

WHISTLE-BLOWER POLICY



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Objective

Motherson Sumi Systems Limited (MSSL) (hereinafter known as "the Company") is committed to conduct its business with highest standards of business ethics that it feels is of utmost importance for the existence of any organization. To ensure strict compliance with ethical and legal standards across the company, the Whistle-blower Policy (~~%Policy+~~) has been created.

The purpose of the policy is to go beyond the requirements of the Companies Act, 2013; SEBI; and other local laws in various countries in which the group operates and create an overall enabling environment.

The objectives of this Policy are:

- To create a window for any person who observes an unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct or ethics policy (hereinafter ~~%Unethical and Improper Practices+~~), either organizationally or individually to be able to raise it;
- To encourage timely, safe and open reporting of alleged wrong doings or suspected impropriety;
- To ensure consistent and timely institutional response;
- To ensure appropriate reporting of whistle-blower investigations;
- To encourage ethical and lawful conduct;
- To provide adequate safeguards against victimization of persons.

Scope

This Policy defines and lays down the process for raising a 'Complaint', the safeguards in place for the person raising a Complaint, the roles and responsibilities of all stakeholders and also sets the time lines for all processes to be followed. In all instances, the Company retains the prerogative to determine when circumstances warrant an investigation and the appropriate investigative process to be employed, in conformity with this Policy and applicable laws and regulations.

Complaints related only to Unethical and Improper Practices will be dealt by this Policy.

An illustrative list of complaints redressed by this Policy is provided in **Annexure 1**.

Applicability

This Policy covers all directors, employees, third party vendors, consultants and customers throughout the world, operating out of any location of the Company.

Definitions

- *Whistle-blower*: A person or entity making a disclosure of any actual or suspected Unethical and Improper Practice that they have observed. Whistle-blowers could be directors, employees, contractors, contractors employees, clients, vendors, internal or external auditors, law enforcement/regulatory agencies or other third parties.
- *Whistle-blower / Ethics Committee*: The committee constituted to deal with Complaints under this Policy.
- *Chairman*: The Chairman of the Whistle Blower Committee shall be the Chief Financial Officer of the Company or such other person as may be appointed by the Board.
- *Complaint*: The reporting by a Whistle-blower of any such Unethical and Improper Practice or violation to the Whistle-blower / Ethics Committee in good faith would constitute a complaint.
- *Ombudsperson*: Any person, director, agency, individual, department appointed to independently carry out an initial investigation of the Complaints lodged by employees, vendors, customers, consultants of the Company or other associated third party including agencies.
- *Audit Committee*: The Audit Committee constituted by the Board of Directors of the Company in accordance with applicable law.

Policy Details

It is the duty of all directors and employees to notify the company if they observe, or learn of, any Unethical and Improper Practices. Failure to promptly raise a known or suspected violation is considered an unethical behaviour.

Please refer to the Company's Code of Conduct for the standards of ethical behaviour and personal conduct.

Reporting a Complaint

Reports of allegations of suspected Unethical and Improper Practices are encouraged to be made in writing so as to assure a clear understanding of the issues. Such reports should be factual rather than speculative and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

The Whistle-blower need not prove the concern but must demonstrate sufficient grounds for raising the concern. The disclosure can also be made anonymously, but it will be the decision of the Whistle-blower Committee to further act upon an anonymous Complaint or not, depending upon the disclosure so made.

Constitution of the Whistle-blower Committee

The Whistle Blower Committee will consist of a Chairman and members having cross functional representation.

Disqualification

In case of the Committee reaching a conclusion that the Complaint has been made with malafide intentions and is a false accusation or is an abuse of process or the complaints are repeatedly frivolous, then the Committee may recommend that appropriate action be taken against the person making the disclosure including reprimand. Keeping this in consideration the Company clearly understands that some disclosures may not result in any investigation or action at a later stage even though they are made in good faith. In such circumstances, no action would be initiated against the Whistle-blower. It is also clarified that this process should not be used as a grievance redressal mechanism.

