



# **Aditya Birla ARC Limited**

## **Whistle blower Policy**

*With effect from: April 1, 2018*

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## **Preamble**

The Aditya Birla Group Values of Integrity, Commitment, Passion, Seamlessness, and Speed are the foundation for all our actions and for the decisions we take. They set standards for the organization and for employee conduct. Being a part of Aditya Birla Group, Aditya Birla ARC Limited is fully committed towards implementing the above mentioned values.

This policy lists down broadly the identifiable and non-negotiable set of actions/behavior applicable to all employees across Aditya Birla ARC Limited (ARC). It provides direction and explains how to report violations/ potential violations of the values and/or the ARC Code of Conduct and the process of grievance redressal.

This policy would also be applicable to and any other entity which may come under the Aditya Birla Capital Limited (hereinafter referred to as ABCL Entities/business units).

Each employee of ARC shall commit to the Code of Conduct on joining and at periodic intervals by signing a copy, which shall be maintained in his/her personal file. All employees of ARC must practice honesty and integrity in their respective functions and comply with all applicable policies, procedures, laws and regulations in letter and spirit.

## **Purpose of this Policy**

- a. To encourage the employees and directors to report unethical behaviours, malpractices, wrongful conduct, fraud, violation of the company's policies & values, violation of law by any employee of ABC group without any fear of retaliation. Any employee or party who in good faith reports such behaviors, malpractices will be called as Whistle Blowers.
- b. To build and strengthen a culture of transparency and trust within the organization.
- c. The policy provides an environment that promotes responsible and protects whistle blowing. It reminds Employees and Directors about their duty to report any suspected violation of any law that applies to the Group and any suspected violation of the Group Values or the ABC Code of Conduct.
- d. Above all, it is a dynamic source of information about what may be going wrong at various levels within ABC group, which will help ABC group in realigning various processes and to take corrective actions as part of good governance practice.

## **Objective**

This policy seeks the support of ABC group employees and directors to be whistle blowers by reporting significant deviations from key management policies and report any non-compliance and wrong practices, e.g. unethical behavior, fraud, violation of law, etc.

## **Applicability**

This policy applies to all employees of ABC group (including outsourced, temporary and on contract personnel)\*, (hereinafter referred to as 'Whistle Blower').

This policy supersedes any other local & company level whistle bower policy that exists. This policy shall be applicable to all offices of ABC group, all sub units and places where business is

conducted/transacted/discussed, which includes but is not limited to offices, branches, hotels, guest houses and conference halls.

### **Who is a whistle blower?**

Any Employee or Director who discloses or demonstrates an evidence of an unethical activity or any conduct that may constitute breach of the Group's/Group Company's Code of Conduct or the Group Values. This whistleblower has come to the decision to make a disclosure or express a genuine concern/grievance/allegation, after a lot of thought.

### **Protection**

The process is designed to offer protection to the whistleblower (employees and directors) provided that the disclosure made / concern raised / allegations made ("complaint") by a whistleblower is in good faith and the alleged action or non-action, constitutes a genuine and serious breach of what is laid down in the Group Values and/ or the ABC Code of Conduct.

ABC group affirms that it will not allow any whistleblower to be victimized for making any complaint. Any kind of victimization of the whistleblower brought to the notice of the Value Standards Committee \*\* will be treated as an act warranting disciplinary action and will be treated so.

At ABC group, we condemn any kind of discrimination, harassment, victimization or any other unfair employment practice adopted against whistleblowers. Complete protection will be given to whistleblowers against any unfair practices like retaliation, threat or intimidation, 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 whistleblower's right to continue to perform his/her duties/functions in a free and fair manner.

### **Reporting in good faith**

Every Whistle Blower is expected to read and understand this policy and abide by it. It is recommended that any individual who wishes to report, do so after gathering adequate facts/data to substantiate the complaint and not complain merely based on hearsay or rumour. This also means that no action should be taken against the whistleblower, if the complaint was made in good faith, but no misconduct was confirmed on subsequent investigation.

However, if a complaint, after an investigation proves to be frivolous, malicious or made with an ulterior intent, the Value Standards Committee shall take appropriate disciplinary or legal action against the concerned whistleblower.

