:

A quality inspector allows a deviated part without informing to his superiors or sales people in the expectation that it will increase his work if he reports it.

Here behavior of that quality inspector is highly unethical as it may lead to customer end rejection which will be a total loss to the company.



Judgment

An ability to make considered decisions or come to sensible conclusions for a particular task or thing.



Example 1:

A part is being offered for commercial and technical feasibility, but during technical feasibility out of fear of being labeled as incapable, if the responsible manager declares that part to be feasible in manufacturing, knowing that it is wrong as per his past experience, will be termed as unethical behavior on his part, because by this action not only he is putting companies goodwill at stake, but also creating a way to suffer losses in future.

How to prevent this:

By the way of hiring competent person.

How to control this:

By the way of periodic performance assessment and focusing on lesson learnt in past.

Example 2:

An RFQ is being offered by a customer to few suppliers in a particular area, by the virtue of neighborhood if all the suppliers make a group wherein everybody keep same price and not allowing customer to bargain will be termed as unethical behavior.

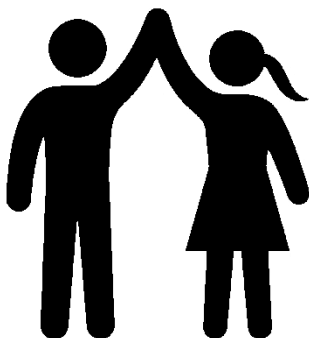
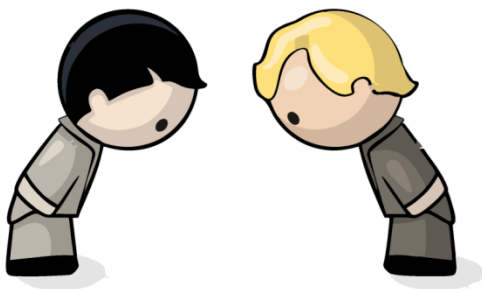
Example 3:

A customer is in supply chain crisis and approached for help to start immediate supply from us, now considering his situation if we decide to charge unimaginable high price just to earn opportunity profit, will be termed as unethical on our part. Always discuss with customer about his comfort and try to come to a win-win situation for both the parties.



Respect

Treat people with dignity and value their contribution.



Example 1:

A female employee is working in a department, but team members are not treating her with dignity because of gender bias (like “she is a female, she can’t do this”).

Example 2:

A women employee is working in a target oriented profile, and his team leader is not treating her well, in fact he passes obscene and derogatory remarks to her in daily

meeting just because she could not complete her task on time.

How to prevent this:

Awareness about the dignified work procedures, policies, code of conduct.

How to control this:

Set committees to address such issues such as POSH committee, HR Committee to handle these grievances on immediate basis.

Example 3:

An employee works in an organization but quite often he/she faces some kind of bias or distrust due to his/her minority religion / ethnicity at workplace. Because of this he often work discouraged and works in confused state in spite of his good ability and past work experience.

Example 4:

A team of few members are working on a project; one of the members is more focused and putting more efforts to achieve the desired target for the team. But during performance appraisal, his superior did not give him good ratings as he is biased and favoring another team member. Here the behavior of that superior is not ethical because his actions will not only discourage good performers, but also create discord among team members, which will finally affect the overall performance of the team.

METALANTIC code of conduct lays the foundation of dealing people fairly, with dignity without any kind of bias or prejudice.



Courage

Speak up what is right, do not get frightened because of somebody's dominance or wrong intentions.



Example 2:

A worker is working in a dangerous working environment such as in melting shop or in a fettling shop, but his superior, in spite of so many reminders did not provide him required safety PPE kit reserved for him. After this ignorance, worker decided to complaint to higher authorities about this.

Here the behavior depicted by that worker is ethical, because if he keeps on risking his life during work, accident can happen and company may face legal actions on this negligence, so behavior of this worker is perfectly ethical.

Example 1:

A quality inspector speaks out about a probable quality issue in spite of a pressure from his superior not to open up on this matter.

Here the behavior of the quality person is ethical because we do not work for an individual (i.e. for his superior), rather we work for the organization, and here quality inspector thought of organization's interest first rather than thinking on the disappointment of his superior, this behavior is perfectly ethical.

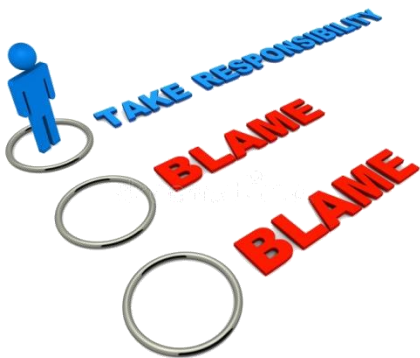


Responsibility

Accept the consequences for what you have done.

Do not throw excuses to justify.

Be accountable and be a leader.



Example 1:

A business plan was made for onward submission to the top management. After the time period gets over, team leader starts putting excuses that my subordinates did not do this, did not do that, hence I am unable to achieve this targeted plan. Here

Thanks for your patience to read and understand all this.

the behavior depicted by the team leader is unethical.

Example 2:

A production manager had to make 100 parts in a batch, considering 10% rejection he decides to make 110 parts in total. Because of his lack of monitoring, rejection turns out to be 20% and he was short of completing the order. Now he starts blaming the faulty quality of raw material, lack of subordinate's involvement etc. to justify his inability to complete the order.

Here behavior of production manager is completely unethical as he already knew the quality of raw material (or he should have check one more time before taking material to production) and ability of his team subordinates, so now after completion of task, if he blames others for failure is not a good behavior.



By Order:
Director

..... (Seal & Sign OR Digitally Sign)

Date: 11th January 2024
Place: Rajkot