

WHISTLE BLOWER POLICY FOR DNI EMPLOYEES

The basic purpose behind adopting a Policy and establishing a mechanism for 'Whistle Blowing', is affording access to the Top Management and Audit Committee for the company's employees to report any violation of the Code of Conduct ("Code") and/or any unethical behaviour, actual or suspected fraud or improper practice (not necessarily a violation of law) observed by them, without necessarily informing their supervisors. This mechanism is also meant to provide for adequate safeguards against victimization of employees who avail of the mechanism and to prohibit managerial personnel from taking adverse personnel action against an employee, as a result of the employees' good faith disclosure of alleged wrongful conduct to an audit committee on a matter of public concern. An employee who discloses and subsequently suffers an adverse personnel action as a result is subject to the protection of this Policy. This is in line with the global best practices and also meets the requirements of the revised Corporate Governance norms notified under clause 49 of the Listing Agreement.

A. Applicability

All employees of De Nora India Limited, who disclose alleged wrongful conduct, as defined in this Policy, and, who, as a result of the disclosure, are subject to an adverse personnel action.

B. Policy

No adverse personnel action may be taken against an employee in knowing retaliation for any lawful disclosure of information on a matter of public concern to an audit committee, which information the employee in good faith believes evidences:

- a violation of any law,
- mismanagement,
- Gross waste or misappropriation of public funds,
- A substantial and specific danger to public health and safety; or
- An abuse of authority collectively referred to herein as "alleged wrongful conduct."

No manager, director, department head, or any other employee with authority to make or materially influence significant personnel decisions shall take or recommend an adverse personnel action against an employee in knowing retaliation for disclosing alleged wrongful conduct to an audit committee.

C. Definitions

1. Abuse of authority: Action or decision which is outside the scope of the alleged violator's position, scope of duties, or level of authority as authorized by the designee. However, even actions or failure to take actions which are within the alleged violator's authority may constitute abuse of authority if the violator's motive or purpose is to harass, intimidate, or treat the employee unreasonably or capriciously under the applicable facts and circumstances.

2. Adverse personnel action: An employment-related act or decision or a failure to take appropriate action by a manager or higher level authority which affects an employee negatively. The following are adverse personnel actions in the Company's personnel system:

- (i) Termination of employment
- (ii) Demotion
- (iii) Suspension
- (iv) Written reprimand
- (v) Retaliatory investigation
- (vi) Decision not to promote
- (vii) Receipt of an unwarranted performance rating
- (viii) Withholding of appropriate salary adjustments
- (ix) Imposition of involuntary transfer or reassignment;
- (x) Elimination of the employee's position, absent a reduction in force, reorganization, or a decrease in or lack of sufficient funding, monies, or work load;
- (xi) Denial of awards, grants, leaves, benefits, or training for which the employee would normally be eligible.

(xii) Other significant change in job responsibilities or working conditions which are inconsistent with the employee's position, salary or grade.

3. Alleged wrongful conduct: Violation of law, mismanagement, gross waste or misappropriation of monies, substantial and specific danger to public health and safety or abuse of authority.

4. Audit Committee: A Committee of Board of Directors constituted in accordance with the provisions of Section 292A of the Companies Act, 1956 as well as Listing Agreement.

5. Conflict of interest: When an employee is in a position to influence a Company activity or decision in ways that could lead to any matter or form of personal gain to the employee or for his/her family member, or when the employee has a personal vested interest in the activity or decision.

6. Discloser: An employee who reports alleged wrongful conduct to an audit committee, as defined herein.

7. Disclosure: Oral or written report by an employee to an audit committee of alleged wrongful conduct on a matter of public concern.

8. Disclosure investigation: Review and determination made by the appropriate Company officer and/or designees of a disclosure.

9. Gross waste or misappropriation of public funds: Action or decision which is outside the scope of the alleged violator's spending or budgetary authority, or even when the action or decision is within budgetary authority, the action would be considered by a reasonable person to be grossly excessive, wasteful, or an improper use of public funds.

10. Knowing retaliation: An adverse personnel action taken by a manager or other authority against an employee because of a prior disclosure of alleged wrongful conduct.

11. Mismanagement: Action or decision which exceeds the scope of the alleged violator's responsibilities, or even if the action is within responsibilities, the action would be considered by a reasonable person to be grossly excessive or unfair.

12. Personnel action: An employment-related action or decision which affects an employee positively or negatively.

13. Managerial employee: Any manager, director, department head, or other employee who has authority to make or materially influence significant personnel decisions.

14. Violation of law: A violation of local, state, or federal law or regulation that is applicable to the Company or its employees.

15. Whistleblower complainant ("complainant"): A current or former employee who disclosed alleged wrongful conduct to an audit committee and who subsequently is subject to an adverse personnel action as a result of making the prior disclosure.