### **Scope of Reporting**

This policy encourages all Whistle Blowers to report any kind of misuse of company's properties, or mismanagement or wrongful conduct prevailing/executed in the company, which the whistleblower in good faith, believes, evidences any of the following:

1. Violation of any law or regulations, or policies including but not limited to corruption, bribery, theft, fraud, coercion and willful omission.
2. Procurement frauds.
3. Misappropriation of company funds/assets.
4. Manipulation of company data/records.
5. Misappropriating cash/company assets; leaking confidential or proprietary information.
6. Unofficial use of company's property/human assets.
7. Activities violating company policies. (including code of conduct ABMC 769 and employee fair practice policy)
8. A substantial and specific danger to public health and safety.
9. An abuse of authority or fraud
10. An act of discrimination or sexual harassment \*.
11. Any such act, which the whistleblower believes and has evidence of, that is in violation to ABC Code of Conduct / ABG Values.

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

#### **List of exclusions**

1. Matters which are Trivial or frivolous in nature.
2. Matters which are pending before a Court of Law, State or National Human Rights Commission or any other Commission, Tribunal or any other judiciary or sub judiciary body.
3. Any matter, after the expiry of one year from the date on which the act constituting violation of human rights is alleged to have been committed.
4. Allegation, which is not against the interests of ABC Entities/employees as stated above.
5. Issue raised relates to civil dispute, such property rights, contractual obligations, etc.
6. Issue raised, relating to service matters, i.e. matters relating to employment such as salary, promotion, etc.

\*In case of sexual harassment the Policy for Prevention of Sexual Harassment [PFPOSH] of ABC group shall be applicable and the complaint shall be closed as per the process described therein.

#### **Dealing with anonymity**

A whistleblower may choose to keep his/her identity anonymous. In such cases, the complaint should be accompanied with strong evidence and data

## **Confidentiality**

The Value Standards Committee will treat all complaints in a confidential and sensitive manner. In specific cases where the criticality and necessity of disclosing the identity of the whistleblower is important, it may be disclosed, on a 'need-to-know-basis', during the investigation process and only with the prior approval of the whistleblower.

## **Who is a whistle blower officer?**

For the purpose of this policy, the Chief Human Resource Officer of ABCL or the Company Secretary of ABCL (or in his/her absence, the Legal Head) of the relevant Unit/Business would act as the Secretary of the relevant Values Standard Committee.

## **Roles and Responsibilities**

1. Chief Human Resource Officer (CHRO) shall be the owner of the process. CHRO shall also ensure that following committees are in place:
  - a) Business Whistle Blower Committee (BWBC): A committee comprising management representatives at Business Level.
  - b) Unit Whistle Blower Committee (UWBC): A committee comprising management representatives at Unit Level.
2. Human Resource function shall implement adequate reporting mechanism for ease and timely reporting.
3. The jurisdiction of the Committee is restricted to the violation of Code of Conduct and/or business ethics alleged to have been committed within one year of the receipt of complaint by the Committee.
4. It shall be the responsibility of the HR Head's of various units to create the necessary awareness among all employees' in all cadres and make those concerned/affected known on the company's policies in place.

## **Procedure for raising a complaint**

A whistleblower can make a complaint in multiple ways:

1. Can write to the relevant Business / Unit Whistle Blower Committee's which are indicated in the table below. The information about name of members and list of Business / Unit Whistle Blower Committee's at various levels, their e-mail id are available on the Values micro site that can be accessed from Poornata (<https://www.poornataghr.com>), or the Group's Intranet Onstream, (<http://www.abgonstream.com>).

By writing to the Chief Human Resource Officer of ABCL or Business Unit Head HR, Business Head or Company Secretary of the relevant Group Company, as these officials are duty bound to share the complaint with the Ethics Hotline.

2. In exceptional cases, the complainant can directly report his/her complaint to the Chairperson of the Company's Audit Committee as and when formed. Details of the Chairperson are available with the Secretarial team of the Company.

In ABC group there are 3 tier committees which have been created to facilitate registration the Whistle Blower complaint, which are –

