
WHISTLE BLOWER POLICY

DOCUMENT CONTROL

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DOCUMENT HISTORY

1. PURPOSE:

The whistleblower Policy aims at encouraging and supporting positive action (the Company) by clearly defining a framework, which allows reporting of inappropriate conduct or behavior, such as demanding or accepting bribe, questionable accounting or fraudulent financial transactions. This policy outlines the procedures for reporting, handling, investigating and deciding on the course of action to be taken in case inappropriate conduct/behavior is/are noticed or suspected. This policy furthermore aims not only at protecting the identity of the “Whistleblower” but also protecting him/her from any subsequent retribution within the system by any affected party.

To meet the above objective, the Board of Directors of the Company has decided to adopt this policy by formulating a procedure to bring to attention of the Management incidents of improper conduct/s without fear of victimization.

2. DEFINITIONS:

The definitions of some of the terms used in this policy are given below:

- a) **Protected disclosure:** Any communication made in good faith that discloses or demonstrates evidence of any fraud or unethical activity within the company.
- b) **“Company Executives and Other Business Partners”** or “CEOBP” means all directors, managerial employees, non-managerial employees, contract workmen, consultants, advisors and trainees.
- c) **Whistleblower:** An individual who makes a protected disclosure under this mechanism. This could be an Employee, Director, Vendor, Partner and Consultant, including Auditors and Advocates of company.
- d) **Board of Directors:** As defined in Companies Act 2013.
- e) **Nominated Director:** Director nominated by board of directors for the purpose of addressing the complaints / protected disclosures made under Vigil Mechanism.

- f) **Audit Committee**” means the committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013, which has responsibility for supervising the development and implementation of this Policy.
- g) **Internal Auditor:** Means Internal Auditor appointed to receive protected disclosures from whistle blowers, maintaining records thereof, and informing Audit Committee and whistleblower the result thereof.
- h) **Investigators:** Selected employees or third parties assigned with conducting investigations to ascertain the creditability of such whistleblower complaints.
- i) **Subject:** means a person against whom, or in relation to whom a Protected Disclosure is made.
- j) **Disciplinary committee:** Committee consisting employees appointed by nominated director to take disciplinary action.

3. APPLICABILITY

This Policy applies to all CEOBPs. This policy also covers within its ambit all third parties who not being in direct employment of the company are involved directly or indirectly in doing business with the company either as vendors or as suppliers of the company. Any CEOBP can report an inappropriate conduct in the company.

This policy is framed pursuant to Section 177 of the Companies Act, 2013 to report any unethical behavior or other concerns to the management.

4. COVERAGE AND SCOPE

Inappropriate Conduct is an act:

- i That is dishonest.
- ii That leads to an intentional waste, mismanagement, abuse of authority, theft, conversion or misuse of Company's property.
- iii. That is in breach of applicable local / domestic / international laws in the area of operation. That is in breach of defined policies, processes and standard operating procedures.

- iv. That involves questionable accounting or fraudulent financial transactions including a misrepresentation that knowingly misleads, or attempts to mislead a CEOBP to obtain financial or other benefits or to avoid fulfilling obligations.
- v. That is corrupt, which means the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence the actions of another CEOBP.
- vi. That includes coercive practices by the defendant, which involves impairing or harming, or threatening to impair or harm, directly or indirectly, any CEOBP or the property of the CEOBP to influence improperly under duress, actions of the CEOBP.
- vii. That involves conspiracy or collusive practices, which means an arrangement between two or more defendants designed to achieve an improper purpose, including influencing improperly the actions of another CEOBP, which is against the interest of the company.
- viii. Health and safety risks including risks to the public as well as other employees
- ix. Abuse of vulnerable adults (e.g. through physical, sexual, physiological or financial abuse, exploitation or neglect)

Note: The above list of inappropriate conduct/behavior is only illustrative by nature and not exhaustive. The Nominated Director is the final deciding authority on whether a conduct/behavior lies within the scope of this policy.

5. DISQUALIFICATIONS:

Cases reported under this policy would be disqualified under the following circumstances:

If it is found that a complaint has been made solely and/or maliciously, purely as an act of retribution against another CEOBP. In such a case, the false Whistleblower is liable for disciplinary action and punishment for mala-fide complaint made under this policy. The decision-making authority for this lies with the Nominated Director.

Complaints associated with unsatisfactory probation reports and performance evaluations. Such cases shall be referred to the Human Resources Department and redress sought through other mechanisms

established within the system. However, where in the view of the Whistleblower, factors such as probation reports, performance evaluations or work assignments and opportunities are being used by management in a retaliatory manner, the Policy shall apply.

Complaints made anonymously. Anonymous complaints may be investigated by the company at its sole discretion through its internal Audit/Vigilance/HR departments, appositely.

6. ADVOCACY FOR WHISTLEBLOWERS:

The Audit Committee of the Company shall govern the acts covered under whistle-blower policy. The Audit Committee delegates access to Internal Auditor of all the channels through which complaints under this policy can be received.

