

SBI Ventures Limited (formerly known as SBICAP Ventures Limited)

Whistle Blower Policy

Version 2

Approved by: Board of Directors

Policy Owner: Head, Human Resources

Whistle Blower Policy

Applicability: <i>SBI Ventures Limited (formerly known as SBICAP Ventures Limited) and subsidiaries/associates of the Company</i>	
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1. Preface

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Towards this end, the Company has adopted the Code of Conduct ("the Code"), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. The role of the employees in pointing out such violations of the Code cannot be undermined.

The Whistle Blower policy establishes guidelines and mechanism for staff members to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The policy is intended to encourage all employees to report suspected or actual occurrence of illegal, unethical or inappropriate actions, behaviors or practices by staff members without fear of retribution. The policy also provides necessary safeguard and protection to the employees who disclose the instances of unethical practices/behavior observed in the Company.

2. Definitions

The definitions of some of the key terms used in this Policy are given below. Capitalized terms not defined herein shall have the meaning assigned to them under the Code

- a. **"Employee"** means every employee of the Company including the Directors in the employment of the Company
- b. **"Code"** means the Code of Conduct
- c. **"Designated Authority"** MD&CEO of the Company is the designated authority to act on whistleblower complaints.
- d. **"Investigators"** mean those persons authorized, appointed, consulted or approached by the MD&CEO or Chairperson of the Audit Committee and include the auditors of the Company and the police.
- e. **"Protected Disclosure"** means any communication made in good faith that discloses or demonstrates information that may evidence unethical or improper activity
- f. **"Subject"** means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation
- g. **"Whistle Blower"** means an Employee making a Protected Disclosure under this Policy

3. Scope

- a. The Whistle Blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finders of facts, nor would

- they determine the appropriate corrective or remedial action that may be warranted in a given case
- b. Whistle Blowers should not act on their own in conducting any investigative activities nor do they have a right to participate in any investigative activities other than as requested by the MD&CEO or Chairperson of the Audit Committee or the Investigators
 - c. Protected Disclosure will be appropriately dealt with by the MD&CEO. If the complaint is against the MD&CEO, the Chairperson of the Audit Committee will be the authorized person to act on such cases.
 - d. The Company believes that employees who have had any action taken against them on account of the findings from the investigation of a whistleblower complaint, should have the right to appeal against any decisions arising from the procedure. Employees who wish to appeal against such action may approach / appeal to the Chairperson of the Audit Committee.

4. Eligibility

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company

5. Procedure

- a. All Protected Disclosures should be addressed to the MD&CEO for investigation and action.
- b. MD&CEO is responsible for initiating an investigation on the complaint made by the whistle-blower. The MD&CEO should ensure that the policies and procedures related to investigation including policies and procedures protecting whistleblowers from retaliation (resulting from reporting disclosures or concerns), are followed and conducted in an independent, unbiased and effective manner with complete integrity.
- c. The Audit committee will act as the Appellate body and the decision taken by the MD&CEO may be appealed to the Chairperson of Audit Committee. Any new evidence to be considered should be presented at this time to the Audit Committee, which may lead to further investigations conducted by the committee.
- d. Depending on the severity of the complaint, the MD&CEO may decide to involve the Chairperson of the Audit Committee at an appropriate stage.
- e. In cases where a disclosure concerns the conduct of the MD&CEO, SVL may consider appointing the Chairperson of Audit Committee or any other appropriate person as the authority responsible to conduct the review and reporting of the findings.
- f. If a protected disclosure is received by any executive of the Company the same should be forwarded to the MD&CEO for further appropriate action. Appropriate care must be taken to keep the identity of the Whistle Blower confidential.

- g. Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English, Hindi or in the regional language of the place of employment of the Whistle Blower
- h. The Protected Disclosure should be forwarded under a covering letter which shall bear the identity of the Whistle Blower. The MD&CEO, as the case may be shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation
- i. Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern

6. Investigation

- a. All Protected Disclosures reported under this Policy will be thoroughly investigated
- b. The MD&CEO and Audit Committee may at their discretion, consider involving any Investigators for the purpose of investigation
- c. The decision to conduct an investigation taken by the MD&CEO 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
- d. The identity of a Subject and the Whistle Blower will be kept confidential to the extent possible given the legitimate needs of law and the investigation
- e. Subjects will normally be informed of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation
- f. Subjects shall have a duty to co-operate with the MD&CEO, Chairperson of Audit Committee or any of the Investigators during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.
- g. Subjects have a right to consult with a person or persons of their choice, other than the Investigators and/or MD&CEO and/or Audit Committee and/or the Whistle Blower. Subjects shall be free at any time to engage counsel at their own cost to represent them in the investigation proceedings. However, if the allegations against the subject are not sustainable, then the Company may see reason to reimburse such costs.
- h. 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.
- i. Unless there are compelling reasons not to do so, Subjects will 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.