Access to Chairman of the Audit Committee

The Whistle-blower has a direct access to the Chairman of the Audit Committee in appropriate or exceptional cases under this policy and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard. Appropriate or Exceptional cases shall be such whistle-blower cases that require adequate safeguards against victimisation of employees and directors.

Procedure of Investigation

- All Complaints received by the Ombudsman will be categorized in two broad categories: Complaints against CEO / COO / CFO / President / Corporate Officers, hereinafter referred as %6+ Level officers / Key Managerial Personnel (KMP) - The Complaints against %6+ level officers will be dealt by Chairman's Office of the Company.
- Complaints against others - The Ombudsperson Function will carry out preliminary investigation of Complaints received against employees other than %6+ level officers / Key Managerial Personnel and based on the findings of preliminary investigation report, Whistle-blower Committee shall decide upon further investigation and the next steps.
- The involved parties (including subject), shall be provided sufficient and fair opportunity to prove/justify his/her case, including individual hearing as may be required, and shall ensure complete fairness in the process of investigation.

Subjects shall have a duty to co-operate with the Investigator(s) during investigation to the extent that such co-operation will not compromise self-incrimination protections available under the applicable laws.

- The identity of a subject will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- Subjects have a right to be informed of the outcome of the investigation.

Documentation and Reporting

All documentation pertaining to the Complaint including but not restricted to the investigation report, corrective action taken and evidence will be maintained by the Committee for a period of not less than 3 years from the date of disposal of the Complaint.

Remedies and Discipline

If the Whistle Blower Committee determines that an Unethical and Improper Practice has occurred, it will take the following actions as deemed fit to correct it:

- Any person found guilty of violation of the Company's Code of Conduct will be subject to disciplinary action up to and including termination of employment.
- Appropriate procedures, policies and controls will be established in all departments to ensure early detection of similar violations.

- During the investigation period or at any time thereafter, if any employee is found to be (a) retaliating against the Whistle-blower (b) coaching witnesses or (c) tampering with evidence, then it would lead to severe disciplinary action including termination of employment.

For the avoidance of doubt, this Policy does not preclude the remedies/processes available and provided under applicable law(s) for any Unethical and Improper Practice.

Roles and Responsibility

Audit Committee of the Company

- To review and approve the %Whistle-blower+process / framework;
- To appoint Ethics Officer (EO) and approve his terms of reference
- To review and monitor cases presented before them
- In case of repeated frivolous complaints, the Audit Committee may take suitable action against the concerned director or employee, including reprimand;
- If any of the members of the Audit Committee have a conflict of interest in a given case, they should recuse themselves and the others on the committee should deal with the matter on hand;
- To review and monitor cases pertaining to %C+ Level officers / Key Managerial Personnel.
- To decide upon the disciplinary action against CEO / COO / CFO / President / Corporate Officers, hereinafter referred as %C+ Level / KMP, based on Final Investigation Report;

Chairman's Office of the Company

- To decide need for investigation and investigating agency based on preliminary evaluation of Complaint and the quality of information / evidences provided for Complaints involving %C+Level officers / KMP and communicate to the Chairman;
- To appoint and review performance of Ombudsperson Function;
- To approve members of Whistle-blower Committee based on nomination of Ethics Officer;

Ethics Officer (EO)

- To receive written complaints and forward written Complaints to the Ombudsman Function;
- To chair the meetings of the Ethics Committee;
- To nominate members of Ethics Committee;
- To review performance of the Ethics Committee and the investigating agency;
- To monitor progress of investigation and receive the investigation findings;
- To review and monitor corrective actions initiated to prevent / minimize recurrence of such events;
- To update the Audit Committee upon initiation of investigation
- To update the Audit Committee on the findings of the investigation report along with process corrections for complaints pertaining to %C+level officers / KMP;
- To update the Audit Committee on cases investigated and action taken report every quarter pertaining to other than %C+level officers / KMP

Investigating Agency (IA)

To carryout investigation as per the defined terms of reference by the Committee or the Chairman's office.

