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Vigil mechanism and
whistleblower policy

Table of Contents

1. Background	3
2. Applicability	3
3. Definitions	3
4. Submitting a Protected Disclosure	5
5. Handling a Protected Disclosure	6
6. Retention of documents	8
7. Communications and trainings	8
8. Amendment	8
9. Compliance	8
10. Interpretation	8
11. Version History	8

1. Background

Eternal Limited (“**Company**”) believes in the conduct of its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior.

Vigil Mechanism & Whistle Blower Policy (“**Policy**”) has been adopted by the Board of Directors of Eternal Limited to supplement the Code of Conduct of the Company. Through this Policy, the Company intends to encourage its employees to report matters without risk of subsequent victimization, discrimination, or disadvantage.

The Policy also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

Regulatory references

The Policy complies with the requirements of the vigil mechanism, as envisaged by various laws and regulations, as below, to administer good governance practices:

- a. Section 177 of the Companies Act, 2013;
- b. The Companies (Meetings of Board and its Powers) Rules 2014;
- c. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- d. Regulation 9A (6) of SEBI (Prohibition of Insider Trading) (Amendments) Regulations, 2018 (“PIT Regulations”).

2. Applicability

This Policy applies to employees, directors and stakeholders or third parties of Eternal Limited.

Eternal periodically communicates the Vigil Mechanism and Whistleblower Policy to its employees and is committed that each employee clearly understands this Policy.

3. Definitions

- a. **Audit Committee** shall refer to the Audit Committee constituted by the Board of Directors of the Company in accordance with the Companies Act and SEBI Listing Regulations. It shall be responsible to review the functioning of the whistleblower mechanism of the Company.
- b. **Company** means Eternal Limited.
- c. **Board** means Board of Directors of the Company.
- d. **Whistleblower Committee** shall mean the Committee which has been constituted by the Managing Director and CEO of the Company from time to time, which and currently includes VP, Operations People Team, Global Head of Governance Risk & Compliance, and Head of the Legal / General Counsel, of the Company in whatsoever name and designation they hold or be called.
- e. **Investigation team** means those persons authorized, appointed, consulted or approached by the Whistleblower Committee or the Audit Committee, as applicable and from time to time, in connection with further fact finding/ enquiry/ investigation into a Protected Disclosure and may consist of the persons internal or external to the Company.

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- f. **Protected Disclosure** means a written complaint/ communication in good faith by a Whistleblower in respect to a Reportable Matter so as to bring the same to the notice of the Whistleblower Committee or the Audit Committee, as applicable.
- g. **Reportable Matter** shall mean a genuine concern, whether actual or suspected, relating to:
- i. Financial irregularities including manipulation of Company books and records, or misappropriation/misuse of Company's resources, or any accounting, internal controls or auditing matters;
 - ii. Conflict of Interest (without making appropriate disclosure/seeking prior approval, pursuit of a benefit or advantage in violation of the Company's interest);
 - iii. any violation under Company's Prevention of Insider Trading Policy / Regulations;
 - iv. Fraudulent practices, including destruction, pilferage or unauthorized release, disclosure or sharing of Company property or of confidential or proprietary information, manipulation of Company data / records and theft of cash or assets, submitting fake invoices for reimbursement or payment, forging documents for any personal gain;
 - v. Corruption, including bribery and money laundering; collusion with third parties and
 - vi. Such other matters as the Board may determine from time to time.

Please note that the following types of complaints / issues shall not be considered as Reportable Matters under this Policy until and unless such matter is specifically covered / leads to any of the circumstances which are mentioned under (a) to (e) above:

- i. Issue raised, relates to personal grievances or employment, such as
 - superior- subordinate relationship,
 - relationship with peers,
 - performance evaluations, and alike, such cases need to be referred to the Human Resources Department of the Company.
 - ii. Issues which relate to sexual harassment (for which there is a separate policy in place) which need to be referred to speakup@eternal.com
 - iii. Operational or transactional issues raised by customers, merchants or third parties. Such issues shall be taken up by the grievance channels set up by the Company.
 - iv. Any other violation of the Company's Code of Conduct which should be reported to the immediate reporting manager or the People Team of the Company.
- h. **Subject** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of fact finding/enquiry/ investigation.
- i. **Whistleblower** means any Employee, Director or stakeholder (or third party), who reports a Protected Disclosure in accordance with this Policy.

