

TOYOTA FINANCIAL SERVICES INDIA LIMITED
CODE OF PRACTICE AND PROCEDURE FOR
FAIR DISCLOSURE

Version 6.0

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I. INTRODUCTION

1. Title:

The code shall be known as the "Toyota Financial Services India Limited - Code of Practices and Procedures for Fair Disclosure of Price Sensitive Information" (the Code) and has been made pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (the "Regulation").

2. Applicability:

The code shall be applicable to all the Employees of Toyota Financial Services India Limited.

3. Definitions:

A. **"Company"** shall mean Toyota Financial Services India Limited.

B. **"Compliance Officer"** means Company Secretary or any other senior officer who is financially literate and is capable of appreciating requirements for legal and regulatory compliance under these regulations who may be appointed as Compliance officer by the Board of Directors.

The Compliance officer shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of Unpublished Price Sensitive Information (UPSII), monitoring of trades and the implementation of codes under the overall supervision of the Board of Directors of the Company or the head of an organization, as the case may be.

C. **"PIT Code or Prevention or Prohibition of Insider Trading"** shall mean the Code of Conduct for Prevention of Insider Trading adopted by the Board of Directors of the Company.

D. **"Unpublished Price Sensitive Information (UPSII)"** means any information, relating to a company or its securities, directly or indirectly, that is not generally available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:

- a) Financial results.
- b) Dividends.
- c) Change in capital structure.
- d) Mergers, de-mergers, acquisitions, delisting, disposals and expansion of business, award or termination of order/contracts not in the normal course of business and such other transactions.
- e) Changes in key managerial personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor.
- f) Change in rating(s), other than ESG rating(s).
- g) Fund raising proposed to be undertaken.
- h) Agreements, by whatever name called, which may impact the management or control of the company.
- i) Fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad.
- j) Resolution plan/ restructuring or one-time settlement in relation to loans/borrowings from banks/financial institutions.
- k) Admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016.
- l) Initiation of forensic audit, by whatever name called, by the company or any other entity for detecting misstatement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report.

- m) Action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company.
- n) Outcome of any litigation(s) or dispute(s) which may have an impact on the company.
- o) Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business.
- p) Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
- q) Any other material events as may be approved by the Board from time to time.

Explanation 1: For the purpose of sub-clause (i):

- a) **'Fraud'** shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- b) **'Default'** shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2: For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.

NOTE: *It is intended that information relating to the Company or securities, which is not generally available, would-be UPSI if it is likely to materially affect the price upon coming into the public domain. The types of matters that would ordinarily give rise to unpublished price sensitive information have been listed above to give illustrative guidance of unpublished price sensitive information.*

Words and terms defined in the Code and not defined herein, but defined in the Regulation, the PIT Code, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992, the Depositories Act, 1996 or the Companies Act, 2013 including any amendments thereto, shall have the meanings respectively assigned to them in such legislation.

4. Publication of the Code:

The Code upon its adoption by the Board of Directors of the Company shall be uploaded on the Company's website and any updates hereto shall be promptly reflected on the Company's website.

II. HANDLING AND DISSEMINATION OF USPI

1. Identification of Unpublished Price Sensitive information:

- A. The Managing Director & Chief Executive Officer (MD & CEO) or Whole-Time Director (WTD) or Chief Financial Officer (CFO) shall identify the information that shall be treated as UPSI.
- B. In addition to the information falling within the definition of "USPI" under the Regulation, the MD & CEO or WTD or CFO may classify any other information as UPSI if they are satisfied that the disclosure of such information is likely to have a material impact on the market prices of the securities of the Company.
- C. The MD & CEO or WTD or CFO shall be assisted by the Compliance Officer in making such an assessment and may be guided by the Board of Directors in the classification of any information as UPSI.

2. Access to Unpublished Price Sensitive Information:

- A. The MD & CEO or WTD or CFO shall determine the Members entitled to have access to UPSI relating to any particular transaction.
- B. In determining such access, the MD & CEO or WTD or CFO shall be guided by the principle that UPSI shall be made available to any person only if such information is required for the furtherance of the legitimate purposes, performance of duties or discharge of legal obligations of such person or as permitted in the Regulation.
- C. No person so obtaining access to UPSI, whether an employee of the Company, an external consultant or advisor, shall disclose such information to any person except those specifically authorized in this behalf by the MD & CEO or WTD or CFO.

