



SAMVARDHANA MOTHERSON GROUP

PREVENTION OF HARASSMENT POLICY

Adopted by the Board of Samvardhana Mother'son International Limited

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TABLE OF CONTENTS

	Pg. No.
1. Objectives of the policy	3
2. Scope of the policy	3
3. Definitions	4
4. Roles and responsibilities	6
5. Reporting and non-compliance	6
6. Complaints committee	7
7. Complaint redressal mechanism	8
8. False accusations	11
9. Miscellaneous provisions	11
10. Principles to be followed	12

PREVENTION OF HARASSMENT POLICY

1. Objectives of the Policy

The Samvardhana Motherson Group (“**SMG**”) is committed to providing a safe, flexible and respectful environment for its staff and clients free from all forms of discrimination, intimidation, exploitation and harassment. The SMG sets a standard of ‘zero tolerance’ for any kind of harassment at work. Each person representing an SMG Company is responsible for ensuring that all actions or behaviour that are, or could be, viewed as harassment are avoided. The SMG requires all employees of the SMG Companies and the persons representing the SMG Companies treat each other with respect and dignity and expects everyone to promote a sense of personal responsibility.

In order to promote the importance of safety at workplace and to ensure that all instances of harassment are curbed efficiently, the SMG has implemented this Prevention of Harassment Policy (this “**Policy**”) as a mechanism to ensure that all persons representing the SMG are not subjected to any form of harassment including sexual harassment.

2. Scope of the Policy

This Policy shall apply to the following persons (“**SMG Persons**”):

- (i) the board of directors of the SMG Companies;
- (ii) all key personnel of the SMG Companies;
- (iii) all the staff of the SMG Companies, including but not limited to managers, supervisors, full-time, part-time or casual, temporary or permanent staff; job candidates; student placements, apprentices, contractors, sub-contractors, volunteers; and
- (iv) any other person representing an SMG Company in any manner whatsoever.

This Policy shall be applicable to all the Workplaces (as defined below) of the SMG.

3. Definitions

In addition to the other capitalized terms used hereunder, the following capitalized terms shall have the meanings set forth below:

- (i) “**Aggrieved Person**” means an individual in relation to a Workplace, or otherwise, whether employed or not, who alleges to have been subjected to any act of Harassment in the Workplace by the Alleged Offender;

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- (ii) **“Alleged Offender”** means a person against whom the Aggrieved Person has made a complaint;
 - (iii) **“Bullying”** means aggressive, spiteful and insulting behavior, or an abuse/misuse of power through means that undermine, humiliate, belittle or causes physical or mental injury to the Aggrieved Person;
 - (iv) **“Complaints Committee”** means a committee constituted by the relevant SMG Company in accordance with this Policy;
 - (v) **“Harassment”** means any form of behavior that is unwelcome, unsolicited, unreciprocated and usually (but not always) repeated. It is the behavior that has the purpose or effect of violating a person’s dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment, and in the perception of the recipient of the conduct, it should reasonably be considered as having that purpose or effect. Harassment may be physical or verbal, and may be done in person or by other means (such as harassing messages or emails). Harassment shall include discrimination based on grounds of race, religion, colour, creed, ethnicity, physical characteristics, gender and sexual orientation. Harassment may be unsolicited and deliberate. Harassment may also occur outside the Workplace and/or outside of working hours. Harassment includes but is not limited to the following acts:
 - a) Bullying;
 - b) making insulting jokes about particular groups or genders;
 - c) displaying offensive posters or screen savers;
 - d) making derogatory comments about someone’s race or religion;
 - e) offensive physical contact, derogatory language or intimidating actions;
 - f) using any kind of abusive language at the Workplace;
 - g) insulting or threatening gestures or language (overt or implied) or continual and unwarranted shouting at the Workplace;
 - h) unjustified and unnecessary comments about an associate’s work or capacity for work;
 - i) Displaying pictures, posters, graffiti or written materials which might be offensive;
 - j) making phone calls or messages on electronic mail/snail mail or computer networks which are threatening, abusive or offensive;
 - k) deliberately excluding an associate or group from normal conversations, work assignments, work related social activities and networks at the workplace.
 - (vi) **“Reporting Authority”** means such officer as appointed by the relevant SMG Company to whom complaints regarding instances of

Harassment and/or Sexual Harassment would be reported, and who shall thereafter take up the issue with the Complaints Committee and put forth the matter for adjudication;