4. Submitting a protected disclosure

Who is a Whistleblower?

Any employee, director or stakeholder (or third party), who reports a Protected Disclosure in good faith and in accordance with this Policy.

What are the Whistleblowing channels available to report a Protected Disclosure?

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The Company has instituted the following channels through which the Whistleblower shall report a Protected Disclosure:

- a. Through Email: informant@eternal.com;
- b. Through link on the Eternal website: www.eternal.com/report-fraud;
- c. Through letter addressed to: Informant team, *Eternal Limited, Pioneer Square, 6th Floor, Golf Course Extension, Sector 62, Gurugram - 122098*;
- d. Direct access to Chairperson of the Audit Committee: chairperson.ac@eternal.com. The Whistleblower may use this channel in exceptional circumstances (e.g. Protected Disclosure against a member of the Whistleblower Committee) and the Chairperson of the Audit Committee may take appropriate action in this regard.

Is there any specific format for submitting the Protected Disclosure?

- a. While there is no specific format, a Protected Disclosure should preferably be reported in writing, either typed or handwritten in a legible writing, so as to ensure a clear understanding of the issues raised.
- b. A Protected Disclosure should preferably contain as much information as possible, such as, to the extent possible, the names of Subjects, and relevant factual background concerning the Reportable Matter for proper assessment of the nature and extent of the concern. Specific details, such as time and place of occurrence are also important;

What considerations to keep in mind before making a Protected Disclosure?

As a Whistleblower, it is his/her responsibility to ensure that Protected Disclosure is factual and not speculative in nature. The disclosure has proper evidence and supporting documents, to the extent available.

The Whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials shall be charged with these responsibilities.

The Whistleblower shall keep the Reportable Matter confidential and shall not disclose the Reportable Matter (or any details related thereto) to any persons in the Company, or third parties (including media/social media)

The Whistleblower should also be mindful of the below:

- a. Not to report complaints or issues that are trivial or frivolous in nature;
- b. Issues raised, which are pending before a court of Law, tribunal or any other judiciary or sub judiciary body shall not be investigated under this Policy;
- c. False reporting or the allegations which are found to be baseless or raised with an ulterior motive or a mala fide or malicious intention or reported otherwise than in good faith may be considered as a violation of the Company's Code of Conduct;
- d. A Whistleblower may choose to remain anonymous while reporting a Protected Disclosure under this Policy, however, it is encouraged that the Whistleblower shares his/her contact details, which would be helpful in obtaining any additional details or evidence, as may be required during the fact finding/enquiry/ investigation;
- e. An anonymous or pseudonymous Complaint received under this Policy shall be entertained only when contents/facts stated therein are verifiable, complete and hold substance to investigate the complaint efficiently.

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In case a complaint does not fall within the ambit of this Policy, it will be forwarded to the appropriate department/authority for further action, as deemed necessary.

How secure am I as a Whistleblower?

- a. The Company will ensure protection for the Whistleblowers and will not tolerate any form of reprisal or retaliation under this Policy. Retaliation includes discrimination, reprisal, harassment, hostility or vengeance in any manner.
- b. The Whistleblower will not suffer loss in any other manner like transfer, demotion, refusal of promotion or the like, including any direct or indirect use of authority to obstruct the Whistleblower's right to continue to perform her/his duties, including making further Protected Disclosure, as a result of reporting under this Policy.
- c. The identity of the Whistleblower shall be kept confidential, to the extent possible and permitted under the applicable laws or court of law, tribunal or any other judiciary or sub judiciary body, unless such disclosure is authorised by the Whistleblower. The identity of the Whistleblower may also be disclosed on a 'need-to-know-basis', during the fact finding/enquiry/investigation process (including external advisors/agencies/lawyers engaged for this purpose).
- d. Any other person assisting in the fact finding/enquiry/investigation/furnishing evidence shall also be protected to the same extent as the Whistleblower.

5. Handling a protected disclosure

What will happen after I submit a Protected Disclosure?

