

Whistle Blower Policy

❖ Purpose & Background

Under Reg 22 of Listing Obligations and Disclosure Requirements, 2015:

(1) The listed entity shall formulate a vigil mechanism /whistle blower policy for directors and employees to report genuine concerns.

(2) The vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or any other person who avail the mechanism and also provide for direct access to the chairperson of the audit committee in appropriate or exceptional cases.

❖ Objective

The objective of the policy is to encourage all the employees to fearlessly come out with their complaints regarding any kind of major value violations, misuse of organization's properties, mismanagement or wrongful conduct prevailing in the organization, if any.

❖ Definition

A "Whistle Blower" could be any existing employee of SAFL who may provide information about any kind of misuse, mismanagement or wrongful conduct prevailing in the organization through an email or written communication, giving detailed relevant information and facts without fear of retaliation of any kind. The information on suspected wrongful conduct is such information, which the employee in good faith believes to be as evidences.

Violation of a Law or Policies of the organization but not limited to are;

- Financial Malpractices or Misappropriation of Funds / Assets etc.
- A danger to public health or safety
- Violations of SAFL values and its articulated Codes of Conduct (Code of Conduct at workplace and code of business ethics)

❖ Purpose

The purpose of the Whistleblower policy is as follows:

- To encourage the employees to report to the management / Board Committee about suspected unethical behaviors, malpractices, wrongful conduct, and fraud violation of the organization's policy including code of ethics and conduct, violation of law or questionable accounting or auditing matters by any employees in the organization without any fear of retaliation.
- To build and strengthen a culture of transparency and trust in the organization
- Disclosure of alleged wrongful conduct among the employees of SAFL

***Policy approved by the Board of Directors at the meeting held on 09th February, 2023.**

❖ Guidelines for making a disclosure

Any employee, either through email, complete with related evidence can send his / her observation of facts to the **email ID: whistleblower@safl.in** or through written communication to the Chairperson of the HR Committee of the Board.

The Disclosure shall preferably bear the identity of the Whistle Blower. The Chairperson of the relevant Board Committee shall access the email on a regular basis. The details of the disclosure shall be discussed with the MD & CEO and / or the Board Committee and if deemed fit, forward the disclosure for further investigation. Disclosures should be factual and not speculative or in the nature of a conclusion, and shall contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.

The information on suspected wrongful conduct shall be such information that the Whistle Blower in good faith, believes, evidences any of the following (but not limited to):

- Violation of any law or regulations, including but not limited to corruption, bribery, theft, fraud, coercion and willful omission
- Pass back of Commission/benefit or conflict of interest
- Procurement / collusion frauds
- Mismanagement, Gross wastage or misappropriation of organization funds/assets
- Manipulation of Organization data/records
- Stealing cash/organization assets; leaking confidential or proprietary information
- Unofficial use of Organization's material assets
- Activities violating Organization policies including Code of Ethics and Conduct and SAFL Values
- An abuse of authority
- An act of discrimination or sexual harassment

The above list is only illustrative and should not be considered as exhaustive.

In an alleged wrongful conduct as mentioned above, where involvement of Senior Management is observed, the employees also can directly contact the chairperson of the relevant Board Committee who shall mandate the Committee to supervise the effective investigation in line with the Whistle Blower Policy.

Whistle Blowers, who make any disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious, or reported otherwise than in good faith, shall be disqualified from reporting further disclosures under this Policy unless the same is revoked by the MD & CEO / relevant Board Committee. In respect of such Whistle Blowers, the investigation Committee would reserve its right to take/recommend strict disciplinary action up to and including termination of service to ensure that all complaints are motivated by organizational interest and not self-interest.

❖ Disclosure investigation

On receipt of the disclosure, the details of the same shall be communicated to the MD & CEO. The MD & CEO after discussions with the relevant personnel shall decide on the formation of an Investigation Committee that would be made up of at-least five members including the Dy. CEO, HR Head, CFO/Finance Head and Legal Head. If required the MD & CEO may also appoint an external investigation agency to carry out the investigations.

The Investigation Committee, after proper scrutiny, must thoroughly investigate the claim/disclosure within 30 days upon receipt of complaint. The Investigation Committee may with the consent of the MD & CEO / Chairperson of the relevant Board Committee, consider involving external investigators for the purpose of investigation.

The decision to conduct an investigation taken by the Investigation Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.

Investigations will be launched only after a preliminary review, which establishes that:

- The alleged act constitutes an improper or unethical activity or conduct, and
- Either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.

The identity of the subject (accused) shall be kept confidential to the extent possible given the legitimate needs of law and the investigation. Subjects shall normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation. They shall also have a duty to co-operate with the Investigation Committee or any of the Investigators during investigation to the extent that such co-operation sought does not merely require them to admit guilt.

Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or members of the Investigation Committee. Subjects have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.

Unless there are compelling reasons not to do so, Subjects shall be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrongdoing against a Subject shall be considered as maintainable unless there is good evidence in support of the allegation.

Technical and other resources may be drawn upon as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behaviour, and observance of legal and professional standards.

❖ Confidentiality

Disclosure of wrongful conduct may be submitted on a confidential basis. Such disclosures shall be kept confidential to the extent possible, convenient with the need to conduct an adequate investigation.

❖ Protection against victimization

No unfair treatment will be meted out to a Whistle Blower by virtue of his / her having reported a Disclosure under this Policy. SAFL, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection and immunity shall, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further disclosure. The Organization shall take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Whistle Blowers are cautioned that their identity may become known for reasons outside the control of the Investigation Committee (e.g. during investigations carried out by outside Investigators). Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

If an investigation leads the Investigation Committee to conclude that an improper or unethical act has been committed, the Committee shall direct the management of SAFL to take such disciplinary or corrective action as the Committee deems fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

The Investigation Committee shall submit a report to the MD & CEO / chairperson of the relevant Board Committee who shall then inform the Board.

❖ Deviations

- Any deviations from this policy shall require the approval of the relevant Board Committee
- The relevant Board Committee reserves the right to modify or terminate this policy without any prior notice
