VIGIL MECHANISM/ WHISTLE-BLOWER POLICY

1. OBJECTIVE

- To enable Directors, Employees and Other Stakeholders associated with Hindware Home Innovation Limited ('the Company') to disclose information in a responsible and effective manner.

- To provide a vigil mechanism for reporting genuine concerns and ensure that deviations from the Company's Code of Conduct and values are dealt with in a fair and unbiased manner in compliance with the requirements of Section 177 (9) and (10) of the Companies Act, 2013 and the rules made under it, as well as the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

- To enable Directors and Employees to report instances under the Company Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons (hereinafter referred to as the "Reporting Instances"). Reporting Instances include the following:

  (i) Dealing in Securities in contravention of the provisions of the PIT Regulations or this Code by any person; or

  (ii) Any act or circumstance by virtue of which any Unpublished Price Sensitive Information ('UPSI') becomes generally available in contravention of the provisions of this Code or the Fair Disclosure Code. It is hereby clarified that any purported attempt by any person for making the UPSI as generally available information in contravention of the provision of this Code or the Fair Disclosure Code shall also be considered as the Reporting Instance.

2. Definitions

- **Audit Committee:** A Committee established by the Board of Directors in accordance with Section 177 of the Companies Act, 2013.

- **Board:** Board of Directors of the Company.

- **Code of Conduct or Code:** A set of rules outlining the responsibilities of or proper practices for an individual, party or organization associated with the Company, including the Company's Code of Conduct for Employees.

- **Company:** Hindware Home Innovation Limited

- **Director:** A director appointed to the Board of the Company.

- **Disciplinary Action**: Any measure deemed appropriate in light of the seriousness of the offence, including but not limited to a warning, imposition of fine, suspension from official duties, or any such measure.

- **Employee**: Every permanent employee of the Company.

- **Compliance Committee or Committee:** The list of selected Employees of the Company as set forth in Section 5.5, who are authorized to receive and act on Protected Disclosures.

- **Frivolous Complaint:** Any Protected Disclosure that is reported according to this Policy without proof, on hearsay, or with malice intent against the Subject based on false or spurious charges.

- **Good Faith:** Any Protected Disclosure that is reported without any malice or bad intention.

- **Investigators:** Selected Employees or third parties appointed by the Compliance Committee or Chairperson of the Audit Committee who shall be charged with conducting investigation to ascertain the creditability of such Protected Disclosure.

- **Other Stakeholders:** A contractual employee, vendor, supplier, trainee, transporters, consultants or any other third-party associated with the Company.

- **Policy or This Policy:** Vigil Mechanism/ Whistle-blower Policy of the Company.

- **Protected Disclosure**: A Reporting Instance or any communication including complaints, notices, etc., made in Good Faith that discloses or demonstrates evidence of any (actual or potential) fraud or unethical activity within the Company. This should be factual and not speculative and should contain as much specific information as possible to allow for a proper assessment of the nature and extent of the concern.

- **Reporting Instance:** Instance reported related to dealing in Securities in contravention of the provisions of the PIT Regulations or this Code by any person, or any act or circumstance by virtue of which any UPSI becomes generally available in contravention of the provisions of this Code or the Fair Disclosure Code. It is hereby clarified that any purported attempt by any person for making the UPSI as generally available information in contravention of the provision of this Code or the Fair Disclosure Code shall also be considered as the Reporting Instance.

- **Securities:** “Securities” include - shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature

- **Subject:** A person against whom, or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.

- **Tip-offs Anonymous Service Provider:** An external independent agency appointed by the Company to attend to the Protected Disclosures from Whistle-blowers directly and communicate the Protected Disclosure details to the Compliance Committee for further action

- **Whistle-blower:** An individual (named or anonymous) who makes a Protected Disclosure under this mechanism, as covered in Section 3 hereunder

3. ELIGIBILITY

Protected Disclosures can be made by various stakeholders of the Company, which are broadly classified as follows:

- Employees
- Directors
- Contractual Employees
- Trainees
- Vendors
- Suppliers

- Transporters
- Consultants
- Any person associated with the Company.

4. SCOPE OF THE POLICY

Directors and Employees are often the first to realize that there may be something seriously wrong within the Company. However, Directors and Employees may be worried about raising such issues or may want to keep the concerns to himself/herself because he/she may consider that it is none of his/her business or that it is only a suspicion. He/she may also feel that raising a matter would be disloyal to his/her colleagues, managers or to the Company itself. Also, he/she may decide to say something but find that he/she has not spoken to the right person, or he/she has raised the issue in the wrong way and are not sure what to do next. This Policy is designed to enable **Directors, Employees and Other Stakeholders** of the Company to raise concerns and to disclose information, which the individual believes is a Protected Disclosure or shows malpractice, impropriety, abuse or wrongdoing. This Policy is intended to deal with concerns which are at least initially to be investigated separately but might then lead to the invocation of other procedures e.g. Disciplinary Action. It should be emphasized that this Policy is intended to assist Employees, Directors and Other Stakeholders who believe they have discovered any malpractice, impropriety, abuse or wrongdoing. **It is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters, which have already been addressed pursuant to Disciplinary Action or other procedures of the Company.**

Individuals who are eligible under this Policy (as described in Section 3 - Eligibility) are responsible to read and adhere to this Policy.