3. Public Disclosure of Unpublished Price Sensitive Information:**A. Timing of Disclosure:**

- a) All Price Sensitive Information shall be made public upon the information itself becoming reasonably certain or upon the occurrence of the contemplated transaction to which the information relates becoming reasonably certain, except as allowed otherwise under the Regulation.
- b) Upon such reasonable certainty being established, the information shall be made public at the earliest practicable time and in compliance with all prevalent regulations.
- c) Where any such contemplated transaction requires authorization by the Board of Directors, the occurrence of the event shall not be deemed to be reasonably certain unless such authorization has been granted.

B. Manner of Disclosure:

- a) To ensure fair, uniform and universal disclosure, information that is intended to be made generally available shall be reported to the Stock Exchanges on which the securities of the Company are listed for wide dissemination to investors and members of the exchanges through the websites and/or trading terminals of the Stock Exchanges before such information is disclosed on any other forum.
- b) Upon the information being sent to the Stock Exchanges, the information shall be deemed to be generally available and shall no longer be treated as UPSI.

C. Further Dissemination of Generally Available Information:

- a) Once any information is made generally available, the information may be uploaded on the Company's website in a suitable form and may be shared with any person or disseminated using any means without any restriction.
- b) It is clarified that the mere changing of the form of the information without affecting its essence shall not result in the information being treated as new information.

D. Public Disclosure of Information Disclosed Selectively:

- a) In the event that any UPSI is disclosed selectively, inadvertently or otherwise, to any person, and the Company does not have the power to require such person not to trade in the securities of the Company on the basis of such information and not to communicate such information to any other person, such UPSI shall be promptly made generally available in accordance with the Code.
- b) The MD & CEO shall decide based on the facts of the case whether the Company has the power to require the receiver of such selective information, not to trade in the securities of the Company on the basis of such information and not to communicate such information to any other person.

4. Responding to requests for information:**A. Requests for information from investors, research analysts, etc.:**

- a) Any request for information received by the Company from any investor, research analyst, journalist or other member of the public shall be responded to, based on information that is generally available.
- b) It is clarified that the sharing with a specific person(s) of any information related to the Company or the industry(ies) in which the Company operates, which is general in nature, or any information that is derived from or is a mere elaboration of generally available information and is not inconsistent with such generally available information, or any information that is not likely to impact the price-discovery process of the Company's securities shall not be treated as selective disclosure by the mere fact of the information not being publicly disseminated earlier in the same form.
- c) The Company shall adopt best practices to make transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website to ensure official confirmation and documentation of disclosures made.

B. Requests for verification of information from regulatory authorities:

Any queries on material published in the media or requests for verification of market rumors received from regulatory authorities or stock exchanges shall be responded to promptly and in a manner that is not misleading.

C. Investor Relations Officer:

The Chief Treasury Officer of the company shall act as Chief Investor Relations Officer to deal with dissemination of information and disclosure of unpublished price sensitive information.

III. POLICY FOR DETERMINATION OF LEGITIMATE PURPOSE

1. The 'Legitimate Purpose' shall include sharing of UPSI in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulation.
2. The information shall be shared with any person on 'need to know' basis.
3. Insider shall share the UPSI with the external agencies only in the interest of the Company and/or in compliance with the requirements of the law and to discharge any legal obligations.
4. The sharing of UPSI shall be in connection with plans of the Company, relating to the operations, diversification, expansion, restructuring or discharge of legal obligations.
5. Sharing of information for any genuine or reasonable purpose as may be determined by the Chief Investor Relations Officer.
6. The Company shall ensure that a Structured Digital Database (SDD) is maintained containing the names of such persons or entities, as the case may be, with whom UPSI is shared under the Regulation along with the Permanent Account Number (PAN) or any other identifier authorized by law, where PAN is not available. Such a database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. Provided that entry of information, not originating from within the organization, in SDD may be done not later than 2 calendar days from the receipt of such information.
