

Section 1-Compliances

Whistle Blowing Policy

Preamble

- Escorts Kubota Limited is built on the standards of ethics and transparency. The Organization Values and the Code of Conduct require all employees to conduct themselves with the highest standards of integrity, in compliance with all the applicable laws and regulations. Any actual or potential violation of the Code or the applicable laws and regulations is a matter of concern and the role of the employee in reporting such violations is very important.
- Escorts Kubota has formulated the Whistle Blowing policy ("Policy") to provide a mechanism for the employee to approach the Ethics Committee ("Committee") to report such concerns.

Purpose

- This policy is an extension of the Code, and the purpose is to provide a platform to all the stakeholders including the Directors of Escorts Kubota Limited to report any instances of misconduct, actual or potential violation of the Code, or other applicable laws or regulations without any fear of reprisal or victimization.
- Directors and Employees of the Organization may come across instances of fraud, misconduct, violation of the Code, or other applicable rules and regulations. There may also be situations where the right course of action is unclear. In such instances, the employee has both legal and moral duty to take appropriate measures to identify such situations and to report genuine concerns about the incident of misconduct or potential violation of the law or the Code.
- While violations of code may also be reported through regular channels of reporting for the employee, there may be times when an employee believes it to be inappropriate or difficult to report through these channels and such matters may be reported under this policy.
- This policy provides guidance on " *how to report a Protected Disclosure*" about any misconduct or violation of the Code or other applicable policies or laws governing the Organization.
- This policy also provides information on how the Whistle Blower shall be protected.

Reference to other policies

This policy should be read in conjunction with the Code of Conduct and other policies of the Organization.

Applicability

- This policy is intended to encourage and enable all the stakeholders and employees including the Directors of Escorts Kubota to raise genuine concerns within the Organization before seeking resolution outside the Organization.
- This policy will be applicable to all the Directors, Employees (whether permanent, full time, or temporary) in grade L00 and above, and the stakeholders of Escorts Kubota Limited.

Inclusions

This policy covers reporting of the following incidents which have or are suspected to have taken place:

- a) Abuse of authority
- b) Financial irregularities include fraud or suspected fraud
- c) Leakage of information including pilfering of confidential or property information
- d) Commissions of kickbacks
- e) Manipulation of documents, data, or records
- f) Conflict of interest

- g) Misuse, misappropriation or wastage of organization assets or funds
- h) Violation of organization policies, practices and rules, including the code or any other unethical based favored or imprudent event

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Exclusions*

- This Whistle Blowing Mechanism should NOT be used in place of the Organization Grievance Redressal procedures or be a route for raising malicious or unsubstantiated allegations against colleagues.
- The Whistle Blowing Mechanism should not be used for reporting on routine or operational matters like:
 - a) Issues related to routine Human Resources (“HR”) matters ,e.g. denial of promotion or reassignment of duties
 - b) Sexual harassment-these complaints may be reported to Internal Committee directly under the Policy on Prevention of Sexual Harassment at workplace
 - c) Issues related to compensation or reimbursement (e.g. reimbursement not credited on time)
 - d) Issues related to career progressions, transfer or deputation, etc.
 - e) IT assets not working properly (e.g. printers not working)
 - f) Questioning the financial or other business decisions taken by the management
 - g) Taxation related queries (e.g., excess tax deducted from salary)
 - h) Recruitment or job opening (e.g. to know the job openings in the Company)
 - i) Inappropriate administration facilities

*Indicative list only

How to file a complaint under this Policy

- The Whistle Blowing Mechanism is not meant to substitute the regular communication protocols in the Organization, and hence as a first step, the employee may inform the reporting manager about the suspected or actual misconduct or violation in accordance of the code.
- If the Protected Disclosure or complaint is against the reporting manager, then the employee may report it to the Lead – HR.
- If an employee does not feel comfortable reporting the Protected Disclosure to his reporting manager or Lead - HR, he/she can use any of the following reporting channels.

Option 1: Hotline

- Whistle Blower may use the toll-free number 1800 121 5868 to report a Protected Disclosure. This number shall be operational from 9:30 am to 6.00 pm on all weekdays (if shall not be available on Saturdays, Sundays, and public holidays). Before or after the operational timings, the voicemail system will be available for any information to be shared.
- The whistle-blower hotline shall support calls received in both Hindi and English language. Once the Whistle Blower makes the call on the toll-free number, he/she shall be guided on the call on how to report the Protected Disclosure.

Option 2: Email

- The Whistle Blower may send an e-mail to the address raiseaconcern2@escortskubota.com with the subject line “Protected Disclosure under the Whistle Blowing Policy”, providing the complete details of the Complaint.