- (vii) **“Sexual Harassment”** includes, but is not limited to, any one or more of the following unwelcome acts or behaviour, whether directly or implied, such as:
 - (a) physical contact and advances, or invasion of personal space including touching, pinching, pushing, grabbing, unnecessary brushing against another person;
 - (b) demand or request for sexual favors in exchange of any special treatment, benefit, favorable reviews, salary/wage increments, promotions or even continued employment. Such demands or requests may be direct or indirect, and may be accompanied with threats of dire consequences if such sexual favor is not consented to by the Aggrieved Person;
 - (c) making sexually colored remarks;
 - (d) stalking or persecuting a person with unwanted attention, gifts or messages;
 - (e) showing or sending pornography or other offensive or derogatory pictures, text messages, e-mails, video clips, cartoons, representations, graphics, pamphlets, sayings; and
 - (f) any other act, or words (whether spoken or written) that violate the dignity of any individual.
- (viii) **“SMG Companies”** means the entities and companies forming part of the SMG.
- (ix) **“SMG Persons”** means a director, employee, officer or representative of an SMG Entity;
- (x) **“Workplace”** includes any department, organization, undertaking, establishment, enterprise institution, office or branch unit, or any other place of business of SMG or visited by an SMG Person during the course of his/her employment/association with an SMG Company including transportation provided by an SMG Company for undertaking any business/work related journey.

4. Roles and Responsibilities

All SMG Persons shall be respectful to their colleagues and all other persons and maintain the highest standards of conduct and encourage a healthy and conducive working environment that is free from any and all sorts of Harassment and/or Sexual Harassment.

It shall be the responsibility of SMG Persons to respect the rights of all other persons and to discourage any and all types of Harassment and/or Sexual Harassment. All SMG Persons shall do so by refusing to participate in any

activity that constitutes or amounts to Harassment and/or Sexual Harassment, supporting the Aggrieved Person in rejecting any unwanted behavior, or acting as a witness in good faith when the Aggrieved Person lodges a complaint. All such persons shall also take steps to put an end to any inappropriate and offensive behavior, irrespective of the intention of the Alleged Offender.

5. Complaints Committee

To prevent instances of Harassment/Sexual Harassment and to receive and effectively deal with complaints pertaining to the same, a “Complaints Committee” shall be constituted by each SMG Company.

The Complaints Committee shall be constituted as may be considered appropriate by the board of directors of the relevant SMG Company, keeping in mind the requirements of the local laws applicable to such entity in which the entity is incorporated. Tenure of the Complaints Committee shall be two years and names of the Committee Members shall be announced by the Chief Operating Officer (COO) of the respective SMG Company.

Every Complaint Committee should have equal number of female and male representatives from SMG. In addition to the representatives from SMG, each Complaint Committee should also appoint an external independent female member preferably from a reputed organization engaged in social or humanitarian work. Where, a complaint is received from a female colleague alleging sexual harassment, the complaints committee shall be presided by a female member with majority members as females investigating that matter.

The Complaints Committee shall *inter alia* be responsible for:

- (i) receiving complaints of Harassment /Sexual Harassment at the Workplace;
- (ii) initiating and conducting inquiry as per the established procedure;
- (iii) submitting findings and recommendations of inquiries;
- (iv) coordinating with the employer in implementing appropriate action;
- (v) maintaining strict confidentiality throughout the process as per established guidelines; and
- (vi) submitting annual reports in the prescribed format.

6. Reporting and Non-Compliance

6.1 Reporting

Any information regarding any instance of Harassment and/or Sexual Harassment at a Workplace, whether such person is directly subjected to such an instance or becomes aware of any other Aggrieved Person at the Workplace, must immediately be reported to the Reporting Authority upon having knowledge of such event(s)/action(s).

Upon the receipt of a complaint from an Aggrieved Person, the Reporting Authority must commence to take action immediately. It must be ensured that all complaints of Harassment and/or Sexual Harassment shall be treated as confidential to the extent consistent with the need to conduct a fair, complete and responsive investigation.

This Policy strictly prohibits the retaliation or victimization of an Aggrieved Person who seeks redressal against an act of Harassment/ Sexual Harassment. If any complaint regarding Harassment/ Sexual Harassment is found to be true by the Reporting Authority, then appropriate remedial action shall be taken as prescribed in paragraph 7 of this Policy.

6.2 Non-Compliance with the Policy

If any SMG Person indulges in any act that is non-compliant, in any manner whatsoever, with this Policy, then such person shall be subject to appropriate disciplinary action as the Complaint Committee may deem appropriate.

Disciplinary actions are proportional, so they may vary from a verbal warning to dismissal or referral for criminal prosecution, depending upon the applicable laws of the country in which that particular SMG Company is incorporated. Disciplinary actions are customarily private. If any SMG Person thinks that he/she or someone else has been retaliated against or victimized for raising an issue under this Policy, such person is requested to contact the Head of Regional Chairman's Office of the respective region where that particular SMG Company is located.