5. POLICY & PROCEDURE

5.1. What constitutes Malpractice, Impropriety, Abuse or Wrongdoing?

Malpractice, impropriety, abuse, wrongdoing or events suspected include a whole variety of issues and some are listed below:

- Acceptance of kickbacks
- Bribery and /or corruption
- Child labor
- Claiming of false reimbursement expenses
- Concurrent employment
- Conflict of interest
- Discrimination, victimization or bullying
- Financial fraud of any nature
- Harassment of any nature other than Sexual Harassment
- Inappropriate use of social media
- Insider trading
- Leak/suspected leak of Unpublished Price Sensitive Information

- Misappropriation of Company assets/ resources
- Misrepresentation of Company's financial books and records
- Misuse of authority
- Unauthorized use of Company confidential/ proprietary information
- Unfair trade practices and/ or anti-competitive behaviour
- Violation of any laws or regulations applicable to the Company
- Violation of human rights
- Violation of the environment, health and safety guidelines.

- Any instance of failure to comply with legal or statutory obligation either for and on behalf of the Company or in any personal capacity in the course of discharging duties of the Company.

5.2. How to disclose a Concern?

The Company has appointed Tip-offs Anonymous Service Provider (Whistle-blower Hotline Provider), an independent third party to receive Protected Disclosures directly from the Whistle-blowers. A Protected Disclosure can be reported via variety of reporting channels as detailed under Annexure A of this Policy. The reporting channels include Phone (toll-free number), Email and Web Portal. The Web Portal also has a feature of Chatbot for ease of any person eligible under this Policy to make a Protected Disclosure. Please refer to Annexure A for details of the reporting channels managed by Tip-offs Anonymous Service Provider.

It is perfectly acceptable for a Director / Employee to discuss his/her concern with a colleague, and Directors/ Employee may find it more comforting to raise the matter if there are two (or more) Directors / Employees who share the same concerns.

Any Employee, Director & Other Stakeholders intending to make any Protected Disclosure is required to disclose all relevant information regarding the concern as soon as possible but not later than three (3) months from the day on which he/she knew of the concern, provided that the Reporting Instances shall be disclosed immediately but not later than 7 days from the date the Employee knew of such Reporting Instance.

5.3. To whom should a Concern be disclosed?

The concern can be disclosed to Tip-offs Anonymous Service Provider by accessing reporting channels or write directly to the Chairperson of Audit Committee covered in Annexure A of the Policy

5.4. Who will investigate into the Concern?

The Protected Disclosure shall be investigated by the Compliance Committee or Chairperson of the Audit Committee either by himself/herself or through Investigator(s) as may be deemed necessary by the Chairperson of the Audit Committee or Compliance Committee,

Who will take a decision vis-à-vis the Concern?

A decision vis-à-vis the Protected Disclosure shall be taken by the Compliance Committee comprising of the following Employees:

- Group Internal Audit Head
- Group Legal Head
- Representative of Chairman office

5.5. Rules for Investigation and decision by the Compliance Committee

The Compliance Committee shall frame such rules as may be deemed necessary to enable a fair conduct of inquiry and investigation as well as decision.

5.6. Procedure for handling the disclosed Concern

Once a report for Protected Disclosure made by the Whistle-blower is issued by the Tip-offs Anonymous Service Provider to the Compliance Committee. It shall undertake the following:

- Perform thorough review of the Protected Disclosure.
- Consider involvement of the Company's internal resource/ Auditors or the Police or any other external investigation agency or person.
- Fully investigate into the allegation(s) with the assistance where appropriate, of other individuals/ bodies.
- Prepare a detailed written report and submit the same to the Chairperson of the Audit Committee, as the case may be, not later than 90 days from the date of receipt of Protected Disclosure, further it can be extended to a period as agreed by the compliance committee.

Whilst the purpose of this Policy is to enable the Company to investigate Protected Disclosures raised by the Employees, Directors or Other Stakeholders and take appropriate steps to deal with it, the Company will give Whistle-blowers as much feedback as the Company can.

The Company may not be able to inform Whistle-blower the precise action the Company takes where this would infringe a duty of confidence owed by the Company to someone else.

5.7. Procedure to be pursued by the Compliance Committee

- The Compliance Committee will, based on the findings in the written report submitted by the Tip-offs Anonymous Service Provider and after conducting further investigation as it may deem fit, come to a final decision in the matter not later than 60 days from the date of receipt of the written report.

- If the complaint is shown to be justified, then the Compliance Committee shall invoke the disciplinary or other appropriate action against the defaulting Director & Employee as per Company procedures.

