

Whistle Blower Policy/Vigil Mechanism

of

Schneider Electric President Systems Limited

The Schneider Electric President Systems Limited (herein after referred to as 'the Company') is committed to the highest possible standards of ethical, moral and legal business conduct. An important aspect of this is a mechanism to enable individuals to voice their concerns in a responsible and effective manner.

With a view to reflect its commitment to maintain an open work environment in which employees, directors, consultants and contractors are able to report instances of unethical, unlawful or undesirable conduct without fear of intimidation or retaliation, this policy has laid down broader parameters with reference to vigil mechanism.

Reporting genuine concerns

The framework is designed to enable employees, directors, consultants and contractors ("individuals") to raise "genuine concerns or grievances" internally at a sufficiently senior level and to disclose information which the individual believes shows malpractice or wrongdoing which could affect the business or reputation of the Group.

Any allegations which fall within the scope of the concerns identified below will always be seriously considered and investigated. These "concerns or grievances" would include but are not restricted to conducts which is:

- i. dishonest, fraudulent or corrupt;
- ii. illegal, such as theft, drug sale or use, violence, harassment or intimidation or other breaches of applicable laws;
- iii. criminal in nature;
- iv. unethical, such as dishonestly altering the Company's records or data, adopting questionable accounting, financial or auditing practices or wilfully breaching the Company's Code of Business Ethics, policies or procedures;
- v. potentially damaging to the Company, such as damage to property, unethical work practices or substantial waste of its resources;
- vi. causing or may cause substantial loss to the Company or damage its reputation or might otherwise be detrimental to its interests;
- vii. dangerous to health and safety or the environment;
- viii. concealing or attempts to conceal any of the above;
- ix. involves any other kind of serious impropriety; or
- x. covered within the ambit of fraud, insider trading, corruption or bribery.

Nevertheless, any significant issue which individuals may feel is in the Company's interest to resolve, whether or not it technically falls within the definition above, should be reported internally in accordance with this policy.

The Whistle blower's role is that of a reporting party with reliable information. They are not required or expected to act as investigators or finder 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 by the person investigating the matter.

Procedure of raising concern

The Company's Employees can raise a concern on R&ED tool designed to root an employee to the compliance team in a simple, secure, quick and confidential way.

Following is the alert processes:

1. First, talk to your manager – about your concern or query
2. Contact your business partner (HR, Legal, Finance...)
3. Use the R&ED line as per the link

<http://www.secure.schneider-electric-redline.ethicspoint.com>

4. Use phone - International Toll-Free Service (ITFS)

From an outside line dial the ITFS number for your location:

000-800-100-1071 India (Primary language: English)

000-800-001-6112 India (Primary language: English)

Safeguards

This policy is designed to offer protection to individuals who make disclosure provided the disclosure is made:

- i. in good faith;
- ii. in the reasonable belief of the individual making the disclosure that the concern tends to show malpractice or impropriety; and
- iii. to an appropriate person.

In doing so, the Company shall ensure that:-

- i. No unfair treatment will be meted out to a whistle blower by virtue of them having reported a disclosure under this policy. The Company, as a matter of policy and practice, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle blowers. Complete protection will, therefore, be given to Whistle blowers against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct their right to continue to perform their duties/ functions including making further disclosures. The Company will take steps to minimize difficulties, which the whistle blower may experience as a result of making the disclosure.
- ii. The identity of the whistle blower shall be kept confidential to the extent possible and as may be permitted under law. Further, adequate safeguards would be made against victimisation of such persons.

- iii. Any other employee assisting in the said investigation shall also be protected to the same extent as the whistle blower.
- iv. If a whistle blower is victimised, discriminated or retaliated against, they may lodge a complaint with the Ethics Counsellors. Such complaints shall be promptly investigated and appropriate action shall be taken.

This protection shall also be available to employees, consultants or contractors who offer evidence or make written statements or otherwise participate in the investigation.

An employee who retaliates against someone who has reported a violation in good faith is subject to disciplinary action including termination of employment.

Confidentiality

All such disclosures will be treated in a confidential and sensitive manner. The identity of the individual making allegations will be kept confidential, to the extent possible, so long as it does not hinder or frustrate any investigation. However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required and be prepared (if required) to participate in any investigation proceedings that may follow.