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Guidance for the Whistle Blower

- The Whistle Blower should consider the following points before or while reporting the Complaint:
 - a) Should identify himself or herself and tell the name, designation, and the Organization email address.
 - b) Should attempt to report the Protected Disclosure immediately after the event has occurred.
 - c) Should ensure that the Protected Disclosure reported is factual and not speculative.
 - d) Should ensure that the Protected Disclosure reported contains as much specific information, facts, and evidence wherever possible to enable appropriate review, assessments, and initiation of the investigation.
 - e) Should not investigate or attempt to investigate the matter.

Safeguards

The Organization provides the following safeguards to the Whistle-Blowers under the Policy.

Confidentiality

- The Organization shall treat all the Protected Disclosures and information received in a confidential manner.
- The identity of the Whistle Blower shall be kept confidential and shall be disclosed on a “need-to-know” basis only in the following instances-
 - a) If, identifications of the Whistle Blower is necessary to allow the Organization to investigate or respond effectively.
 - b) If identification of the Whistle Blower is required by law.
 - c) If the Complaint is identified as frivolous or as bogus Complaint or with a malafide intent.

Protection of the Whistle Blower

- Escorts Kubota Limited ensure that anyone who (based on a reasonable belief that a possible violation or suspected wrongdoing has occurred) reports any Complaint under the policy is “NOT” subjected to any retaliation, regardless of whether the Complaint is ultimately substantiated. Retaliation includes discrimination, reprisal, harassment, victimization, or vengeance.
- The Whistle Blower shall not be at the risk of losing his/her job or suffer loss in any other manner like transfer, demotion, refusal of promotion, etc.
- This policy provides protection against victimization of whistle-blowers by making provisions for direct access to the Chairpersons of the Audit Committee in appropriate or exceptional cases. A whistle-blower shall be entitled to such protection only if the following conditions are met:
 - a) The Communication or Protected Disclosure is made in good faith.
 - b) Whistle Blower reasonably believes that the information, and any allegations contained in it, are substantially true.
 - c) Whistle Blower is not acting for personal gain.
 - d) Whistle Blower is not involved in the complaint reported.
- Any other employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- Making frivolous or bogus complaints through Whistle Blowing Mechanism is unacceptable and strictly prohibited.
- Protection under this policy shall not mean protection from Disciplinary Action arising out of false or bogus allegations made by a Whistle Blower knowing it to be false or bogus or with a malafide intention.

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Disposal of the Protected Disclosures

- All the Protected Disclosure received through the channels defined above shall be forwarded to the Ethics Committee and the Chairman of the Audit Committee.
- The Ethics Committee shall perform a thorough preliminary review of the Protected Disclosures.
- Upon the preliminary review of the Protected Disclosure, if the Ethics Committee is of the opinion that no sufficient facts are available to pursue the Complaint, they may consider responding to the Whistle Blower requesting additional information, if necessary, based on the contact information made available.
- If the whistle-blower does not respond within one week or is unable to provide the additional information being requested the Ethics Committee shall report to the Audit Committee and close the case after documentation of the reasons.
- In other cases, after the preliminary review of the Protected Disclosure, the Ethics Committee may assign the investigation of the complaint to a Quorum of three members of the Ethics Committee or an independent outside agency for further investigation.
- The Quorum or outside agency shall submit a report with its recommendations to the Ethics Committee.
- If the Whistle Blower is not satisfied with the final decision on the Complaint, he or she can reach out to the Audit Committee for an appeal.
- The Audit Committee, if deemed fit, may recommend to the Ethics Committee to call for further information or particulars, from the Whistle Blower and at its discretion may consider involving any other/additional employee of the Organization and/ or Committee and/or an independent outside agency for the purpose of investigation.

Disciplinary Action

- Based on the report submitted by the Quorum or an outside agency, the ethics Committee shall recommend disciplinary action basis consequence matrix which may include dismissal of the subject, initiating legal action, etc., or other appropriate action as it may deem fit. The Ethics Committee shall direct the relevant department for the execution of the Disciplinary Action.
- The Ethics Committee may also recommend corrective measures including but not limited to amending the process, implementing better controls, etc., or may suggest no action if the allegations are not substantiated. Where the Organization has suffered a loss, the Ethics Committee may recommend to pursue remedies against the subject responsible for the same.
- A Whistle Blower who makes three or more Protected Disclosures, which have been subsequently proven to be frivolous and baseless, or reports otherwise than in good faith, may be disqualified from reporting further Protected Disclosures under this Policy.

Refer annexures 2 to 5 for Whistle Blowing policy.

Rights and Duties of an employee

- Employees will normally be informed of the allegations at an appropriate time during the investigations.
- During the investigations, the employee has the right to be heard and the Quorum or third party must give adequate time and opportunity for the subject to communicate his explanation on the matter.
- The employee has a duty to co-operate with the Ethics Committee or Quorum or a third party during the investigation.
- Employees have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed, or tampered with, and the witness shall not be influenced, coerced, threatened, or intimidated by the subject.

Amendments to this Policy

Escorts Kubota Limited reserves its rights to amend or modify this policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modifications will be binding on the Employee or Directors unless intimated. *-----*