Novartis India Limited

VIGIL MECHANISM / WHISTLEBLOWER POLICY

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VIGIL MECHANISM & WHISTLE-BLOWER POLICY

Novartis India Limited

1. Preamble

Novartis India Limited ("the Company") has established this Policy pursuant to Regulation 4(2)(d)(iv) and Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), and Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, to enable the Associates 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 regulations applicable to the Company.

The Company is committed to fostering a culture of integrity, transparency and ethical conduct across all levels of the organisation. The Company believes in doing business the right way — not merely in compliance with applicable laws and regulations, but in a manner that upholds the highest standards of ethical behaviour. This Vigil Mechanism is an integral part of that commitment, serving as a channel through which Associates can raise concerns without fear, and reinforcing the Company’s expectation that every individual acts with honesty, accountability and respect for the values the Company stands for.

2. Definitions

1. Associates include ‘all employees (including their representative body) of the Company and its subsidiaries, directors of the Company and its subsidiaries, and other persons with whom the Company or any of its subsidiaries have financial or commercial dealings’.
2. Misconduct is ‘any conduct that violates the policies of the Company and/or any law or regulation’.
3. 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
    - Illegal or unethical acts
    - Intentional violation of policy or insubordination, etc.

3. Scope

This policy is applicable to all Associates and provides for:

a. Reporting of any Misconduct or potential Misconduct in appropriate or exceptional cases;
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.

This Policy is not intended to cover any grievances of employees with respect to their employment (including employee compensation) and is only intended to cover concerns that fall within the scope of this Policy.

This Policy is made available on the Company's website www.nilpharma.co.in.

4. Reporting Misconduct

Any Associate having knowledge of actual or potential Misconduct, or receiving a report of Misconduct, shall promptly report the matter through one of the reporting channels set out below, while maintaining strict confidentiality and refraining from any further dissemination of the information.

The Company has designated the Compliance Head as the primary recipient of all whistleblower complaints. Complaints may be submitted through the dedicated Ethics email ID (ethics@nilpharma.co.in) or through any of the reporting channels specified below.

Upon receipt of a complaint, the Compliance Head shall conduct a preliminary review and, where considered appropriate, investigate the matter or coordinate the investigation. The findings of the investigation shall be placed before the Ethics Committee for review, deliberation and appropriate recommendations.

The Ethics Committee shall comprise:

- Compliance Head
- Head – Human Resources
- Representative from Finance
- Any other functional representative(s), as may be nominated based on the nature of the complaint

The Ethics Committee shall oversee the resolution of complaints, recommend appropriate corrective or disciplinary actions, where necessary, and ensure that investigations are conducted in a fair, objective and timely manner.

A summary of whistleblower complaints received, investigations undertaken, status of disposal and significant matters shall be presented by the Compliance Head to the Audit Committee on a quarterly basis.

Any matter requiring immediate attention or involving significant legal, financial, regulatory or reputational risk may be escalated to the Audit Committee without waiting for the quarterly update.

The options of reporting are:

1. Reporting on the Ethics email id (ethics@nilpharma.co.in)
2. Reporting to any Manager

3. Reporting to any Human Resources representative
4. Reporting to any member of the Legal Department
5. Reporting to any Compliance Officer

Any of the individuals mentioned above must inform the Committee immediately, without further dissemination of or action on the matter.

To enable a proper investigation of the alleged incident, a complaint should, to the extent possible, contain the following information (to the extent such information is available with the reporting Associate):

i. names of the employee(s) and / or director(s) and / or stakeholder involved or suspected to be involved in the alleged incident;

ii. specific details of the alleged incident; and

iii. relevant factual background of the alleged incident along with any evidence, to the extent readily available with the Associate.

5. 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.

The Company condemns any act of harassment, discrimination, victimization and other unfair practices against any complainant. The Company shall endeavour that the complainant is not subjected to any unfair treatment, including harassment, threat, demotion, suspension, transfer, intimidation or refusal of promotion, solely on account of making a complaint under this Policy. The Company shall take appropriate disciplinary actions against any employee and / or director who act in a manner contrary to this.

No person shall oversee any investigation of the matter stated in the complaint if such person has a conflict of interest in such investigation.

6. Process - Complaints

The Compliance Head shall be responsible for the preliminary assessment, coordination and investigation of all complaints received under this Policy. Based on the nature and complexity of the complaint, the Compliance Head may seek assistance from internal or external subject matter experts — including, where warranted, forensic auditors, external legal counsel, technical specialists or other independent professionals — as well as other functions within the Company, while ensuring strict confidentiality.

