

COVANCE SOFTSOL LIMITED

WHISTLE BLOWER POLICY / VIGIL MECHANISM

1) Introduction:

This Whistle Blower Policy (the “Policy”) of **Covance Softsol Limited** (the “Company”) is aimed at establishing a vigil mechanism for its employees, Directors and other stakeholders to report genuine concerns in an appropriate manner without any fear of reprisal. The Policy is intended to encourage and enable reporting of any wrongdoing or actual/suspected fraud or any other unethical behaviour or practice related to a potential violation of laws or the Company’s Code of Conduct (“Alleged Wrongful Conduct”) by following the procedure and manner given therein.

The Policy has been formulated in terms of Section 177 of the Companies Act, 2013 read with Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with a view to provide a mechanism for Directors and employees of the Company to report concerns of unethical behavior, actual or suspected fraud or violation of the Company’s Code of Conduct.

2) Definitions:

- a) “Audit Committee” means the committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b) “Alleged Wrongful Conduct” means violation of law, infringement of Company’s Code of Conduct or ethic policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.
- c) “Board of Directors” means the Board of Directors of the Company.
- d) “Company” means “**Covance Softsol Limited**.”
- e) “Code of Conduct” means a set of rules outlining the responsibilities of or proper practices for an individual, party or organization. In this case, it refers to adopting / enunciating / formulating necessary Codes of Conduct / rules / policies, which lays down the principles and standards that should govern the actions of the Company and its employees from time to time and also includes the Company’s Code of Conduct for Senior Management and Directors.
- f) “Compliance Officer” means Company Secretary of the Company.
- g) “Employee” means every employee of this Company (whether working in India or abroad), including the Directors in the employment of the Company.
- h) “Good Faith” means an employee shall be deemed to be communicating in ‘good faith’ if there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct.
Good Faith shall be deemed lacking when the employee does not have personal knowledge of a factual basis for the communication or where the employee knew or reasonably should have known that the communication about the unethical and improper practices or alleged wrongful conduct is malicious, false or frivolous.

- i) "Investigators" means those persons authorized, appointed, consulted or approached by the Chairperson of the Audit Committee and may include the Auditors of the Company and the Police.
- j) "Managerial Personnel" shall include Director, all Executives at the level of Manager and above, who has authority to make or materially influence significant personnel decisions.
- k) "Protected Disclosure(s)" means any communication made in good faith that discloses or demonstrates information that may evidence any Alleged Wrongful Conduct;
- l) "Suspect" means a person against or in relation to whom a Protected Disclosure has been made or evidence gathered during the course of an investigation.
- m) "Unethical and Improper Practices" means:
 - i) An act which does not confirm to approved standards of social and professional behaviour;
 - ii) An act which leads to unethical business practices;
 - iii) Improper refers to unethical conduct;
 - iv) Breach of etiquette or morally offensive behaviour, etc.
 - v) Misuse of Unpublished Price Sensitive Information
- n) "Whistleblower" means an employee or a Director of the Company who discloses in good faith any unethical & improper practices or alleged wrongful conduct to the Head of Department or in case it involves Heads of Department and above to the Managing Director and in exceptional cases to the Chairperson of the Audit Committee in writing.

3) Policy Objectives:

- a) The Company is committed to developing a culture where it is safe for all employees to raise concerns about any unethical, fraud and unacceptable practice and any event of misconduct.
- b) The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear or punishment or unfair treatment.
- c) Whistle Blower Mechanism provides a channel to the Employees and Directors to report to the Chairperson of the Audit Committee about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct, insider trading norms or Policies Rules & Regulations. The mechanism provides for adequate safeguards against victimization of Employees and Directors to avail of the mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.
- d) This neither releases 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.

4) Eligibility:

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company.

