

SFC ENVIRONMENTAL TECHNOLOGIES LIMITED
Vigil mechanism/whistle blower policy

Policy Effective Date: November 28, 2024

INTRODUCTION:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI LODR Regulations”) requires that the listed entity shall devise an effective whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

Further, Section 177 of the Companies Act, 2013, read with rules framed there under, and Regulation 22 of SEBI LODR Regulations also require the Listed Company to establish a vigil mechanism for their Directors and employees to report their genuine concerns or grievances.

Accordingly, this Whistle Blower Policy ("the Policy") has been formulated with a view to provide a mechanism for Directors and employees and other stake holders of the Company to freely report their genuine concerns or grievances to the Audit Committee of the Company. This policy provides a platform for stakeholders to point out irregularities or misuse of rules or regulations or unethical conduct or unethical behavior or malpractices in the organization without fear or favor.

APPLICABILITY

This policy is applicable to all the Directors, employees and the stakeholders of SFC Environmental Technologies Limited and their representative body.

DEFINITIONS

- a) **Employee** means every employee of the Company (whether working in India or abroad), including the Directors in the employment of the Company, temporary, permanent or contractual.
- b) **“Code”** means the “Code of Conduct” of SFC Environmental Technologies Limited.
- c) **Policy or This Policy** means, Whistleblower Policy.
- d) **Whistle Blower** means any employee, director or stakeholders of the Company and their representative bodies who discloses or demonstrates evidence of an unethical activity such as any suspected unethical behavior, malpractices, misfeasance, unethical conduct, fraud, non-

adherence to any of the Company's policies, codes, rules and regulations, violation of law etc

- a) **Committee** means Audit Committee of the Company constituted by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and read with Rules prescribed thereunder and SEBI (Listing Obligations and Disclosure Requirements), 2015.
- b) Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

OBJECTIVE

The Policy aims at following objectives:

1. To provide opportunity/platform to Directors, employees and stake holders to report without any fear of retaliation, to the Audit Committee about any suspected unethical behavior, malpractices, misfeasance, unethical conduct, fraud, non-adherence to any of the Company's policies, codes, rules and regulations, violation of law etc.
2. Early detection of potential violation of the Code so that action could be taken within time to prevent the same.
3. To build and strengthen a culture of transparency, integrity, honesty and trust amongst all stake holders.
4. To promote the ethical standards and build strong culture of corporate governance in the organization.
5. To report alleged unethical conduct to the Audit Committee.

PROCEDURE

1. Any Director, employee, stake holder as the case may be, (hereinafter referred to as "Whistle blower") can make disclosure to his team leader or manger or HR manager or Compliance officer or the Chairman or any member of Audit Committee through written communication sent via email on their email addresses or can personally handover letter to compapliant in a sealed envelope or may drop at the suggestion box kept at the Reception area of office along with the evidence he/she can muster in respect of any alleged unethical and/or improper practices or unethical conduct or misbehavior.

The complaint can be made to above mentioned person or any other such individual in the company so as to avoid reporting to someone he/she alleges to be involved in the suspected violation or from whom he/she would fear retaliation.

The whistleblower shall include his name, address and contact no. so that he/she can be contacted for additional information, if required. The Audit Committee and/or the person to whom the complaint was made shall ensure to keep the identity of whistle Blower confidential and shall not disclosed the same to anybody without the written approval of whistle blower.

If the Whistle blower believes/notice any unethical practice or behavior within the organisation, he or shall bring out the same including including the nature of the violation; the identities of persons involved, description of documents that relate to such violation; and the time frame during which the suspected violation occurred in writing in the complaint.

2. Any such complaint received shall be opened only by the addressee and shall be forwarded to the Audit Committee for further action.
3. The Audit Committee will enter the particulars of the complaint in the register and allot a reference number. The Audit Committee shall appropriately and expeditiously investigate all whistleblower complaints received.
4. Anonymous complaints will not be entertained unless exceptional circumstances depending upon the seriousness of the alleged misbehavior, along with concrete proof. the Audit Committee may, in its absolute and unfettered discretion, take cognizance of such anonymous complaints.

METHODOLOGY

1. When an Audit Committee receives a complaint of unethical behavior or conduct, Audit Committee meeting shall be called immediately to discuss the said complaint in detail.
2. The Audit Committee may conduct preliminary investigations to determine the veracity of the complaint.
3. The Audit Committee may also ask for additional evidence, if required. If

based on preliminary investigation, the Audit Committee concludes that the complaint has no basis, then the matter will be disposed of and whistleblower informed accordingly.

4. If the Audit Committee concludes that detailed investigation is necessary based on preliminary investigation, then a full-fledged enquiry committee will be appointed to pursue the matter.
5. Audit committee may entrust the matter to the Internal Auditors or outside legal, accounting or other experts, as appropriate, to conduct any investigation of complaints regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or unethical behavior, actual or suspected fraud or violations of the Code of Conduct if it deemed necessary.
6. Everyone working for or with the Company has a duty to cooperate in the investigation of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment.
7. The report on detailed investigation shall be placed before the Audit Committee for its observations. If the accused is found guilty of unethical conduct, the Audit Committee may take effective remedial action commensurate with the nature of the offense and recommend to the Board, suitable action including but not limited to termination of his services.
8. Opportunity of being heard will be given to the accused. No one will be inflicted with an adverse order without first being given a minimum opportunity to be heard.
9. The Board shall inform to the Audit committee, action taken against the person found guilty.
10. In conducting any investigation, the Audit Committee shall use reasonable efforts to protect the confidentiality and anonymity of the Whistle blower.
11. For the purpose of making an inquiry, the enquiry Committee or the internal auditors or outside legal, accounting or other experts, as the case may be, shall have the same powers as are vested in a civil court the Code of Civil Procedure, 1908 (5 of 1908) when trying a suit in respect of the following matters, namely: —

- (a) summoning and enforcing the attendance of any person and examining him on oath.
- (b) requiring the discovery and production of documents; and
- (c) any other matter which may be prescribed

Reporting in good faith:

Any individual who wishes to report the complaint, do so after gathering adequate facts/data to substantiate the complaint and not complain merely on hearsay or rumor. This also means that no action should be taken against the whistleblower, if the complaint was made in good faith, but no misconduct was confirmed/proved on subsequent investigation.

However, if a complaint, after an investigation proves to be frivolous, malicious or made with ulterior intent/motive, the Committee should take appropriate disciplinary or legal action against the concerned whistleblower.

CONFIDENTIALITY

All the disclosure made under this Whistle Blower Policy will be kept strictly confidential to the extent possible subject to the need for such disclosure in the interest of proper investigation, if legal proceedings arise and/or as required by any statutory / regulatory authority or investigating agency.

Whistle blower shall not make any disclosures to any person other than the persons mentioned in clause no. 1 above unless otherwise instructed by the committee during the continuance of the investigation proceedings.

NO VICTIMIZATION

The Company undertakes that the Whistle blower will be protected, provided he is under honest belief that the alleged unethical conduct took place.

There will be no harassment of any nature whatsoever to the Whistle blower provided that he is under honest belief about the behavior. This protection will not be available to any Whistle blower who misuses this mechanism for personal benefits.

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.