Anonymous allegations

This policy encourages individuals to put their name to any disclosures they make.

Disclosures expressed anonymously are much less credible, but they may be considered at the discretion of the Company. In exercising this discretion, the factors to be taken into account will include:

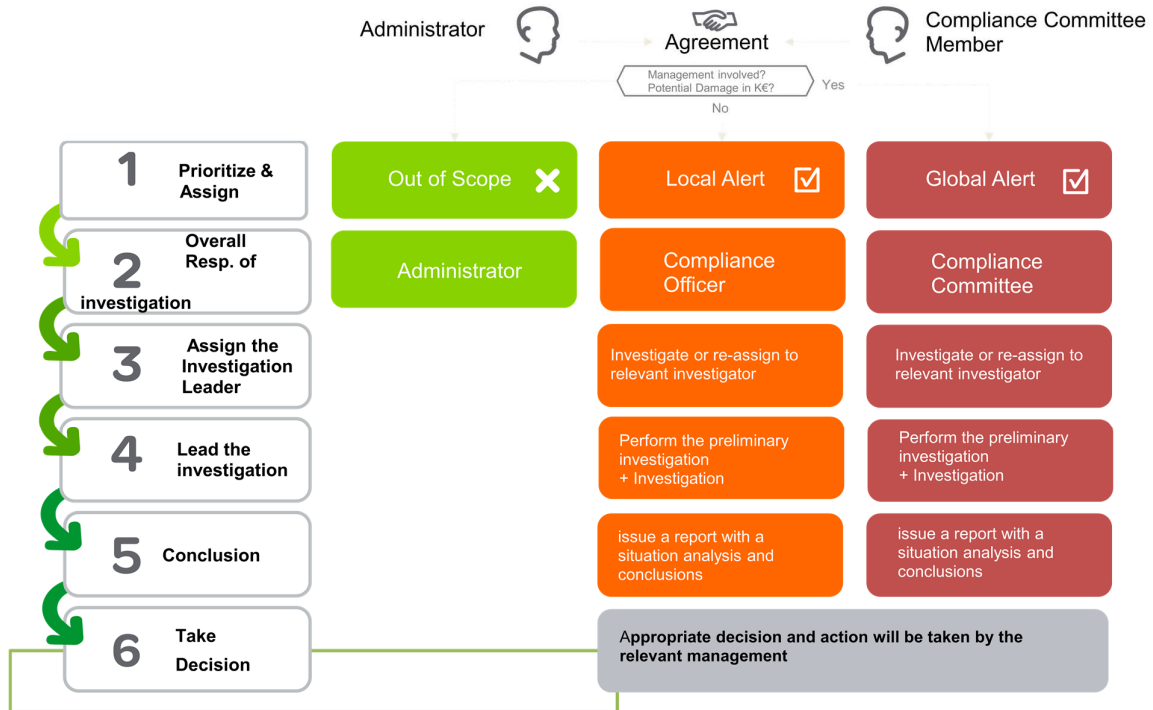
- i. The seriousness of the issues raised;
- ii. The credibility of the concern; and
- iii. The likelihood of confirming the allegation from attributable sources.

Untrue Allegations

In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual. If however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them despite the outcome of the investigation, disciplinary action may be taken against the individual. The intention however is to provide full protection to any individual acting in good faith, as outlined in this policy.

Investigation Procedure

A Six Steps Approach to handle an incoming alert



PoR advisor is General Counsel – Greater India

Criminal Activity

If there is evidence to support that alleged conduct involves criminal activity, the Ethics Counsellors may have to inform the police. The Company will ensure that any internal investigation does not hinder a formal police investigation.

Record Keeping

The Ethics Counsellors will keep confidential records of all documents relating to allegations of concerns and report back to the audit committee on a regular basis. All disclosures in writing as well as all documents related to any investigation and the results of the investigation relating thereto shall be retained for a period of at least 7 years.

Responsibility

It is the responsibility of every employee, directors, consultants and contractors to raise “concerns” internally at a sufficiently senior level and to disclose information which the individual believes shows malpractice or wrongdoing which could affect the business or reputation of the Company.