- A summary of the decision in writing shall be sent to the Chairperson of the Audit Committee on an annual basis.
- All decisions by the Compliance Committee shall be by way of a simple majority. In the case of a tie, the matter should be referred to the Chairperson of audit committee for a final decision in the matter.

5.8. Overview of the Vigil Mechanism

The Chairperson of the Audit Committee of the Company shall oversee vigil mechanism and if any members of the audit Committee have a conflict of interest in a given case, they should recuse themselves and others on the Audit Committee would deal with the matter on hand.

An annual report of the Vigil Mechanism to be given to the Audit Committee for their review.

5.9. Anonymous Allegations

This Policy encourages Whistle-blowers to put his/her name to any Protected Disclosures he/she makes. It is expected that Whistle-blowers should follow the parameters mentioned in Section 7 - Disqualification of Protected Disclosure.

5.10. Untrue Allegations

If Whistle-blower makes an allegation in Good Faith, which is not confirmed by subsequent investigation, no action will be taken against that Employee. While making a disclosure, a Whistle-blower should exercise due care to ensure the accuracy of the information.

In case of repeated Frivolous Complaints being filed by a Director, an Employee or Other Stakeholders, the Audit Committee may take suitable action against the concerned Director or Employee including reprimand/termination.

5.11. Maintaining confidentiality

Whistle Blower making a Protected Disclosure as well as any of the persons to whom the Protected Disclosure has been disclosed or any of the persons who will be investigating or deciding on the investigation shall not make public the Protected Disclosure except with prior written permission of the Compliance Committee.

Further, in case there is breach of confidentiality by the members of the Committee, it will be treated as misconduct on the part of the member.

However, this restriction shall not be applicable if any Director/ Employee is called upon to disclose the issue by any judicial process and in accordance with the laws of land.

5.12. Feedback on the disclosure

Any Whistle Blower making a discloser via Tip-offs Anonymous service can request the feedback after 90 days of reporting via any reporting channels covered in Annexure A of the Policy.

Whistle-blowers highlighting concerns internally may reach out to the Compliance Committee appointed by the Company.

6. ASSURANCES UNDER THE POLICY

If a Whistle-blower raises a genuine concern under this Policy, he/she will not be at risk of losing his/her job nor will he/she suffer from any form of retribution as a result. If one is acting in Good Faith, it does not matter if one is mistaken.

The Company will not tolerate any harassment or victimization (including informal pressures) of/against the disclosing Employee and will take appropriate action to protect the Whistle-blower when he/she raises a concern in Good Faith.

If the Whistle-blower asks for protection of his/her identity, the Company will not disclose it without his/her consent. However, it is possible that the Company will be unable to resolve the concern raised without revealing the Employee's identity (e.g. required for conducting an effective investigation or when evidence is needed in a Court). But if this situation occurs, the Company will discuss with the Whistle-blower as to how the Company and Whistle-blower can proceed further in the matter and decide accordingly.

7. Disqualification of Protected Disclosure

The Company reserves the right not to conduct an investigation under the following conditions:

- Concerns unrelated to Code violations, such as those involving compensation, performance reviews, or issues other than those listed under Section 5 – Policy & Procedures.

- Protected Disclosures made anonymously without the required information listed below.

    - Name, designation, and location of the Subject(s)
    - Detailed description of the incident
    - Location and time/duration of the incident
    - Specific evidence or source of evidence

- Whistle-blower making Protected Disclosure must provide sufficient proof/sources of evidence for the Company to take action.
- Customer complaints shall not be entertained through the Vigil Mechanism as the Company has established an alternate redressal mechanism for such complaints.

8. COMPLAINTS OF RETALIATION AS A RESULT OF DISCLOSURE

If a **Director/ Employee/ Other Stakeholder** believes that he or she has been retaliated against in the form of an adverse personnel action for disclosing Concern under this Policy, he/she may file a written complaint to the Chairperson of the Audit Committee requesting an appropriate remedy.

For the purposes of this Policy, an adverse personnel action shall include a Disciplinary Action, suspension, a decision to hold back promotion when due, a decision not to grant a salary increase, a decision not to hire, a termination, an involuntary demotion, rejection during probation, an involuntary resignation, an involuntary retirement, or an unfavourable change in the general terms and conditions of employment.

In the event a Whistle-blower becomes aware of any compliance or ethics issue, they must make their concerns known through any of the means covered in Annexure A of the Policy or may reach out to the members of the Compliance Committee.

Policy approved by: Board of Directors in their meeting held on 14th November, 2022

Sd/-
(Mr. Sandip Somany)
Chairman and Non-Executive Director

Annexure A – Details of Reporting Channels

Employees, Directors and Other Stakeholders can submit Protected Disclosures to Tip-offs Anonymous Service Provider through the following channels, or directly to any member of the Compliance Committee.

#	Reporting Channel	Contact details
1	Phone (toll-free)	1800 210 8990
2	Email	sig@tip-offs.in
3	Web-portal and Chatbot	www.sig.tip-offs.in

The Chairperson of Audit Committee can be reached through – Email ID -acchairman@hindware.in