- j. Subjects have a right to be informed of the outcome of the investigation. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- k. The investigation shall be completed normally within 15 days of the receipt of the Protected Disclosure.

7. Coverage of policy

The Policy covers malpractices and events which have taken place/ suspected to take place involving:

- a. Abuse of authority
- b. Breach of contract
- c. Negligence causing substantial and specific danger to public health and safety
- d. Manipulation of company data/records
- e. Financial irregularities, including fraud, or suspected fraud
- f. Criminal offence
- g. Pilferage of confidential/propriety information
- h. Deliberate violation of law/regulation
- i. Wastage/misappropriation of company funds/assets
- j. Breach of employee Code of Conduct or Rules
- k. Any other unethical, biased, favored, imprudent event

Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

8. Protection

- a. No unfair treatment will be meted out to a Whistle Blower by virtue of his/her having reported a Protected Disclosure under this Policy. The Company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, 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 any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties/functions including making further Protected Disclosure. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus, if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure.

- b. A Whistle Blower may report any violation of the above clause to the MD&CEO who shall investigate into the same and recommend suitable action.
- c. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law.
- d. Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

To prevent any malicious complaints, as an exception in this section a Whistle Blower will not get protection under the Policy if he is himself found guilty of misconduct. In other words, while the Committee will take cognizance of the Protected Disclosure, the employee's misconduct will be dealt with separately and take suitable action.

9. Investigators

- a. Investigators are required to conduct fact-finding and analytical activities. Investigators shall derive their authority and access rights from the MD&CEO or Audit Committee (in case of an appeal), when acting within the scope of their investigation.
- b. 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 behavior, and observance of legal and professional standards.
- c. Investigations will be launched only after a preliminary review by the MD&CEO which establishes that:
 - i. the alleged act constitutes an improper or unethical activity or conduct, and
 - ii. The allegation is supported by information specific enough to be investigatedOr
In cases where the allegation is not supported by specific information, it is felt that the concerned matter is worthy of management review, provided that such investigation should not be undertaken as an investigation of an improper or unethical activity or conduct.

10. Decision

If an investigation leads to a conclusion that an improper or unethical act has been committed, the MD&CEO shall recommend necessary disciplinary or corrective action as deemed 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.

11. Retention of documents

All Protected Disclosures in writing or documented along with the results of investigation relating thereto shall be retained by the Company for a minimum period of five years.

12. Reporting

The Company shall submit a report on a half-yearly basis by 30th June and 31st December of every year, to the Audit Committee regarding total number of disclosures received in the period, nature of complaint, outcome of investigation, action recommended by the MD&CEO and implementation of the same.

The reports on the above shall be reviewed and recorded by the Audit Committee.

- a) Depending on the gravity of the complaint the MD&CEO may decide to report the complaint to the Chairperson of the Audit Committee at any time. However, this should be done in moderation and only in cases which are very serious.
- b) On review of the half yearly report the Chairperson of the Audit Committee may decide to take additional action on some complaint that has been investigated and action taken.

13. Appointment of an Ethical Counsellor

SVL can consider appointing an Ethical Counsellor who shall assist employees who have witnessed offences and need counseling about their roles and responsibilities in seeking a redressal of the wrongdoings.

“**Ethical Counsellor**” means Head of Compliance / Human Resources / Vigilance or any other official designated under this Policy who shall assist employees who have witnessed offences and need counseling about their roles and responsibilities in seeking a redressal of the wrongdoings

14. Display and notification of the policy

The Whistle Blower policy should be made available to all employees through email notifications, handout of the policy kept in a common place in the office and / or display of the policy in the company intranet / HRMS. The Compliance department should create awareness and educate employees on this policy from time to time.

15. Disqualification of Whistle Blower

Incase Whistle Blower makes three or more Protected disclosures which have subsequently found to be malafide, frivolous, baseless or malicious, this will be considered as a serious misconduct and the Whistle Blower will be disqualified to report further protected disclosures under the policy and suitable action will be taken under the disciplinary process, that can amount to termination from services.

16. Amendment

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees unless the same is notified to the Employees in writing.