7. COMPLAINT RECORDING PROCEDURE:

- 1) There are two Channels through which a Whistleblower can report an inappropriate conduct / behavior.
 - a. Posting a letter at company address addressed to Internal Auditor, Essar Ports Limited — Essar House, 11 KK Marg, Mahalaxmi, Mumbai, Maharashtra-400034
 - b. By sending an e-mail on company's email address to essar.hotline@essarport.co.in

The authority to access the complaints made through any of the two channels would rest only with Vigilance Officer.

- 2) The Whistleblower is expected to have knowledge of the facts on which the complaint is based and must therefore disclose sufficient facts about the existence of improper conduct by a defendant in the complaint.
- 3) Internal Auditor will inform / escalate the complaints received to Audit Committee after verifying the factual accuracy of the matter. Internal Auditor will decide whether the complaint qualifies for further investigation under the Policy.
- 4) The Internal Auditor submits the Investigation Report to the Audit Committee clearly indicating their findings.

- 5) If the Audit Committee is satisfied with the findings of the Investigation Team, it takes a decision based on whether the defendant(s) have been found guilty or not guilty and accordingly imposes necessary penalties.
- 6) If the defendant(s) has been found not guilty, they will be informed about finding of charges leveled against them by the Whistleblower.
- 7) Internal Auditor will inform Whistleblower about the final outcome of the investigation, as well as the action taken.
- 8) The Internal Auditor shall report on a periodic basis the details of receipt of complaints, investigations carried out and outcome of the same to the Audit Committee.

Note: It must be noted here that the decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact-finding process.

8. CONFIDENTIALITY OF IDENTITY OF THE WHISTLEBLOWER:

- 1) The Audit Committee is responsible for supervising the development and implementation of this Policy. The Audit Committee shall periodically review this Policy to consider whether amendments are necessary, and, if so, it shall communicate any such amendments to all Employees as soon as possible.
- 2) The Audit Committee shall have responsibility for coordinating the investigation of any serious Protected Disclosures concerning the alleged violation of laws or regulations that apply to the Company.
- 3) It is the obligation of the Internal Auditor and Audit Committee to ensure total confidentiality of the identity of the Whistleblower unless he/she agrees to be identified.
- 4) Wherever identification of the Whistleblower is necessary or the appropriate law enforcement officials to investigate or respond effectively to the disclosure, the same would be done in consultation with the Whistleblower and the relevant law enforcement agencies.
- 5) Identification is required by law or rules and regulations, where a false accusation has been maliciously made, or if the person accused is entitled to the information as a matter of legal right or under Company rules and regulations in the disciplinary proceedings, the same shall be done in consultation with the Whistleblower prior to revealing his/her identity.

- 6) All reports and records associated with Disclosures are considered confidential information and access will be restricted to the whistleblower, the Internal Auditor and the Audit Committee. Disclosures and any resulting investigations, reports or resulting actions will generally not be disclosed to the public except as required by any legal requirements or regulations or by any corporate policy in place at that time.

9. PROTECTION FROM RETALIATION:

Retaliation is any act direct or indirect, recommended, threatened or taken against a Whistleblower because the Whistleblower has made a complaint under the policy. A direct quid-pro-quo needs to be established between the action/threat faced by the Whistleblower and the original complaint made under this policy, which forms the basis/purpose of this retaliation.

Retaliation includes:

Discrimination, Physical or mental harassment vengeance by any other means or form or a combination of the two.

Retaliation against any Whistleblower(s) by any defendant(s) directly/indirectly, will be treated as an offence meriting Disciplinary Action and (or) Criminal Implication. The acts of Retaliation by those not qualifying as CEOBP would be reported to the local law enforcement agency, at the discretion of the Audit Committee.

The Whistleblower, any other CEOBP or anyone outside can report acts of Retaliation against the Whistleblower, his/her life, property, lives of relatives and acquaintances. The Audit Committee will monitor complaints of Retaliation on an ongoing basis.

10. GRIEVANCES:

If the Whistleblower feels aggrieved with the disposition of his or her complaint or if the Whistleblower or defendant feel that either of them is entitled to or has not been provided protection or has been disregarded, the Whistleblower or defendant, as the case may be, may make a representation in writing of his or her grievance to the Chairman of the Audit Committee in writing who will take such action as he considers necessary to redress the grievance. The decision of the Chairman of the Audit Committee shall be binding on the Whistleblower and the defendant.

11. OPPORTUNITIES FOR REQUITAL:

The company may provide appropriate requitals in suitable cases to encourage creating an environment where wrongful acts are reported to the management whilst protecting the identity and interest of the Whistleblower at all times.

12. REVIEW AND EVALUATION:

The Board of Directors will annually review and evaluate the adequacy of its policy and recommend the changes

13. APPROVAL AND REVISION:

This Policy was approved by the Board of Directors at their meeting held on February 27, 2020.