16. Whistleblower complaint: A complaint filed by a complainant with a Company officer alleging that an adverse personnel action was taken in retaliation for a prior disclosure of alleged wrongful conduct to an audit committee.

17. Whistleblower complaint review: A review by a Company officer or committee of a whistleblower complaint, resulting in a written decision which the Company officer provides to the complainant.

18. Whistleblower external hearing: A hearing conducted by an external hearing officer selected by the complainant and Company to conduct a hearing if the complainant is dissatisfied with the decision of the Company officer following a whistleblower complaint review.

E. Making a Disclosure

An employee who becomes aware of alleged wrongful conduct is encouraged to make a disclosure to an audit committee as soon as possible, but in any case must make the disclosure no later than 60 consecutive calendar days after becoming aware of the conduct.

However, in order to allow the Company an opportunity to investigate alleged wrongful conduct and to take necessary internal corrective action, employees are encouraged to report in writing a disclosure of alleged wrongful conduct to the Manager of his / her Department with a copy to the Compliance Officer i.e. Company Secretary of the Company.

If the employee is unwilling or unable to put an oral disclosure in writing, the Company officer who investigates the disclosure will prepare a written summary of the employee's disclosure and provide a copy to the employee. No later than 10 days after receipt of the summary, the employee may submit a written supplement to the Company officer who prepared the summary. Failure to submit a supplement within 10 days will constitute acceptance of the summary as an accurate statement of the disclosure made by the employee.

The investigation shall be conducted by a Company officer who does not have a conflict of interest in the matter being investigated as appointed by the Audit Committee. The Company officer and/or designees will conduct an investigation into the allegations of the disclosure and will take necessary corrective action, as warranted. Throughout this process, the confidentiality of the discloser will be maintained to the greatest extent possible. At the conclusion of the investigation, the Company officer will notify the discloser and other affected employees in writing of the determination. A copy of the determination shall be retained by the manager, the discloser, and the alleged violator.

Where the Company officer determines the employee's allegations do not meet the definition of disclosure under this policy, the Company officer shall refer the employee to other available Company grievance or appeal processes to address the employee's concerns.

F. False Allegations of Wrongful Conduct

An employee who knowingly makes false allegations of alleged wrongful conduct to an audit committee shall be subject to discipline, up to and including termination of employment, in accordance with Company rules, policies, and procedures.

G. Legitimate Employment Action

This policy may not be used as a defense by an employee against whom an adverse personnel action has been taken for legitimate reasons or cause under Company rules and policies. It shall not be a violation of this policy to take adverse personnel action against an employee whose conduct or performance warrants that action separate and apart from that employee making a disclosure.

H. Whistleblower Complaint

No later than 30 days after a current or former employee is notified or becomes aware of an adverse personnel action, he or she may protest the action by filing a written whistleblower complaint with the Compliance Officer or Audit Committee if the employee believes the action was based on his or her prior disclosure of alleged wrongful conduct. The Compliance Officer or Audit Committee, on receipt of a whistleblower complaint, shall review the complaint expeditiously to determine:

- (1) whether the complainant reported alleged wrongful conduct to an audit committee on a matter of public concern before an adverse personnel action was imposed;
- (2) whether the complainant suffered an adverse personnel action after reporting alleged wrongful conduct to an audit committee;
- (3) whether the complainant alleged that the adverse action resulted from the prior disclosure; and
- (4) whether the complainant alleged the adverse action was the result of knowing retaliation for the employee's disclosure.

The review shall be conducted by a Company officer or committee whose members do not have a conflict of interest in the matter being reviewed.

No later than 45 days after receipt of the complaint, the Company officer shall notify the complainant in writing of the results of the review and whether the adverse personnel action is affirmed, reversed, or modified, and provide a copy of the decision to the employee's manager. The manager will implement the decision and will verify implementation in writing to the Company officer no later than 10 days after receipt of the Company officer's decision. Where the designated Company officer or committee finds the employee did not make a disclosure pursuant to this policy, the employee shall be referred to other available Company grievance or appeal processes to pursue the complaint. Furthermore, because there are other Company policies and statutes that provide remedies for claims of retaliation following the filing of an unlawful discrimination complaint, such retaliation claims will be referred to the Company officer charged with investigating allegations of discrimination rather than being reviewed as whistleblower complaints.

A complainant who is dissatisfied with the decision of the Company officer on the whistleblower complaint may file a request for a whistleblower hearing and proceed under the following procedures.