Ombudsperson Function (OF)

- To receive complaints and provide acknowledgment to the complainant and update EO on complaints received
- To maintain tracker for complaints raised along with action taken report
- To forward complaints received against %C+level officers / KMP to Chairman's Office
- Carry out an initial investigation based on preliminary evaluation of complaint and the quality of information / evidences provided for complaints involving other than %C+level officers / KMP
- To present update on cases investigated and action taken report to EC

Whistle-blower

- The Whistle-blower provides the Complaint, which is the initial information related to a reasonable belief that an Unethical and Improper Practice has occurred. The motivation of a Whistle-blower is irrelevant to the consideration of the validity of the allegation.
- Whistle-blower (including anonymous Whistle-blower) must provide all factual corroborating evidence, as is available/possible, to enable commencement of an investigation, material which demonstrates sufficient grounds for concern. However, the Whistle-blower shall refrain from obtaining evidence for which they do not have a right of access and no protection would be guaranteed to the Whistle-blower for having obtained information illegally.
- The Whistle-blowers will not be immune from disciplinary action if he is found guilty of or is a party to the allegations.

Whistle-blower Protection

The Company will ensure to protect whistle-blowers against retaliation, as described below:

- The Company will keep the Whistle-blower's identity confidential, unless (a) the person agrees to be identified; (b) identification is necessary to allow the Company or law enforcement officials to investigate or respond effectively to the report; (c) identification is required by law; or (d) the person accused of Compliance violations is entitled to the information as a matter of legal right in disciplinary proceedings.
- The Company prohibits retaliation against a Whistle-blower with the intent or effect of adversely affecting the terms or conditions of employment (including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or wages). Whistle-blowers who believe that they have been retaliated against may file a written Complaint with the Whistle-blower Committee. A proven Complaint of retaliation shall result in a proper remedy for the person harmed and severe disciplinary action including termination of employment against the retaliating person. This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Communication

This policy as amended from time to time and is disclosed on the web site of the Company and in the report of the Board of Directors of the Company.

Reporting Process

The Complaint / Protected Disclosure should be forwarded under a covering letter which may bear the identity of the Whistle Blower or anonymously, as decided by the whistle blower. The protected disclosure could be submitted through any of the channels mentioned below:

Independent External Ombudsman

Thought Arbitrage Consultancy has been appointed by the Board of Directors as an independent external ombudsman under this Whistle-blower mechanism. A complaint/violation can be reported:

- By writing to email address: whistleblower.mssl@tari.co.in
- By calling at landline numbers . (011) 4102 2447 / 48 / 41022452
- By Postal Mail/Letter to the following Address:

Thought Arbitrage Research Institute
C 16, 2nd Floor Qutab Institution Area
New Delhi- 110016

- Or to the Ethics Officer:
The Chairman, Whistle-blower Committee
Mr. G. N. Gauba
CFO & Company Secretary
Motherson Sumi Systems Limited
C-14, A & B, Sector - 1, Noida . 201301
Email - gngauba@mssl.motherson.com
- All protected disclosure concerning financial / accounting matters and complaints pertaining to %C+ level officers / KMP should be addressed to Chairman of the Audit Committee for Investigation:

Mr. S.C. Tripathi, IAS (Retd.)
Motherson Sumi Systems Limited
C-14, A & B, Sector - 1, Noida . 201301
Email: sctripathi@yahoo.com / SCtripathi@mssl.motherson.com

Annexure 1: Illustrative List of Malpractices, Events and Complaints

Malpractices / Events / Complaints
Unethical business practices /violation of code of conduct
Non-financial significant favours, gifts beyond the defined guidelines
Misuse of company funds, assets, property, facilities etc.
Accounting and Financial irregularities, including fraud, or suspected fraud
Manipulation of company data / records
Abuse of authority
Criminal offences including information security breaches
Theft or abuse of confidential / proprietary / customer information
Violation of key or pervasive laws
Breach of employee Code of Conduct or Rules or organization values
Negligence causing substantial risk to public health and safety
Any other unethical behaviour