| If Breach of Code of Conduct or Values is at:  | Report Complaint via E-mail to:   | Report Complaint in writing to:   |
|--|---|---|
| <b>ABC Chief Executive or above level</b>  | <b>Group Value Committee (GVC).</b><br><a href="mailto:GroupValueStandards@adityabirla.com">GroupValueStandards@adityabirla.com</a>                           | Group Value Committee (GVC).<br><b>ADDRESS</b><br>Aditya Birla Group<br>Aditya Birla Management Corporation Pvt.Ltd<br>Aditya Birla Centre, 'C' Wing, 3rd Floor, S.K.Ahire Marg, Worli, Mumbai 400 030 India.                   |
| <b>Unit CEO level or SMT member level</b>  | <b>*Business level WhistleBlower/Grievance Redressal Committee (BGRC)</b><br><a href="mailto:finserv.BVSC@birlasunlife.com">finserv.BVSC@birlasunlife.com</a> | Business level Whistle Blower Committee (BWBC)<br><b>ADDRESS</b><br>Aditya Birla Capital Limited Group<br>One Indiabulls Centre, Tower-1, 18th floor, Jupiter Mills Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013. |
| <b>Any level below the Unit CEO level</b>  | <b>**Unit level Whistle Blower/Grievance Redressal Committee (UGRC).</b><br>(Refer Annexure 2 for e-mail id's for your respective Units)                      | Unit level Whistle Blower Committee (UWBC).<br>(Refer Annexure 3 for address where you can send your report)  |
| <p>*In cases where complaint is against any <u>member</u> of the <b>Business Level Whistle Blower/Grievance Redressal Committee</b> same should be reported to the <b>Group Value Committee (GVC)</b></p> <p>**In case where complaint is against <u>any member of the Unit Committee</u> the same should be reported to the <b>Business level Whistle Blower Committee (BWBC)</b></p> |   |   |

If the complainant so desires, he/she may alternatively report the incident to his / her functional head or manager who will then report it (in writing or via E-mail-Refer Annexure 1 for Format) to the relevant Committee.

Because the employee has several means of reporting, the employee does not need to report to someone he / she believes may be involved in the suspected violation or from whom the employee would fear retaliation.

## Procedure for handling a complaint:

1. A whistle blower identifies non-adherence of the ABC Code of Conduct or the Aditya Birla Group's Code of Conduct by any employee or a segment of the organization, will compile information that supports the case.
2. The whistle blower sends the complaint to the independent reporting mechanism - Ethics Hotline or to the respective Standards Committee, depending on:
  - The level at which the violation is perceived to be happening, or
  - The seniority of the individual/s involved.

If the breach or misdemeanor is at:

- The Unit Head level (Chief Executive Officer, Unit Head etc) and above, the employee will write to the Group level Value Standards Committee (GVSC)
  - Unit Function Head level, the same will be reported to the respective Business level Value Standards Committee (BWBC)
  - Any other level, the same will be reported to the respective Unit level Value Standards Committee (UWBC)
3. A whistle blower can also send the complaint to the Business Head, Unit Head, Chief Human Resource Officer or Company Secretary.
  4. All complaints which are sent directly to the various reporting authorities will necessarily be also reported to the Ethics Hotline. The Ethics hotline will capture all relevant information and send it to relevant Values Standard Committee within 2-3 working days.
  5. Upon receipt of information, the secretary of the relevant Values Standard Committee will first do a preliminary investigation to check whether the complaint seems to be genuine and falls under the purview of the whistle blower policy. If the complaint is sent with malicious intent, then the committee will take appropriate disciplinary action against the whistle blower.
  6. If the complaint does not fall under the purview of whistle blower policy, then the same would be redirected to the right forum. E.g. If complaint is related to sexual harassment, same will be forwarded to the Complaints Committee and would be dealt as per the process prescribed under the Policy to Prevent Sexual Harassment at the Workplace. If a complaint is related to a personal grievance, e.g. appraisal rating, promotion etc, it will be forwarded to the relevant Head HR of the Unit.
  7. Once established that the case needs investigation, the secretary of the relevant Value Standards Committee, in consultation with the committee, shall appoint a team to investigate the case, with utmost confidentiality. The investigative team can be a pool of internal people or can be an external agency specialized in investigating such cases.
  8. Under no circumstances, will the secretary, investigation team and the committee reveal / disclose the identity of the "accused" to anyone else (including the immediate manager) – other than all those who are required to know about the case.
  9. The investigation team should work towards ensuring that the investigation is completed by following the laws of the land and principles of natural justice within 3 weeks of the complaint being reported. If the investigation cannot be completed within 3 weeks, then the committee needs to have very valid and strong reasons for the same.



## **Actions by Committee**

If charges are substantiated, or the complaint is found correct on investigation, suitable action will be suggested. The following punitive actions could be taken against employees, where the committee finds the accused guilty:

- a. Counseling & a Warning letter
- b. Withholding of promotion / increments
- c. Bar from participating in bonus review cycle
- d. Termination
- e. Legal suit

The above are only suggestive and the Committee may decide on the actions to be taken on a case to case basis depending on the gravity of the offence.

### **Note:**

If wrongful conduct remains largely unsubstantiated; the committee has the right to close the complaint.