I. Procedures

1. Purpose of the hearing

The Company shall arrange for hearing conducted by an external hearing officer selected by the complainant and Company to conduct a hearing if the complainant is dissatisfied with the decision of the Company officer following a whistleblower complaint review. The purpose of the hearing is to determine whether an adverse personnel action resulted from the complainant's prior disclosure of alleged wrongful conduct. No other issues or determinations are authorized. The hearing officer will be selected by the service provider in consultation with the parties. The hearing officer cannot be a Company employee and, except for the contractual arrangement to provide hearing officer services, cannot have substantial interest in the Company.

a. Request for hearing

No later than 15 days after receipt of the Company officer's decision, a complainant who is dissatisfied and desires an external hearing must file a written request for hearing with the Company representative or office designated to review these requests.

b. Contents of request for hearing

A request for hearing must contain the following:

- (1) A specific statement that it is a request for a whistleblower hearing by an external hearing officer;
- (2) The name, work address, work telephone number and position of the complainant;
- (3) The name, work address, work telephone number and position of the Company officer who issued a decision on the complainant's whistleblower complaint;
- (4) A statement of the reasons for requesting a hearing including the objectionable portion of the Company officer's decision;
- (5) A statement of the specific relief or remedy requested; and
- (6) Copies of :
 - (a) the employee's prior disclosure or the written summary prepared by a Company officer; and
 - (b) the Company officer's decision on the whistleblower complaint.

c. Appointment of hearing officer

No later than 20 days after receipt of a request for hearing, the designated Company officer or committee who receives the complaint will determine whether the complainant qualifies for an external hearing based on the following:

- (a) The complainant identified an adverse personnel action imposed on him or her and the date of notice of the action;
- (b) The complainant made a prior disclosure of alleged wrongful conduct to an audit committee on a matter of public concern prior to the adverse personnel action;
- (c) The complainant alleges the adverse personnel action resulted from the prior disclosure;
- (d) The complainant attached the disclosure and the decision on the whistleblower complaint review to the request for hearing.

The request will be reviewed by a Company officer or committee whose members do not have a conflict of interest with respect to that matter. If the request qualifies for an external hearing, the designated Company officer or committee will start the process of selecting an external hearing officer and conducting a whistleblower hearing.

If the request does not qualify for a whistleblower hearing, the request will be returned to the complainant with written reasons for rejection.

d. Submission of the record

No later than 20 days thereafter it shall be notified to the complainant that the request for hearing is accepted and the parties shall begin the mutual selection of the hearing officer, the procedures for a pre-hearing conference in person or by telephone, and the procedures which will be followed in conducting the hearing, including submission of evidence, documents, and witness lists. The hearing officer may require the parties to submit summaries of their positions before the hearing commences.

The hearing will be conducted no later than 90 days after the selection of the hearing officer, unless the hearing officer extends the time for good cause.

e. Conduct of hearing

Hearings shall be conducted in accordance with the requirements of rules governing administrative hearings, as well as the requirements of this policy. The formal rules of evidence do not govern the hearing. Generally, the party advocating a particular point or fact has the burden of proof on that point or fact. Ultimately, the person seeking review has the burden of persuading the hearing officer that the adverse action occurred because of a prior disclosure of alleged wrongful conduct to an audit committee. The evidence standard is proof by a preponderance of the evidence.

The hearing officer has subpoena power. The hearing shall either be recorded or transcribed, as determined by and at the Company's expense, so as to provide an accurate, written rendition of the hearing.

f. Attorneys or advisers

Complainant, at his or her own expense, may be represented by an attorney at any stage of the hearing process, including but not limited to presentation of the case during the hearing. If the complainant is represented at the hearing by an attorney, then the Company representative may also be represented at the hearing by an attorney.

g. Resolution by agreement

At any time, the parties may agree upon a resolution of the matter. In such event, the written agreement shall be presented to the designated Company officer who shall close the case and notify the hearing officer and the parties in writing that the matter is resolved by agreement.

h. Hearing officer's decision

No later than 30 days after the close of the hearing, the hearing officer's written report shall be provided to the parties. The report will contain findings of fact and the evidence relied upon to sustain those facts, conclusions including reference to applicable law, rules or policies, and a decision by the hearing officer that the adverse personnel action was or was not based on a prior disclosure, and whether the adverse action is affirmed, reversed, or modified.

The Company will implement the decision of the hearing officer no later than 10 days after receipt, except that the hearing officer may not direct that the Company grant renewal, tenure, continuing status or promotion to a faculty member or academic professional.

If the hearing officer finds that an adverse personnel decision related to renewal, tenure, continuing status or promotion of a faculty member or academic professional was the direct result of the disclosure of alleged wrongful conduct, the hearing officer shall remand the complaint to the Company for further proceedings consistent with its internal procedures.

The decision of the hearing officer shall be final.

i. Dissemination

The Company has to develop appropriate mechanisms to advise all employees of the existence of this policy, including posting copies of the policy where appropriate.