

**POLICY ON PREVENTION OF
SEXUAL HARASSMENT AT
WORKPLACE
OF
CANOPY FINANCE LIMITED**

POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

1. Background

Canopy Finance Limited is committed to providing a place of work that is free from sexual harassment and all forms of intimidation or exploitation. The Company shall provide a healthy work environment that ensures every employee is treated with dignity and respect and afforded equitable treatment. The Company is also committed to promote a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. The Company believes that all Stakeholders, irrespective of their gender, have the right to be treated with dignity. The Company will not tolerate any form of sexual harassment and is committed to take all necessary steps to ensure that its employees are not subjected to any form of harassment, intimidation or exploitation. Thus, in order to create a safe and conducive work environment, this Policy has been framed, in line with the provisions of the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" of India (hereinafter referred to as the "Act") and existing rules framed thereunder namely the "Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 (hereinafter referred to as the "Rules").

2. Objectives

- To set forth the expectations of conduct and mutual respect at the workplace with regard to prevention of sexual harassment and the process of inquiry and complaint redressal, if these expectations are not met or are violated.
- To clearly establish that Canopy Finance Limited is committed to creating a work environment free from all forms of discrimination and conduct which can be considered harassing, coercive, or disruptive, including sexual harassment.
- To identify a workable definition of sexual harassment in the workplace, explain the process of complaint if sexual harassment occurs and emphasize that anyone engaging in harassing conduct will be subject to disciplinary action ranging from a warning to termination of service or legal action.
- To outline the duties, responsibilities and rights of various stakeholders involved in the process.

3. Scope

This policy provides for protection against Sexual harassment of women at workplace and the prevention and redressal of complaints of sexual harassment and for the matters connected herewith or incidental. This policy applies to all employees (full-time, part-time, trainees and those on contractual assignments) of the Company including all subsidiaries and affiliated companies at their workplace or at client sites. The Company will not tolerate sexual harassment, if engaged in by clients or by suppliers or any other business associates.

4. Definitions

- (a) "Aggrieved Individual" means in relation to a workplace, a person, of any age, whether employed or not, who alleges to have been subject to any act of sexual harassment by the respondent and includes contractual, temporary employees and visitors.
- (b) "Complainant" is any aggrieved individual (including a representative as more fully described under Rule 6 of the said Rules, if the aggrieved individual is unable to make a complaint on account of his/her physical or mental incapacity or death or otherwise) who makes a complaint alleging

Sexual Harassment under this Policy.

- (c) "Employee" as defined under the Act and means a person employed with the Company for any work on permanent, temporary, part-time, ad-hoc or daily wage basis, either directly or through an agent, including a contractor, who with or without the knowledge of the Principal employer, whether for remuneration or not, or working on a voluntary basis or otherwise, whether the terms of employment are expressed or implied and includes a co-worker, a contract worker, probationer, trainee, apprentice or called by any other such name.
- (d) "Employer" means person who are responsible for management, supervision and control of the workplace including appointment/removal/termination of employees and will include 'Directors/CFOs etc.
- (e) "Workplace" means and include
- All offices or other premises where the Company's business is conducted.
 - All company-related activities performed at any other site away from the Company's premises.
 - Any social, business or other functions where the conduct or comments may have an adverse impact on the workplace or workplace relations.
- (f) "Sexual Harassment" may be one or a series of incidents involving unwelcoming sexually determined behavior as physical contacts and advances, sexually coloured remarks, showing pornography and sexual demands, whether by words or actions. The following behavior is considered inappropriate within the Company's working environment and is liable for disciplinary action if necessary:
- (i) physical contact and advances;
 - (ii) demand or request for sexual favours;
 - (iii) Making sexual coloured remarks including but not limited to vulgar/indecent jokes, letters, phone calls, text messages, e-mails, gestures, etc.;
 - (iv) Showing pornography or the likes;
 - (v) Any other unwelcome physical, verbal or non-verbal conduct of sexual nature;
 - (vi) Physical contact and advances such as touching, stalking, sounds, display of pictures, images which have explicit and/or implicit sexual connotation/overtone, molestation, etc;
 - (vii) Verbal or non-verbal communication which offends the individual's sensibilities and affect her/his performance and has sexual connotation/overtone/nature;
 - (viii) Teasing, innuendos and taunts, physical confinement and/or touching against one's will and likely to intrude upon one's privacy;

The following circumstances, among other circumstances, if it occurs or is present in relation to or connected with any act or behavior of sexual harassment may amount to sexual harassment:

- Implied or explicit promise of preferential treatment in the employment
- Implied or explicit threat or detrimental treatment in the employment
- Implied or explicit threat about the present or future employment status
- Humiliating treatment likely to affect health or safety

An alleged act of sexual harassment committed during or outside of office hours falls under the

purview of this policy.

- (g) “Principal Officer” (**preferably amongst the members of IC**) is a reporting authority or anyone who is responsible for the outcome of work and has a reporting relationship with the complainant in the Company.

Principal Officer has the same responsibilities as the employee, as well as the additional responsibilities as a custodian of the company’s value, Company’s Code of Conduct and statutory guidelines. If an employee and/or stakeholder has conveyed about sexual harassment to the principal officer, it is the responsibility of such officer to encourage the complainant to give it in writing to him/her and to the Internal Complaints Committee.