- a. The Whistleblower Committee member(s) will examine the Protected Disclosure and will pass on the same to the Investigation team, who shall be independent of the Protected Disclosure made, to determine whether it qualifies for further investigation. If not, the Investigation team will record this finding with reasons.
- b. The Whistleblower Committee or Audit Committee, or Chairman of Audit Committee, as applicable, at their discretion may consider appointing external parties for the purpose of investigation. The decision taken by any of the aforesaid members to conduct a fact finding/enquiry/investigation shall not in itself be an accusation and shall be treated as a neutral fact-finding process. Technical and other resources shall be drawn upon as necessary to augment the fact finding/enquiry/investigation.
- c. The Investigation team has the right to reach out to the Whistleblower and the Subject to gather more insights, statements, affidavits, documents and details, as required, and the Whistleblower and the Subject shall cooperate with the Investigation team and should not interfere with the fact finding/enquiry/investigation. At any point in time, evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached, threatened or intimidated.
- d. The Investigation team will treat all complaints in a confidential and sensitive manner.
- e. The Investigation team shall normally complete the investigation within 90 days of the receipt of the Protected Disclosure. Any investigation requiring additional time for inquiry shall be intimated to the Audit Committee at the time of reporting the status of inquiry and actions on a quarterly basis by the Whistleblower Committee.
- f. If the Investigation team arrives at the conclusion that the allegation (actual or suspected violation) has been established against an Employee or Director, suitable action may be taken in consultation with Whistleblower Committee member(s), which may include one or more of the following:
 - i. Written apologies;
 - ii. Warnings;
 - iii. Suspension;

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- iv. Reprimand or censure;
 - v. Withholding of promotion;
 - vi. Withholding of pay increments;
 - vii. Termination of the employment;
 - viii. Recovery, if any;
 - ix. Legal action;
 - x. And any other action, as deemed fit.
- g. If the Investigation team arrives at the conclusion that the allegation (actual or suspected violation) has been established against a stakeholder or third party, suitable action may be taken in consultation with Whistleblower Committee member(s), which may include one or more of the following:
- i. Termination of the contractual agreement;
 - ii. Recovery, if any;
 - iii. Legal action;
 - iv. And any other action, as deemed fit.
- h. During the investigation, if it is found that there is no merit in concerns raised by the Whistleblower, no action shall be taken against the Whistleblower, provided the Investigation team is satisfied that the concerns expressed by the Whistleblower are not in the nature of a malafide, malicious or frivolous complaint and that the Whistleblower has not acted in violation of this Policy.

What are the Company's obligations towards creating awareness and Reporting?

Creating awareness:

- a. The Company shall prominently display at conspicuous places of the Company.
- b. This Policy, including amendments thereof, shall also be made available on the Company's intranet portal, as well as on the website.

Reporting:

- a. The Whistleblower Committee shall submit a quarterly report of the Protected Disclosures, received and of the fact finding/enquiry/investigation conducted, and of the action taken to the Audit Committee.
- b. The Company shall annually affirm that it has not denied an Employee Director, or any stakeholder access to the Audit Committee and that it has provided protection to the Whistleblower from adverse action. The affirmation shall form part of the Corporate Governance report as attached to the Annual Report of the Company.

6. Retention of documents

All Protected Disclosures in writing or documented, along with the results of fact finding/enquiry/investigation relating thereto (including the Investigation Report) shall be retained by the Company as per the policy of preservation and archival of documents.

7. Communications and trainings

Employees are mandated to complete all required training, instructor-led, or web based, related to the Code of Conduct, and this Policy in a timely manner. The Governance Risk & Compliance team is responsible for dissemination of this Policy and arranges training for Employees at the time of joining the Company and on a periodic basis each year thereafter.

8. Amendment

Any change in this Policy shall be approved by the Board. The Board shall have the right to withdraw and/or amend any part of this Policy or the entire Policy, at any time, as it deems fit, or from time to time, and the decision of the Board in this respect shall be final and binding. Any subsequent amendment/modification in the Act or the rules framed thereunder or the SEBI Listing Regulations and/or any other laws in this regard shall automatically apply to this Policy.

9. Compliance

The Whistleblower Committee of the Company would be responsible for supervision of this Policy. All Employees, Directors, and stakeholders or third parties of the Company are required to comply with the provisions of this Policy.

10. Interpretation

In any circumstance where the terms of this Policy are inconsistent with any existing or newly enacted law, rule, regulation or standard governing the Company, the said law, rule, regulation or standard will take precedence over this Policy.

11. Version history

Version	Approval date	Description
Version 1	April 12, 2021	Original Policy
Version 2	May 2023	Updation of designation of HR Head and change in office address
Version 3	May 2024	Updation of Applicability para in line with best practices and inclusion of Communications and Trainings para