

SYSTEMATIX SECURITIES LIMITED

Whistle Blower Policy

I. PREAMBLE

Accordance to Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement a Company is require to establish a vigil mechanism for Director Employees to report concerns about unethical behaviour, actual or suspected fraud or Violation of the company code of conduct or ethics policy.

This policy is formulated to provide an opportunity to employees and an avenue to raise concerns and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices O any other wrongful conduct in the Company, to provide necessary safeguards for Protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

II. APPLICABILITY

This policy applies to all Directors/ permanent employees of the Company.

III. POLICY

No adverse action shall be taken or recommended against an employee in retaliation to his disclosure in good faith of any unethical and improper practices in the company or alleged wrongful conduct by any person. This policy protects such employees from unfair termination and unfair prejudicial employment practices. However, this policy does not protect an employee from an adverse action which occurs independent of his disclosure of unethical and improper practice in the company or alleged wrongful conduct, poor job performance, any other disciplinary action, etc. unrelated to a disclosure made pursuant to this policy.

IV. WHISTLE BLOWER/ COMPLAINANT.

An employee 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 Managerial Personnel to the Managing Director and in exceptional cases to the Audit Committee in writing. The whistle Blower s role is as a reporting party, he/she is not an investigator. Although the Whistle Blower is not expected to prove the truth of an allegation, he needs to demonstrate to the Audit Committee, there are sufficient grounds for concern.

V. GUIDELINES

1. Internal Policy & Protection under Policy.

This Policy prohibits the Company to take any adverse personnel action against its employees for disclosing in good faith any unethical & improper practices or alleged Wrongful conduct to the Head of Department or to the Managing Director or to Audit Committee. Any employee against whom any

adverse personnel action been taken due to his disclosure of information under this policy may approach Audit Committee.

2. Safeguards against Harassment or Victimization:

Harassment or victimization of the complainant will not be tolerated and could constitute sufficient grounds for dismissal of the concerned employee

- **Confidentiality:** Confidentiality of whistle blower shall be maintained to the greatest extent possible. Every effort will be made to protect the whistle blower's identity, subject to legal constraints.
- **Malicious Allegations:** Malicious allegations by employees may result in disciplinary action.

3. False Allegation & Legitimate Employment Action.

An employee who knowingly makes false allegations of unethical & improper practices or alleged wrongful conduct to the Audit Committee shall be subject to disciplinary action, up to and including termination of employment, in accordance with Company rules, policies and procedures. Further, this policy may not be used as a defence by an employee against whom an adverse personnel action has been taken independent of any disclosure of information by him and for legitimate reasons or cause under Company rules and policies.

4. Disclosure.

An employee who observes or notices any unethical & improper practices or alleged wrongful conduct in the Company may report the same to the Head of Department or in case it involves Managerial Personnel to the Managing Director and in exceptional cases to Audit Committee submitting the filled form to the Compliance Officer (Company Secretary) of the Company.

5. Accountabilities - Head of Department/ Managing Director/ Audit Committee.

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

VI. PROCEDURE OF VIGIL MECHANISM.

The whistle blowing procedure is intended to be used for serious and sensitive issues. Serious concerns relating to financial reporting, unethical Practices or alleged wrongful conduct shall make a disclosure to the Head of Department or in case it involves Managerial Personnel to the Managing

Director and in exceptional cases to the Audit Committee as soon as possible but not ci than 4 consecutive calendar days after becoming aware of the same. The Departmental Head shall immediately forward Whistle Blower Report to the managing Director of the Company. The Managing Director may inquire in respect of the whistle Blower Report and after preliminary inquiry, if required, shall report the Same to the Audit Committee. The Audit Committee or officer or committee of managerial personnel, as the case may be, shall have right to call for any information/document and examination of any employee of the Company or other Person(s), as they may deem appropriate for the purpose of conducting investigation under this policy. A report shall be prepared after completion of investigation and the Audit Committee shall consider the same. After considering the report, the Audit Committee shall determine the cause of alleged Adverse Personnel action and may order for appropriate course of action, Subject to legal constraints, she/he will receive information about the outcome of any investigations. All discussions would be minuted and the final report prepared. The decision of Audit Committee shall be final and binding. If and when the Audit Committee is satisfied that the alleged unethical & improper practice or wrongful conduct existed or is in existence, then the Audit Committee may -

a) Recommend to Board to reprimand, take disciplinary action, and impose penalty / punishment order recovery when any alleged unethical & improper practice wrongful conduct of any employee is proved.

b) Recommend termination or suspension of any contract or arrangement or transaction resulting from such unethical & improper practice or Wrongful conduct.

VII. ANNUAL AFFIRMATION.

The Company shall annually affirm that it has not denied any personnel access to the Audit Committee and that it has provided protection to whistle blower from adverse personnel action. Every year the affirmation shall form part of Corporate Governance report to the Annual Report of the Company.