5) Process for Receipt and Disposal of Protected Disclosures:

- a) All the Protected Disclosures should be addressed to the Head of Department or in case it

involves Heads of Department and above to the Managing Director, except those exceptional / special cases where it should be addressed directly to the Chairperson of the Audit Committee. The Head of Department or the Managing Director shall inform to the Chairperson of the Audit Committee, about the cases referred to them, from time to time.

b) The contact details are as under:

i) Contact details of the Audit Committee:

Chairman of the Audit Committee

Covance Softsol Limited

Plot No.4, Info city, Madhapur, Hyderabad,

Shaikpet, Telangana, India, 500033

Telephone: + 91 (40) 42568500

E-mail :**cs@covance.ai**

ii) Contact details of the Managing Director:

Managing Director,

Covance Softsol Limited

Plot No.4, Info city, Madhapur, Hyderabad,

Shaikpet, Telangana, India, 500033

Telephone: + 91 (40) 42568500

E-mail :**cs@covance.ai**

- c) Protected Disclosures should preferably be reported in writing so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in the regional language of the place of employment of the Whistleblower.
- d) The Protected Disclosure should be forwarded under a covering letter (*as per the Format annexed herewith*) which may bear the identity of the Whistleblower. The Chairperson of the Audit Committee may shall detach the covering letter and forward only the Protected Disclosure to the Investigators for investigation.
- e) Protected Disclosures should be factual and not speculative or in the nature of a conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern and the urgency of a preliminary investigative procedure.
- f) The Whistleblower may disclose his/her identity in the covering letter forwarding such Protected Disclosure. Anonymous disclosures shall not be entertained in any case, as it is not be possible to interview the Whistleblowers and grant him/her the protection under the policy.
- g) The Head of Department / Managing Director / Audit Committee, as the case may be, shall dispose of the complaint received from whistleblower within 45 days from the date of receipt of such Protected Disclosure and the same shall be communicated to the Audit Committee and to the Whistleblower.

6) Investigation:

- i) All Protected Disclosures received will be recorded and looked into.
- ii) All Protected Disclosures reported under this Policy will be thoroughly investigated by the concerned authority as may be required, depending on the disclosure reported, including vigilance department.
- iii) Investigations will be launched only after a preliminary review which establishes that:
 - (a) the alleged act constitutes an improper or unethical activity or conduct, and

- (b) either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review, but investigation itself should not be undertaken as an investigation of an improper or unethical activity.
- iv) The Audit Committee may, at its discretion, consider involving any investigators for the purpose of investigation.
- v) The decision to conduct an investigation taken by the Audit Committee is by itself not an accusation and is to be treated as a neutral fact-finding process. The outcome of the investigation may not support the conclusion of the Whistle Blower that an improper or unethical act was committed.
- vi) The identity of an alleged person/employee will be kept confidential to the extent possible given the legitimate needs of law and the investigation.
- vii) Alleged person/employee will normally be informed of the allegations at the outset of a formal investigation and will have an opportunity for providing his/ her inputs during the investigation.
- viii) Alleged person/employee shall be duty bound to co-operate with the Audit Committee or any of the investigators during investigation to the extent that such co-operation sought does not merely require him/her to admit guilt.
- ix) Alleged person/employee has a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated by the Subjects.
- x) Unless there are compelling reasons not to do so, alleged person/employee will be given the opportunity to respond to material findings contained in an investigation report. No allegation of wrong doing against an alleged person/employee shall be considered as maintainable unless there is adequate evidence in support of the allegation.
- xi) Alleged person/employee has a right to be informed of the outcome of the investigation.
- xii) The investigation shall be completed normally within 90 days of the receipt of the Protected Disclosure.
- xiii) A report shall be prepared after completion of investigation and the Audit Committee shall consider the same.
- xiv) No 'Disclosure' which is more than 3 years old from the date of noticing the said unethical behaviour, suspected fraud, violation etc., will be taken up, in order to prevent any person from raising issues with an ulterior motive.

7) Protection for Whistleblower:

- a) The Company will ensure that the identity of the whistleblower will be kept anonymous and confidential to the extent possible, unless required by law or in legal proceedings.
- b) Any other employee serving as witness or assisting in the said investigation would also be protected to the same extent as the Whistleblower.
- c) The Audit Committee would safeguard the Whistleblower from any adverse action. This includes discrimination, victimization, retaliation, demotion or adoption of any unfair employment practices.
- d) Protection under this mechanism would not mean protection from disciplinary action arising out of false allegations made by a Whistleblower.
- e) A Whistleblower may not be granted protection under this mechanism if he/she is subject of a separate complaint or allegations related to any misconduct.
- f) If a complainant believes that she or he have been treated adversely as a consequence of their use of the Vigil mechanism can approach the Chairperson of the Audit Committee in confidence. The contact information for the Chairperson of the Audit Committee is provided herein this document.