The findings of the investigation shall be presented to the Ethics Committee, which shall review the outcome, recommend appropriate corrective, disciplinary or remedial actions, and oversee the closure of the matter. Cases involving significant legal, financial, regulatory or reputational risk may be escalated to the Audit Committee immediately, while a summary of all complaints and their status shall be presented to the Audit Committee on a quarterly basis.

The key steps in the investigation process are as follows:

- Preliminary assessment of each complaint to determine whether it relates to actual or potential Misconduct.
- Conducting a preliminary review and obtaining additional information, where required.
- Consulting relevant internal or external subject matter experts, where necessary, based on the nature and complexity of the allegation.
- Assessing the potential business, financial, legal, regulatory and reputational risks arising from the alleged Misconduct.
- Conducting or coordinating an independent and objective investigation within an appropriate timeline.
- Presenting the investigation findings and recommendations to the Ethics Committee for review and decision.
- Where allegations are substantiated, recommending appropriate disciplinary, corrective or remedial actions and monitoring implementation.
- Where allegations are unsubstantiated or inconclusive, recording the outcome and closing the matter with appropriate documentation.
- Reporting significant matters immediately, and providing a quarterly summary of complaints, investigations and outcomes to the Audit Committee.

The Company encourages Associates to report actual or suspected instances of Misconduct without fear of retaliation. All complaints shall be handled confidentially and investigated in an independent, fair, objective and proportionate manner.

Investigation findings shall be shared only with those persons who have a legitimate need to know for the purpose of implementing appropriate corrective or disciplinary actions.

Key responsibilities of the Ethics Committee include:

1. Reviewing investigation findings submitted by the Compliance Head.

2. Ensuring that investigations are conducted fairly, independently, objectively and in a timely manner.
3. Maintaining confidentiality throughout the investigation and decision-making process.
4. Recommending appropriate disciplinary, corrective and preventive actions.
5. Monitoring closure of substantiated cases and implementation of agreed actions.
6. Identifying systemic issues and recommending process improvements to prevent recurrence.
7. Reviewing trends in whistleblower complaints and ensuring appropriate reporting to the Audit Committee.

By providing oversight of whistleblower complaints and ensuring that investigations are conducted independently and objectively, the Ethics Committee supports the Company's commitment to integrity, ethical conduct.

7. Disclosure

The details of establishment of the Whistle Blower Mechanism shall be disclosed on the website of the company and in the Board's report as required under the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and Regulation 22(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

8. Training and Certification

The Company is committed to regularly conducting awareness and training programmes to promote a culture of ethical conduct and to ensure that Associates understand the importance and functioning of this Policy. Such programmes shall cover, among other things: (a) the Company's commitment to integrity and doing business the right way; (b) how to identify and report instances of actual or potential Misconduct; (c) the reporting channels available under this Policy; (d) the protections afforded to whistleblowers against retaliation; and (e) the consequences of Misconduct and of making frivolous or vexatious complaints. Training shall be conducted periodically, including at the time of onboarding of new employees, and refresher sessions shall be held at least once annually. The Company shall track participation and completion records and report the same to the Audit Committee as part of its periodic oversight.

9. Oversight by Audit Committee

The Investigation Reports, if any issued by the Committee, will be discussed in the Audit Committee Meetings on a quarterly basis or at such intervals as may be required. If any of the members of the Committee have a conflict of interest in a given case, they should recuse themselves and the others on the Committee would deal with the matter on hand.

In case of repeated frivolous complaints being filed by an Associate, the Committee may take suitable action against the concerned Associate+, including reprimand. It is clarified that no action is to be taken against the Associate if a complaint is found to be untrue but is made in good faith and upon reasonable grounds by the Associate.

10. Access to the Chairperson of Audit Committee

In the event an Associate is not comfortable in making a complaint in the manner mentioned above, or in exceptional or other appropriate circumstances, such Associate may make the complaint to the chairperson of the Committee at his/her email address.

11. Amendment, Review and Effectiveness

This Policy will be subject to review and revisions as may be deemed necessary by the Board or the Committee, and as required under the applicable law. In the event of any conflict between the terms of this Policy and applicable law (including the Listing Regulations), the provisions of applicable law shall prevail.

This Policy is approved and adopted by the Board at its meeting held on July 29, 2026, from which date, this Policy shall be effective.