

## **SANOFI CONSUMER HEALTHCARE INDIA LIMITED**

### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

#### **PREAMBLE:**

Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules, 2014 requires every Listed Company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns or grievances in such manner as may be prescribed.

Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 provides for a mandatory requirement for all listed companies to establish a mechanism called “Vigil Mechanism/Whistle Blower Policy” for directors and employees to report to the management instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s code of conduct. The vigil mechanism shall provide for adequate safeguards against victimization of director(s) or employee(s) or other stakeholders who avail the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

Regulation 9A (6) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (‘SEBI PIT Regulations’) mandates that every Listed Company should have a whistleblower policy and make employees aware of such policy to enable employees to report instances of leak of unpublished price sensitive information.

#### **POLICY:**

In compliance of the above requirements, Sanofi Consumer Healthcare India Limited (SCHIL), has established a Vigil Mechanism/Whistle Blower Policy in order to provide a framework for responsible and secure whistle blowing/vigil mechanism and to ensure the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication.

#### **POLICY OBJECTIVES:**

The Vigil Mechanism/Whistle Blower Policy aims to provide a channel to the Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or Policy.

SCHIL is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its directors, employees and other stakeholders who have genuine concerns about any actual or suspected misconduct or potential violation of the Code, howsoever insignificant or perceived as such, to come forward and express these concerns without fear of punishment or unfair treatment.

This policy further aims to provide a secure environment and to encourage employees of the Company to report Alleged Wrongful Conduct and to prohibit from taking any adverse action against those employees who report such practices in good faith.

The Policy provides for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

This neither releases the directors or the employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

**DEFINITIONS:**

**"Act"** means Companies Act, 2013 read with applicable Rules and Regulations (with subsequent amendments and modifications thereof).

**"Alleged Wrongful Conduct"** means violation of applicable laws or of Company's code of conduct or ethic policies, mismanagement of money, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority or any illegal act(s)

**"Audit Committee or Committee"** means a Committee formed in accordance with Section 177 of the Act and Regulation 16 of SEBI Listing Regulations.

**"Employee"** means every permanent employee of the Company.

**"Investigators"** mean persons authorised, appointed, consulted or approached by the Audit Committee for dealing with any matter covered by this Policy of the Company.

**"Policy"** means the Vigil Mechanism/Whistle Blower Policy.

**"Protected Disclosure"** means a written communication whether by letter/ email/ or a verbal communication over telephone of a concern made in good faith, which discloses or demonstrates information that may evidence an unethical or improper activity. It should be factual and not speculative and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

**"SEBI Listing Regulations"** means Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**"Subject"** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

**"Unpublished Price Sensitive Information (UPSII)"** shall have the same meaning assigned to it under Regulation 2(1)(n) of SEBI (Prohibition of Insider Trading) Regulations, 2015.

**"Vigilance Officer"** is a person nominated/appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.

**"Whistle Blower"** is a Director or employee who makes a Protected Disclosure under this Policy and also referred in this policy as complainant.

**"Compliance Officer"** means the company secretary of the Company who may be designated as the Compliance Officer under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015;

**“Disciplinary Action”** means, any action that can be taken on the completion of / during the investigation proceedings including but not limiting to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter;

**“Unethical and Improper Practices”** include –

- criminal offence (e.g. fraud, corruption or theft) committed/ likely to be committed;
- failure to comply with law / legal/ regulatory obligations;
- breach of client promises by the Company;
- miscarriage of justice occurred/ likely to occur;
- company funds used in an unauthorised manner;
- sexual or physical abuse / harassment of a member of staff, service recipient or service provider;
- discrimination against a member of staff, service recipient or service provider on grounds of sex, caste, religion or disability;
- actions which endanger the health or safety of employees or the public;
- any other form of improper action or misconduct;
- information relating to any of the above deliberately concealed or attempts being made to conceal the same;
- an act which does not conform to ‘approve standard’ of social and professional behaviour;
- an act which leads to unethical business practices;
- breach of etiquette or morally offensive behaviour;
- misrepresentation of financial information, that may lead to incorrect financial reporting;
- practices not in line with the applicable Company’s policy;
- Financial irregularities of any nature; and
- Breach of information security policy of the company or breach of any staff policies.

### **SCOPE**

The Policy is applicable to all the employees, Directors of the SCHIL to report suspected violation of the Company’s code / rules of conduct.

### **SAFEGUARDS**

The Company shall ensure that no adverse action being taken or recommended against the Whistle blower / Complainant in retaliation to his disclosure of any unethical and improper practices or alleged wrongful conduct. This Policy protects such director(s) and employee(s) from unfair termination, harassment and unfair prejudicial employment practices. Any abuse of this protection will warrant disciplinary action.

### **DISQUALIFICATION**

While it will be ensured that genuine Whistle-blowers are accorded complete protection from any kind of unfair treatment as herein set out, this Policy does not protect director(s)/ employee(s) from disciplinary action arising out of deliberate false or bogus allegations made with mala fide intentions.