- (h) “Internal Committee” means and includes an Internal Complaints Committee (hereinafter referred to as the “ICC).”

5. Procedures and Guidelines

5.1 Composition of Internal Complaints Committee:

The Company has instituted a Complaints Committee for redressal of sexual harassment complaint (made by the victim) and for ensuring time bound treatment of such complaints. The Committee comprises of 2-3 members in line with the strength of the employee and size of the company. The term of these members shall not be more than three years from the date of their nomination and may be extended by the board of directors of the company as required. Guidelines for the formation of the committee are given below.

- At least 50% of the members should be women;
- The Chairperson of the Committee should be a lady employee at a senior Level;
- At least one employee who is members should be competent to handle the issues concerning women and have legal knowledge.

The Complaints Committee is responsible for:

- Investigating every formal written complaint of sexual harassment
- Taking appropriate remedial measures to respond to any substantiated allegations of sexual harassment
- Discouraging and preventing employment-related sexual harassment

5.2 Responsibilities Regarding Sexual Harassment:

All employees of the Company have a personal responsibility to ensure that their behavior is not contrary to this policy. All employees are encouraged to reinforce the maintenance of a work environment free from sexual harassment.

5.3 Complaint Mechanism:

An appropriate complaint mechanism in the form of “Internal Complaints Committee” has been created in the Company for time-bound redressal of the complaint made by the victim.

5.4 Procedures for Resolution, Settlement or Prosecution of Acts of Sexual Harassment:

The Company is committed to providing a supportive environment to resolve concerns of sexual

harassment as under:

A. Informal Resolution Options

When an incident of sexual harassment occurs, the victim can communicate their disapproval and objections immediately to the harasser and request the harasser to behave decently.

If the harassment does not stop or if victim is not comfortable with addressing the harasser directly, the victim can bring their concern to the attention of the Internal Complaints Committee for redressal of their grievances.

The Internal Complaints Committee will thereafter provide advice or extend support as requested and will undertake prompt investigation to resolve the matter.

B. Complaints

1. An employee with a harassment concern, who is not comfortable with the informal resolution options or has exhausted such options, may make a formal complaint to the Presiding Officer of the Internal Complaints Committee constituted by the Management. The complaint shall have to be in writing and can be in form of a letter, submitted within 3 months from the date of the incident and in case of a series of incidents, within a period of 3 months from the date of the last incident. The Internal Complaints Committee can extend the timeline for filing the complaint, for reasons to be recorded in writing, by a period of 3 months. Alternately, the employee can send complaint through an email. The employee is required to disclose their name to enable the Presiding Officer to contact them and take the matter forward. Employees may also write directly to the Officer appointed by the Company at <http://canopyfinance.org/>
2. Complaint against any member of the Internal Complaints Committee should be sent directly to the MD of the Company.
3. The Presiding Officer of the Internal Complaints Committee will proceed to determine whether the allegations (assuming them to be true only for the purpose of this determination) made in the complaint fall under the purview of Sexual Harassment, preferably within 30 days from receipt of the complaint. In the event, the allegation does not fall under the purview of Sexual Harassment or the allegation does not constitute an offence of Sexual Harassment, the Presiding Officer will record this finding with reasons, and communicate the same to the complainant.
4. If the Presiding Officer of the Internal Complaints Committee determines that the allegations constitute an act of sexual harassment, he/ she will proceed to investigate the allegation with the assistance of the Internal Complaints Committee.
5. Where such conduct, on the part of the accused, amounts to a specific offence under the law, the Company shall initiate appropriate action in accordance with law by making a complaint with the appropriate authority.

6. The Internal Complaints Committee shall conduct such investigations in a timely manner and shall submit a written report containing the findings and recommendations on action to be taken to the Officer" appointed by the Company as soon as practically possible and in any case, not later than 90 days from the date of receipt of the complaint. The Officer will take decision on the corrective action based on the recommendations of the Internal Complaints Committee and keep the complainant informed of the same. Corrective action may include any of the following:
 - a. Formal apology;
 - b. Counselling;
 - c. Written warning to the perpetrator and a copy of it maintained in the employee's file;
 - d. Change of work assignment / transfer for either the perpetrator or the victim;
 - e. Suspension or termination of services of the employee found guilty of the offence.

7. In case the complaint is found to be false, the Complainant shall, if deemed fit, be liable for appropriate disciplinary action by the Management.

6. Confidentiality

The Company understands that it is difficult for the victim to come forward with a complaint of sexual harassment and recognizes the victim's interest in keeping the matter confidential.

To protect the interests of the victim, the accused person and others who may report incidents of sexual harassment, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances.

7. Access to Reports and Documents

All records of complaints, including contents of meetings, results of investigations and other relevant material will be kept confidential by the Company except where disclosure is required under disciplinary or other remedial processes.

8. Protection to Complainant / Victim

The Company is committed to ensuring that no employee who brings forward a harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action. The Company will ensure that the victim or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment.

However, anyone who abuses the procedure (for example, by maliciously putting an allegation knowing it to be untrue) will be subject to disciplinary action.

9. Amendments

The company reserves the right to amend the Policy from time to time in order to comply with any Laws/rules/regulations that come into effect from time to time, related to Sexual Harassment.

10. Conclusion

In conclusion, the Company reiterates its commitment to providing its employees, a workplace free from harassment/ discrimination and where every employee is treated with dignity and respect.