7. Complaint Redressal Mechanism

7.1 Making a complaint

Any Aggrieved Person may make, in writing, a complaint of the relevant instance of Harassment/ Sexual Harassment at the Workplace to the Reporting Authority giving details of such instance meted out to her/him at the earliest, preferably within a period of three (3) months from the date of incident and in case of a series of incidents, within a period of three (3) months from the date of the last incident, which may be extended for a further period of three (3) months, if the circumstances warrant such extension in the opinion of the Reporting Authority. However, this does not prevent persons from filing their complaints and the Reporting Authority may based on the facts, circumstances, sensitivity in the matter at its discretion, decide whether to investigate the matter or not.

Where the Aggrieved Person is unable to make a complaint on account of his/her physical or mental incapacity, a complaint may be filed by a relative, guardian, friend, co-worker, or any person who has knowledge

of the incident, jointly with any of the aforementioned persons, with the written consent of the Aggrieved Person.

A complaint may also be made by a third party who has reasonable grounds to believe that an instance of a Harassment/ Sexual Harassment has taken place with respect to another person by a SMG Person.

7.2 Notification by Reporting Authority

On receipt of a complaint, the Reporting Authority shall promptly notify such complaint to the Complaints Committee for further action.

7.3 Receipt of complaint by Complaints Committee

The Complaints Committee shall, on receipt of such written complaint, provide a copy of the same, along with supporting documents to the Alleged Offender within seven (7) working days. If required, the Complaints Committee may ask the Aggrieved Person to furnish additional information about the alleged Harassment/ Sexual Harassment.

The Alleged Offender shall be required to file a reply within ten (10) working days of receipt of the aforesaid communication from the Complaints Committee, along with the relevant supporting documents and names and addresses of witnesses (if any).

The Complaints Committee shall thereafter (whether or not the Alleged Offender furnishes a reply as aforesaid) decide the place and time for hearing the complaint, and shall intimate the same to the Aggrieved Person and the Alleged Offender.

Any complaint made anonymously, or by a third party should be investigated into, to the maximum extent possible.

7.4 Resolution Process

The complaint received from the Aggrieved Person may be resolved through a formal or informal process, as discussed below.

Informal Process

The Complaints Committee shall provide the option of an informal process that can provide the Aggrieved Person and the Alleged Offender with the opportunity to resolve any complaints or grievances in an open, honest, non-threatening and non-contentious manner. The informal options available to an Aggrieved Person may involve a mediator who shall facilitate the mediation on a strictly confidential basis.

If the Aggrieved Person wishes, he/she may approach the mediator, who will discuss the matter with the Alleged Offender and all other

concerned parties. The mediator will assist the parties to understand both views and reach an informal resolution.

In cases where the situation indicates that an instance of serious misconduct has occurred that may warrant administrative action or disciplinary measures, the mediator shall advise the Aggrieved Person on the procedure to follow in order to commence formal proceedings.

Formal Process

Moving from an Informal Process to a Formal Process

If the Aggrieved Person is not satisfied with the results of the informal process or has been advised by the mediator to go forward with a formal process, he/she may indicate in writing to the Complaints Committee to begin the formal process.

The Fact Finding Process

Upon receipt of the notice as aforesaid, a determination must be made by the Complaints Committee as to whether the complaint is admissible and should be further investigated. Complaints Committee shall be conservative in rejecting any complaints keeping in mind the gravity and nature of the offence alleged.

The Complaints Committee shall thereafter commence investigation in detail into the matter of the complaint.

The investigation should begin as soon as possible, and preferably within one (1) month after the complaint has been filed formally. During such investigation, upon written request by the Aggrieved Person, the Complaints Committee may, at its discretion, recommend to transfer the Aggrieved Person or the Alleged Offender to any other Workplace, and/or grant leave to the Aggrieved Person of up to three (3) months which shall be in addition to leave to which he/she is otherwise entitled]. Provided, the Aggrieved Person shall have to tender justified reason for such transfer or leave, such as threat to work at the Workplace.

The Complaints Committee shall have the right to terminate the investigation or give ex-parte decision on the complaint, if the Alleged Offender or Aggrieved Person remains absent for three (3) consecutive hearings during the course of its investigation, without sufficient cause.

The Complaints Committee must remain neutral throughout the investigation and due process shall be essential to the integrity of the process. The Complaints Committee should not presume the guilt of any party.

The Complaints Committee shall submit its report (both in case of Formal process /informal process) to Reporting Authority. Reporting

Authority shall inform Head of the Regional Chairman's office and Group General Counsel's office about the findings/recommendations of the Complaint Committee. Reporting Authority shall be responsible to ensure recommendations of the Complaints Committee is implemented.

The Complaints Committee shall complete its investigation by preparing a written report, within a period of forty-five (45) days, stating whether the allegation against the Alleged Offender has or has not been proved. The report should provide sufficient details of the case, including the documents relied upon and the witness examined.

