



# **WHISTLE BLOWER POLICY**

**January 2024**

**Objective:**

The objective of the policy is to provide a transparent mechanism for employees & Directors to report unethical behavior, actual or suspected fraud or any suspicious activity or violation of Company's code of conduct / ethics. It also provides necessary safeguards and protection to the Directors/employees who disclose the instances of unethical practices/ behavior observed in the Company.

Having a whistleblower policy reflects the management commitment to ethical standards in the conduct of business.

**Scope:**

The Policy intends to cover concerns that could have a large impact on the reputation, ethical standards or code of conduct of the company. It attempts to lay down a framework whereby employees & Directors can report any suspicious activity that could:

- Lead to a violation of regulations or law
- Misuse/ abuse of official position
- Lead to a violation of the Insider trading code / code of ethics of the Fund
- Lead to financial irregularities, including fraud, or suspected fraud
- Manipulation of company data/records
- Wastage/misappropriation of company funds/assets
- Result in pilferage of confidential/ proprietary information
- Harm the goodwill, reputation or brand of the Fund
- Lead to the fiduciary responsibility towards investors being compromised
- Lead to a serious violation of company policies
- Otherwise amount to serious improper conduct

The Policy should not be used in place of the Company grievance procedures or be a route for raising malicious or unfounded allegations against colleagues.

**Review:**

The policy shall be reviewed by the Chief Compliance Officer and Chief Risk Officer and reviewed / approved by the Audit Committees and the Boards of SBI Funds Management Limited (AMC), SBI Mutual Fund Trustee Company Pvt Ltd (Trustee Company), SBI CDMDF Trustee Pvt Ltd (CDMDF Trustee) once in a year.

### **Eligibility**

All Employees & Directors of SBI Funds Management Limited, SBI Mutual Fund Trustee Company Private Limited and SBI CDMDF Trustee Pvt Limited are eligible to make Protected Disclosures under the Policy.

### **Complainant (Whistle-blower):**

The role is that of a reporting party with reliable information. Whistle Blowers are not required or expected to act as investigators or finders of facts, nor would they determine the appropriate corrective or remedial action that may be warranted in a given case. Whistle Blowers should not act on their own in conducting any investigative activities, nor do they have a right to participate in any investigative activities other than as requested. They should however demonstrate that there are sufficient grounds for concern.

### **Safeguards:**

- **Harassment or Victimization:** Harassment or victimization of the whistle-blower will not be tolerated and could constitute sufficient grounds for dismissal of the concerned employee / director
- **Confidentiality:** Every effort will be made to protect the complainant's identity, subject to legal constraints
- **Anonymous Allegations:** Complainants must put their names to allegations as follow-up questions and investigation may not be possible unless the source of the information is identified. Concerns expressed anonymously will be reviewed to assess the verifiability and action will be taken only in case of extremely serious allegations.
- **Malicious Allegations:** Malicious allegations by the complainant may result in disciplinary action
- **Frivolous complaints:** Suitable action will be taken against complainant in case of repeated frivolous complaints.

**Procedure:**

- Protected Disclosures should be reported in writing to the Compliance Officer, For employees, a link is also made available on the Intranet for reporting purpose.
- In case of a complaint by AMC directors, the same should be reported in writing to the Chairperson of the Audit Committee of the Board of Directors (ACB) and by Trustee Directors to the Chairperson of the Audit Committee of the respective Trustee Board .
- All whistle blowing complaints shall be reported to the Audit Committee of AMC / Audit Committee of respective company .
- Based on an initial enquiry, the Compliance Officer, Chief Risk Officer and the MD&CEO, under the supervision and direction of the Chairperson of the Audit Committee of the Board of Directors of the respective company may appoint a committee to conduct a detailed investigation.
- In case of a complaint pertaining to an employee at a senior level, SVP and above, the involvement of a member of the Audit Committee of the Board in the investigation committee, should be considered.
- Anonymous complaints: In case of an anonymous complaint, the Compliance Officer, under the supervision and direction of the Chairperson of the Audit Committee of the AMC Board / respective Company, shall assess the nature of the allegations. , and The Chairperson of the Audit Committee will then decide whether to initiate a formal investigation.
- As provided in Section 177 (9) of the Companies Act, 2013, whistleblowers will have a direct access to the Chairperson of the Audit Committee of Board (s) for the purpose of vigil mechanism.
- Based on a thorough investigation, the investigation committee or the Chairperson of the Audit Committee, as the case may be, would recommend an appropriate course of action to the MD & CEO or Audit Committee of the Board of Directors. Where an improper practice is proved this would cover suggested disciplinary action as well as preventive measures for the future.
- The identity of a Subject will be kept confidential to the extent possible.
- Subjects have 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.

The process flow is provided as **Annexure 1**.

### **Accountabilities:**

#### **Employees & Directors**

- Bring to early attention of the company any improper practice they become aware of. Although they are not required to provide proof, they must have sufficient cause for concern.
- Avoid anonymity when raising a concern.
- Co-operate with investigating authorities, maintaining full confidentiality.
- The intent of the policy is to bring genuine and serious issues to the fore and it is not intended for petty complaints.

#### **Investigators/Committee**

- Conduct the enquiry in a fair, unbiased manner
- Ensure complete fact-finding.
- Maintain strict confidentiality.
- Decide on the outcome of the investigation, whether an improper practice has been committed and if so by whom.
- Recommend an appropriate course of action and suggested disciplinary action including dismissal, and preventive measures.
- Minute the Committee deliberations or recommendations by the Chairperson of Audit Committee and document the final report.

#### **MD & CEO**

- Table the reports from the investigators with the Audit Committee of the Board.
- Ensure necessary actioning of recommendations of the Audit Committee of the Board.

#### **Investigation Subject**

- Provide full co-operation to the Investigation team.
- Be informed of the outcome of the investigation.
- Accept the decision of the Audit Committee
- Maintain strict confidentiality

**ANNEXURE I: PROCESS FLOW**

