

ETHICS ESCALATION POLICY



| Policy No. | Process Owner | Effective Date |
|-------------|---------------|----------------|
| SEPL/HR/002 | FH-HR | 01-04-2018 |

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| Purpose | As a Company of repute and global standing, Shaily is committed to conducting its business by adopting the highest standards of professional integrity and ethical behavior. The Company intends to prevent the occurrence of any practice not in compliance with this Code through the Whistle Blower Policy. This mechanism aims to provide a secure environment to Employees for responsible reporting of the Code violations by Employees. |
| Scope | The provisions of Whistle Blowing Policy are applicable to all suppliers, service providers and their supporting subcontractors doing business with Shaily Engineering Plastics Ltd. |

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| Responsibility | It is the responsibility of all interested parties to perform their duties in compliance with the guidelines set forth herein. |
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This Ethics Escalation Policy (Whistle Blower Policy) is intended to cover concerns that fall outside the scope of other procedures. That concern may be about an act or omission that:

- is unlawful or in breach of any law;
- is against the Company's Policies;
- falls below established standards or practices; or
- amounts to improper conduct, unethical behavior or suspected fraud.

1. SAFEGUARDS

a) Harassment or Victimization

The Company recognizes that the decision to report a concern can be a difficult one to make, not least because of the fear of reprisal from those responsible for the malpractice or from superiors. The Company will not tolerate harassment or victimization and will take action to protect an individual when they raise a concern in good faith. In case, a Whistle Blower is already the subject of any disciplinary action those procedures will not be halted as a result of their Whistle Blowing.

b) Confidentiality

The Company will do its best to protect an individual's identity when he/she raises a concern and does not want their name to be disclosed. It must be appreciated that a statement from the Whistle Blower may be required as part of the evidence in the investigation process.

c) Anonymous Allegations

This Policy encourages individuals to put their names to allegations. However, individuals may raise concerns anonymously. Concerns expressed anonymously will be evaluated by the Company for investigation. In exercising this discretion, the factors to be taken into account would include:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources.

d) Untrue Allegations

If the Whistle Blower makes an allegation in good faith, which is not confirmed by the investigation, no action will be taken against the Whistle Blower. If a complaint is malicious or vexatious, disciplinary action will be taken.

| Prepared By | | Approved By | | Revision Date |
|-------------|---------------|-------------|----------------|---------------|
| Name: | Kiran Pradhan | Signature | Kinjal Sanghvi | 29-03-2018 |
| Date: | 29-03-2018 | Signature | Kinjal Sanghvi | Revision No. |
| | | | | R00 |

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2. HOW THE COMPLAINT WILL BE DEALT WITH

- a) The concerns raised may:
- form the subject of an independent inquiry;
 - be investigated internally;
 - be referred to the external Auditor; or
 - be referred to the police; if required.
- b) Upon receipt of a concern, an initial enquiry will be made to decide whether an investigation is appropriate and, if so, what form it should take. Some concerns may also be resolved by an agreed action without the need for investigation.
- c) After the concern has been evaluated, the Company will write to the complainant:
- acknowledging that the concern has been received;
 - indicating how it is proposed to be dealt with;
 - informing whether further investigations will take place, and if not, why not.
- d) The amount of contact between the body considering the issues and the complainant will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, further information will be sought from the complainant.
- e) The Company will take steps to protect the Whistle Blower from victimization and minimize any difficulties which a person reporting under Whistle Blowing may experience as a result of raising a concern.
- f) The Company accepts and would take such steps as may be required to assure the Whistle Blower that the matter has been appropriately addressed.

3. RAISING A CONCERN

- a) The complainant is not expected to prove the truth of allegation but should be able to demonstrate that there are sufficient grounds for concern. Employees must raise concerns immediately. This will support investigation process and enable faster implementation of corrective actions, if any.
- b) Shaily believes in open and honest communications, business partners/ Suppliers have a responsibility to report promptly any suspected, potential or actual violation of the Supplier Commitment Policy that could affect the business relationship. The issue should be reported even if anyone believes the issue may have been resolved or if any individual is not sure whether it constitutes a violation. The supplier may directly contact the Directors at sales@shaily.com on confidential basis without fear of retaliation.
- c) Shaily reserves the right to discontinue any relationship should the interested parties violate, fail to correct, or have a pattern of violating these guidelines.

Revision History:

R00: New Release

| Prepared By | | Approved By | | Revision Date |
|-------------|---------------|-------------|----------------|---------------|
| Name: | Kiran Pradhan | Signature | Kinjal Sanghvi | 29-03-2018 |
| Date: | 29-03-2018 | | 29-03-2018 | Revision No. |
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