In the event, a whistle blower that makes three or more Protected Disclosures, which have been subsequently found to be mala fide, frivolous, baseless, malicious or reported otherwise than in good faith, will be disqualified from reporting further Protected Disclosures under the Policy. In respect of such Whistle-blower, the Company/ Audit Committee would reserve its right to take / recommend appropriate disciplinary action.

However, this Policy does not protect the Whistle-blower from an adverse action which occurs independent of his disclosure of unethical and improper practice or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this Policy.

### **WHAT TO REPORT**

Below are few examples though non-exhaustive of the areas where non-compliance may be reported: -

- Harassment or Discrimination & Workplace Violence
- Protection of Confidential Information and intellectual property
- Privacy breach
- Fraud or questionable accounting/financial reporting
- Corruption and improper transactions
- Improper promotion and improper sales practices
- Conflicts of Interest
- Environmental Health and Safety issues
- Insider Trading
- Anti-competitive behaviour
- Theft, misuse of company's assets
- Retaliatory action as mentioned in this policy
- Any Illegal or unethical Practices

### **PROCEDURE: -**

All Protected Disclosures should be reported in writing and should either be typed or written in a legible handwriting in English or any Vernacular language widely used in the district where the Registered office of SCHIL is situated or by verbal communication either over telephone or in person by the complainant as soon as possible, preferably within 30 days after the Whistle Blower becomes aware of the same.

The Protected Disclosure should be submitted under a covering letter signed by the complainant in a closed and secured envelope and should be super scribed as "Protected disclosure under the Whistle Blower policy" or sent through email with the subject "Protected disclosure under the Whistle Blower policy". If the complaint is not super scribed and secured as mentioned above, the protected disclosure will be dealt with as a normal disclosure.

All Protected Disclosures should be addressed to the Vigilance Officer of the Company or to the Chairperson of the Audit Committee in exceptional cases.

The contact details of the Vigilance Officer are as under: -

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In order to protect the identity of the complainant, the Vigilance Officer will not issue any acknowledgement to the complainants, and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance Officer.

The Whistle Blower may also choose to be anonymous. However, it may sometimes be difficult or even impossible to thoroughly investigate the disclosures that are made anonymously. The Whistle Blower is, therefore, strongly encouraged to share his/her identity when making the disclosure.

On receipt of the protected disclosure the Vigilance Officer shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.

#### **ACCESS TO CHAIRPERSON OF THE AUDIT COMMITTEE:**

The Whistle Blower shall have right to access Chairperson of the Audit Committee directly in exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard.

#### **ANONYMOUS DISCLOSURES**

An anonymous complaint, that is, any complaint or concern raised without any of the following information, viz. name, address and contact details of the complainant / person raising the concern, shall not be considered a valid Protected Disclosure, except where the Audit Committee treats it as a special case and decides to take it up under this Whistleblower Policy.

The Audit Committee shall record the reasons why it is treating such a complaint or concern as a special case.

The Audit Committee may decide to treat a complaint or concern as a special case based on the following: -

- How serious and material the issue raised is;
- How credible the concern appears;
- How feasible it appears to corroborate the facts with attributable sources;
- Does the concern appear to have been in good faith; or
- Does the concern appear factual and not speculative in nature

A record of the anonymous complaints received shall be maintained along with the details of how they were received and dealt with.

#### **PROTECTION:**

No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. Adequate safeguards against victimisation of complainants shall be provided. The Company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure.

The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.

### **INVESTIGATION:**

All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Vigilance Officer will carry out an investigation either himself or by involving any other Officer of the Company /an outside agency before referring the matter to the Audit Committee of the Company.

The Audit Committee, if deems fit, may call for further information or particulars from the complainant and at its discretion, consider involving any other/additional Officer of the Company and/ or an outside agency for the purpose of investigation.

The investigation by itself would not be tantamount to an accusation and is to be treated as a neutral fact-finding process.

The Whistle Blower's role is that of reporting a Disclosure with reliable information and they are not expected to act as investigators or finders of facts. Whistle Blowers will not have a right to participate in any investigative activities other than as requested by the Audit Committee or Vigilance Officer. If so required, the Whistle Blower is expected to co-operate with the Audit Committee and / or Vigilance Officer during any investigation with respect to any Disclosure made by the Whistle Blower.

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.

The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Vigilance Officer or the Audit Committee deems fit.

The Vigilance Officer, any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter and the Audit Committee shall have the right to take decision in such matters including appointment of third-party investigator.

### **REPORTING:**

The Vigilance Officer/Investigators shall submit a report to the Chairperson of the Audit Committee on a quarterly basis about all Protected Disclosures referred to them since the last report together with the status/results of investigations, if any.

### **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 Directors and employees unless the same is not communicated in the manner described as above.