

# **Novartis India Limited**

## **Vigil Mechanism & Whistle-Blower Policy**

### **Preamble**

Novartis India Limited ("Company") has established this Policy to enable the Directors and Employees to report genuine concerns or instances of Misconduct in a prescribed manner and to set forth the governing principles and mechanism for handling such concerns or complaints. This Policy is framed in accordance with applicable regulations to the Company and in consonance with Novartis Code of Ethics.

### **Definitions**

Associates includes 'Directors and Employees of the Company'

IRC means an 'Internal Review Committee'

Misconduct is 'any conduct that violates the Novartis Code of Ethics and pertinent policies and/or external law or regulation'.

Few examples of Misconduct may pertain to:

- Failure to maintain company confidentiality
- Insider Trading Violations
- Falsification of Company Records, scientific or administrative
- Misuse of Company Assets
- Intentional violation of policy or insubordination, etc.

### **Scope**

This Policy is applicable to all Associates and provides for:

- (a) Reporting of any Misconduct or potential Misconduct
- (b) Adequate safeguards against victimization of persons who use this Policy
- (c) Key steps in Inquiry and Investigation of Complaints and
- (d) Direct access to the Chairperson of the Audit Committee of the Board of the Company in appropriate or exceptional cases.

This Policy is made available on the Company's website and in the Board's Report, as applicable.

## **Key Principles**

### Novartis Code of Ethics

The Company has in its Board meeting held on 5<sup>th</sup> November 2020 adopted a Code of Ethics that binds all Associates of the Company.

Our Code of Ethics is anchored in behavioral science and is underpinned by four clear ethical principles:

- Be Open-Minded
- Be Honest
- Be Bold
- Be Accountable

Novartis Code of Ethics supports an open culture in which Associates can speak up and raise concerns.

Breaches of the Novartis Code of Ethics can lead to disciplinary action up to and including termination of employment.

### Reporting of Misconduct

Company's Associates with knowledge of Misconduct or potential Misconduct, or Associates receiving a report of Misconduct, must notify the SpeakUp Office (formerly named Business Practices Office) or report the issue via one of the other channels described below without further disseminating the information to maintain confidentiality.

SpeakUp Office offers employees and people outside of Company a channel through which to report misconduct. Complaints can be made by phone, online or in-person. The web-based and telephone channels are operated via a third-party vendor.

SpeakUp Office is an independent, central function which is responsible for the intake and coordination of all complaints regarding Misconduct, actual or suspected, and is responsible for assigning the complaint to the appropriate investigative function and for overseeing the investigation and IRC (Internal Review Committee) process.

Associates can report such Misconduct or potential Misconduct to the SpeakUp Office either in person or through other options mentioned below. They can remain anonymous or reach out disclosing their identity.

Please refer to <https://secure.ethicspoint.eu/domain/media/en/gui/100412/index.html> for further information.

The options of reporting are:

1. Reporting on Ethicspoint link  
(<https://secure.ethicspoint.eu/domain/media/en/gui/100412/index.html>)
2. Reporting to any Manager
3. Reporting to any Human Resources representative
4. Reporting to the Country President
5. Reporting to any member of the Legal Department
6. Reporting to any Compliance Officer
7. Reporting to any member of Global Security

Any of the individuals mentioned above must inform the SpeakUp office immediately and without further dissemination or actions with regard to the respective matter.

#### Protection of the Complainant

Associates who report Misconduct or potential Misconduct or who provide information or otherwise assist in any inquiry or investigation of potential misconduct will be protected against retaliatory action.

The necessary steps will be taken to protect and to guarantee the anonymity of the complainant. However, this cannot be ensured in all cases, e.g. when the investigation reveals conclusions which the company determines should be disclosed to an authority.

#### SpeakUp Process - Complaints

The SpeakUp Office manages investigations into all complaints, and escalates any substantiated cases of misconduct to management for appropriate action.

Some of the key steps involved in the said process are as follows:

- Pre-assessment of each complaint to determine whether the complaint is a Misconduct or potential Misconduct
- Contacting a Subject Matter Expert to get further insights with the complaint
- Risk assessment of Misconduct - from a reputational, business, financial or legal perspective
- Based on the Risk assessment assign the case to the appropriate inquiry and or investigative function and set an appropriate timeframe
- At the end of the inquiry/investigation, SpeakUp office will send the report of the *substantiated* cases to the designated IRC process owner
- If the allegation is unsubstantiated / inconclusive, the investigation will be closed without the involvement of the IRC and relevant parties
- Implementation of Sanctions / Remedial Actions and Closure

The SpeakUp office process enables Associates to report actual or suspected cases of Misconduct without fear of retaliation. All complaints are investigated professionally, independently and with proportionality.

Investigation results are shared with the appropriate management.

Key responsibilities of SpeakUp office include:

1. Assess all allegations of misconduct
2. Guarantee fair, professional and proportionate investigations
3. Maintain confidentiality throughout the whole investigative process
4. Ensure consistency in disciplinary sanctions
5. Provide support in the identification of lessons learned to prevent similar issues arising elsewhere

By handling all complaints of Misconduct centrally and overseeing independent, neutral and proportionate investigations into each case, the SpeakUp office supports the business' efforts toward making Novartis a better place to work for all.

#### Oversight by Audit Committee

The Investigation Reports, if any issued by the SpeakUp office will be discussed in the Audit Committee Meetings on quarterly basis or at such intervals as may be required.

#### Access to the Chairperson of Audit Committee

Associates may also access the Chairperson of the Audit Committee of the Company, in appropriate and exceptional cases, by writing to [vigil.india@novartis.com](mailto:vigil.india@novartis.com)

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This policy is amended by the Board of Directors on March 28, 2019.