If the case is found to be false and malicious in intent and the whistle blower / complainant has indulged in this knowingly, he/she would be held guilty of misconduct and appropriate action shall be taken.

However, the Committee shall distinguish **between mistaken reporting and malicious intent of the complainant.**

The decision of Whistle Blower Committee will be binding on the parties involved / parties found guilty of the reported mis-conduct.

## **Reporting process**

An Annual and Quarterly report will be prepared by the Business Value Standards Committee of which copies will be placed before the Audit Committee of the relevant Group Company and also shared with the Organization Effectiveness portfolio at Group Human Resources.

## **Questions that one may have on this Policy**

### **Is it my duty to Report?**

Everyone is **required** to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct and Values. **It is important that you report all suspected violations.**

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct and Values has occurred or is occurring, report that potential violation.

Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company policies or applicable laws. **You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company policy.** Failure to report

any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

### **Will my identity be kept confidential if I report?**

For the purpose of providing protection to the whistle blower/complainant, he/she should try and disclose his/her identity to committee. The committee will ensure that it keeps your identity confidential to the extent possible.

The best way to keep your identity confidential is to follow the approach listed in this policy.

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law.

### **Can I report without revealing my identity?**

Revealing your identity while filing your report is encouraged since it enables the committee to reach out to the whistleblower and gather more information should the need arise. It also enables the committee to seek additional support from the whistleblower if need be. This helps in investigating a violation thoroughly, accurately and enables the committee to take action immediately.

However you have the option to report anonymously. In such cases, please ensure that you submit enough data, details and evidence which clearly substantiate the violation that has occurred. Any instance / rumor of violation of code of conduct or policy, etc. that is not accompanied by concrete evidence will not be considered.

### **Will I be victimized if I report?**

To protect the whistleblower/complainant, ABFSG has a strict policy against retaliation or victimization

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics.

The Company takes reports of such retaliation/victimization seriously. Incidents of retaliation/victimization against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in **appropriate disciplinary action against anyone responsible, including possible termination of employment.**

Those working for or with the Company who engage in retaliation/victimization against whistle blowers /Complainants may also be **subject to civil, criminal and administrative penalties.**

### **What all should I cover in my report?**

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred.

**Will I be contacted by the committee after I complain?**

Where you have not reported anonymously, you may be contacted by the committee members for further information.

## Annexure 1: Template for Reporting Violation

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**To: Redressal Committee:** \_\_\_\_\_

### **Violation details:**

- a. Which aspects of the whistle blower policy have been violated?
- b. Who is /are the individual/ people/ functions involved?

### **Critical Incidents and Factual Data:**

- a. Please describe what constitutes the violation i.e. incident details.
- b. List supporting information/ data that you would have, that the Committee can seek from you while investigating.

Date: \_\_\_\_\_

Location: \_\_\_\_\_

Name of the Person reporting (optional): \_\_\_\_\_

Contact Information (including email optional): \_\_\_\_\_

### **Note:**

Reporting done by individuals disclosing their names will be attended to first. Anonymous complaints are discouraged and would be considered only in extreme cases.

## Annexure 2: Committee Members

| Company Name   | Mail Id  | Committee Members Name & Role   |
|--|--|---|
| ABG Group  | <a href="mailto:group.vsc@adityabirla.com">group.vsc@adityabirla.com</a>         | Group Value Committee   |
| Aditya Birla Capital Limited (formerly known as Aditya Birla Financial Services Ltd) (Group) | <a href="mailto:finserv.BVSC@birlasunlife.com">finserv.BVSC@birlasunlife.com</a> | Subhro Bhaduri – Chairperson;<br>A Dhananjaya – Secretary;<br>Nikhilesh Balgi – Member;<br>Loveleen Sahrawat – Member                   |
| Aditya Birla ARC Limited   | <a href="mailto:abml.irc@adityabirla.com">abml.irc@adityabirla.com</a>           | A Dhananjaya – Chairperson;<br>Rajesh Gandhi – Secretary;<br>Pradeep Sharma – Member;<br>Amit Kansal – Member;<br>Sivakumar B – Member; |

## Annexure 3: Postal Addresses for Reporting Complaint in Writing

| Business Unit            | Report Complaint in writing to the Chairperson of the relevant Committee and post it to the appropriate address mentioned below. |
|--------------------------|--|
| Aditya Birla ARC Limited | One Indiabulls Centre, Tower-1, 18 <sup>th</sup> Floor, Jupiter Mills Compound, 841, S.B. Marg, Elphinstone Road, Mumbai 400 013 |