8) Coverage of the Vigil Mechanism under this Policy:

Any Employee or Director can raise concerns regarding malpractices and events which may have negative impact on the Company, more particularly on the following matters:

- a. Inaccuracy in maintaining the Company's books of account and financial records.
- b. Financial misappropriation and fraud.
- c. Procurement fraud.
- d. Conflict of interest.
- e. False expense reimbursements.
- f. Misuse of Company assets & resources.
- g. Inappropriate sharing of Company sensitive information.
- h. Corruption, Bribery / Malpractices.
- i. Leakage of unpublished price sensitive information.
- j. Insider Trading.
- k. Unfair trade practices & anti-competitive behavior.
- l. Non-adherence to safety guidelines.
- m. Sexual harassment.
- n. Child labor.
- o. Discrimination in any form.
- p. Violation of human rights.

9) Investigators:

- a) Investigators are required to conduct a process towards fact-finding and analysis. Investigators shall derive their authority and access rights from the Audit Committee Chairperson when acting within the course and scope of their investigation.
- b) Technical and other resources may be drawn upon, as necessary to augment the investigation. All Investigators shall be independent and unbiased both in fact and as perceived. Investigators have a duty of fairness, objectivity, thoroughness, ethical behavior, and observance of legal and professional standards.
- c) Investigations will be launched only after a preliminary review which establishes that:
 - i) the alleged act constitutes an improper or unethical activity or conduct, and
 - ii) either the allegation is supported by information specific enough to be investigated, or matters that do not meet this standard may be worthy of management review.

10) Disciplinary Actions:

- a) Disciplinary action up to and including temporary / permanent termination from the service of the Employee and / or lodge a Police complaint, if necessary, against the Suspect depending on the results of the investigation for initiating necessary legal actions; or
- b) If the disclosure made by the Whistleblower is found malicious or otherwise in bad faith, then the after giving three such frivolous / malicious disclosures, shall take disciplinary actions up to and including termination from the service of employee; or
- c) Such other disciplinary actions as the Chairperson of the Audit Committee may recommend to the management, as it deem fit and proper.

- 11) **Decision:**
If an investigation leads the Chairperson of the Audit Committee to conclude that an improper or unethical act has been committed, the Chairperson of Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as the Chairperson of Audit Committee deems fit and proper. It is clarified that any disciplinary or corrective action initiated and the disciplinary procedures thereof, against the Suspect or whistleblower as the case may be, as a result of the findings of an investigation pursuant to this Policy shall be adhered to, by the concerned personnel or staff and the management.
- 12) **Notification or Communication:**
This Whistle Blower Policy will not be effective unless it is properly communicated to all the employees of the Company. This policy shall be published on the website of the Company for the information of all concerned, and any further changes or amendments to the policy shall also be published on the same way.
- 13) **Reporting:**
The Chairperson of Audit Committee shall submit a report to the Audit Committee Members on a regular basis about all disclosure referred to him/her since the last report together with the results of investigations, if any.
- 14) **Powers of the Board of Directors:**
The Board of Directors is responsible for the administration, interpretation, application and review of the Whistle Blower Policy. The Board of Directors is empowered to make necessary amendments / modifications to this policy wherever it is necessary, after considering the observation or views of the Audit Committee.
- 15) **Retention of Documents:**
All disclosures made by the whistleblowers and the results of the investigation shall be retained by the Company for further correspondence for a period of 5 years or such other period as may be decided by the Audit Committee or the time specified by any other law for the time being in force.
- 16) **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. Modification may be necessary, among other reasons, to maintain compliance with local, state, central regulations and/or accommodate organizational changes within the Company. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

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Format Covering Letter for Whistle Blowing

Date	
Name of the Employee/Director	
E- mail id of the employee/Director	
Communication Address	
Contact No	
Subject matter which is reported	
(Name of the person/ event focused at)	
Brief about the concern	
Evidence (enclose, if any)	

Signature