7.5 Actions to be Taken

Upon completion of the investigation, if the allegation against the Alleged Offender has not been proved, the Complaints Committee may recommend that no action needs to be taken in the matter. A determination may also be made regarding any lost/un-availed benefits, conditions or terms pertaining to the employment of the Aggrieved Person and Alleged Offender.

However, if the allegation against the Alleged Offender has been proved, the Complaints Committee may recommend, subject to applicable laws, any of the following actions:

- (i) tender written apology to the Aggrieved Person;
- (ii) issue warning, withhold promotions/increments of the Alleged Offender;
- (iii) deduct from salary/wages of the Alleged Offender or issue directions for payment/compensation, such sum as it may consider appropriate to be paid to the Aggrieved Person or to their legal heirs, as it may determine; and/or
- (iv) terminate the employment of the Alleged Offender.

Such action shall be taken within thirty (30) days of the receipt of the investigation report.

7.6 Principles to be followed

Complaints relating to Harassment/ Sexual Harassment shall be handled and investigations shall be conducted under the principles of natural justice, basis of fundamental fairness and equity, in an impartial and confidential manner so as to protect the identity of all parties involved. Complaints Committee while investigating the matter needs to be sensitive, empathetic during the entire proceedings and ensure a healthy environment is being maintained throughout the proceedings.

Details of investigation, inquiry proceedings, action taken, and relevant documents shall not be published or publicly made available (press, media or otherwise) in any manner whatsoever by the parties involved, or any person who is privy to such information. Any such person found guilty of disclosing such information shall be subject to disciplinary action as the Complaints Committee may prescribe.

8. False Accusations

The complaint of any Harassment/ Sexual Harassment made by an Aggrieved Person shall be taken up with utmost seriousness by every SMG Company. However, the SMG also inculcates a 'zero tolerance' policy for any false accusations made in malice to intentionally damage the reputation of any person associated with the SMG.

If the Complaints Committee comes to a conclusion that the allegation was made with malicious intent, or the Aggrieved Person (or any other person making the complaint on behalf of the Aggrieved Person) had produced false, forged or misleading documents to prove the case, the Complaints Committee may recommend appropriate action to be taken against the Aggrieved Person (and such other persons who have made the complaint on his/her behalf), including termination of service.

In such a case, malicious intent has to be established after a due inquiry, before any action is recommended. A mere inability to substantiate a complaint or provide adequate proof would not attract such action. To clarify, any gesture for seeking committed delivery or striving for expected timelines will not be considered Harassment/Sexual Harassment unless done with mala fide intentions. A similar recommendation for taking action would be recommended against any witness who may have given false statement or evidence or produced forged or misleading documents.

9. Policy Adoption

This Policy must be distributed to all its employees, staff and any other person representing an SMG Company in any manner whatsoever, as its utmost priority, so that all persons associated with the SMG are well acquainted with the principles enshrined in this Policy. Upon the receipt of this Policy (whether in online or physical form) an acknowledgement would be required to be duly signed by all such persons stating that he/she has read and reviewed the Policy and understands the requirements imposed and will ensure unqualified compliance with the same. The Human Resource Departments of all SMG Companies shall discuss the Policy with all existing and new employees/representatives and ensure that they understand every aspect of this Policy. In order to increase awareness, this Policy shall be published in employee handbooks, and posted on conspicuous places of all establishments of SMG. The Policy shall be re-communicated to all employees/other persons representing the SMG at least once in a year, whether by e-mails, newsletters, or any other means and an

acknowledgement thereafter must be received that the same has been read, reviewed and understood.

10. Miscellaneous Provisions

This Policy is the group-wide central policy, outlining the requirements that every single person working for and with the SMG must comply with, regardless of location. The rules and principles set forth in this Policy are general in nature and the compliance with the Policy shall be ensured to be read with the local laws applicable to the relevant SMG Company. In case of any conflict between the requirements of this Policy and the requirements under the local laws, the stricter of the requirements shall prevail. It will be the responsibility of Regional Chairman's office to ensure that the policy at each company level complies with laws of the country in which the Company is incorporated.

The Complaints Committee shall make an annual report with the following details and submit the same to the SMG entity on or before 15th February of each year to which the complaint pertains to include it in its Annual Report:

- (a) number of complaints of Harassment/ Sexual Harassment made in the year;
- (b) number of such complaints disposed off during the year;
- (c) number of complaints pending for more than forty-five (45) days; and
- (d) number of workshops and awareness programs held on Anti-harassment.

In case of any ambiguity between this policy and the local laws, stringent of the two will apply. Any changes to be done in the policy by any SMG Company will require prior review of the Group General Counsel's Office and adoption by the Board of the relevant SMG Company.

For any clarification / doubt concerning this policy please contact Group General Counsel's Office by sending mail at gco_policyquery@motherson.com.