

Business Ethics Improvement Proposal Line (BEIPL)
(Vigil Mechanism Policy)
(Revision w.e.f. October 1, 2022)

Honda R&D (India) Private Limited

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Article 1: Background

As a responsible business enterprise and corporate entity, Honda R&D (India) Private Limited ('HRID') is committed to conducting its business affairs to the highest standards of ethics, integrity, honesty, loyalty, fairness, and professionalism in every respect, without exception, and at all times aiming to become a company that society wants to exist.

In line with HRID's commitment to open communication and transparency, this policy aims to provide an avenue to bring to notice any activity which is unethical /appears improper/illegal such as listed below to improve Business ethics.

Article 2: Applicability

- 2.1 BEIPL is a channel available to all associates and the stakeholders to report "Serious Improper Activities" without fear or hesitation in case they come across / face such an activity or are unable to find a solution to it.
- 2.2 This channel is available to the following stakeholders covering all locations (Annexure-1) of HRID:
 - a. All Associates,
 - b. All Directors,
 - c. Business Partners (vendors, suppliers, service providers),
 - d. Contractual manpower,
 - e. Any other third-party personnel dealing with HRID.

Article 3: Scope & Coverage (What to Report?)

- 3.1 This Policy is intended to cover any "Serious Improper Activities" which are unethical in nature or any matter which may have any serious concerns that may have a large impact on HRID i.e issues affecting the Company and/or issues involving operations/ divisions or issues related to Ethics as more particularly described hereinafter:-
 - Incorrect Financial Reporting
 - Manipulation or misrepresentation of Data / Records / Reports related to critical activities
 - Deliberate Violation of any Law/Rule
 - Criminal offence
 - Gross waste or Misappropriation of Funds / Assets
 - Corruption and bribery
 - Fraudulent activities
 - Leakage of confidential / propriety information
 - Theft or misuse of HRID property/assets
 - Acts not in line with company policy, code of conduct or Ethics
 - Negligence causing substantial and specific danger to associate safety and health.
 - Abuse of Authority.
 - Breach of Contract.
 - Hostile work environment issues.
 - Any other unethical act
 - Otherwise amount to serious improper conduct.
- 3.2 The above list is indicative and not exhaustive and should not be construed as limiting any other activity or otherwise not covered under above heads which may affect or likely to effect HRID from an ethical viewpoint.
- 3.3 Sometimes concern reported may not be constituted as a serious improper conduct. The

preliminary investigation assesses whether or not these appear to be an improper activity. However, just because an investigation is not launched doesn't mean that the complaint won't be investigated. It might be referred to Human Resource or other appropriate Department / Division / Operation for review rather than investigation.

Article 4: Channels of Reporting:

4.1 The following channels can be used:

E-Mail	HRID_Ethicsproposal@honda.hrid.in
Drop boxes	BEIPL drop boxes installed at the various location of the Registered office, Additional office (Manesar), Branch office (Noida)
Personal Meeting	Personal communication with Compliance Officer /HCG Secretariat* @ +91 124-4094700
Letter	President & CEO Honda R&D (India) Private Limited Technical Center, Plot No. 2, Sector-03, IMT Manesar, Gurugram, Haryana-122050, India

Authority to open the BEIPL drop boxes installed at various locations:

- (a) For TC / AO → by COO (2W) / CAO
- (b) For GN → by COO (PP) / CAO

4.2 Access to Honda Motors Ltd. (HM) and Asian Honda Motor Co., Ltd (ASH): Concerns / Issues which the associates feel are difficult to handle or are not being addressed appropriately / effectively at HRID level itself (e.g., serious violation by Director or Operating Head) may be reported directly to HM or ASH either through Email or letter to:

Honda Motor Co., Ltd.

E-mail: proposal_shared@jp.honda

Address: 8-1 Hon-cho, Wako-shi, Saitama 351-0188, Japan

Tel: 0800-111-8686 Fax: 0800-222-8686

Asian Honda Motor Co., Ltd.

E-mail: Ash_Ethics_Line@honda.th.com

Address: 14 Sarasin Building, Surasak road, Silom, Bangkok 10500, Thailand

Tel: 0800-111-8686 Fax: 0800-222-8686

Article 5: Safeguards

- 5.1 Any person who makes a report of any Serious Improper Activities through above mentioned channels will be provided with adequate safeguard and protection against any unfair and other pre-judicial treatment to him or her.
- 5.2 Appropriate steps will be taken to ensure the following:
 - (c) Adequate safeguard against harassment or victimization of the Complainant will be ensured.
 - (d) The directors and associates, or business partners assisting in the investigation will also be protected to the extent as the reportee.
 - (e) Assurance to maintain the confidentiality of the reportee. The name of the proposer will remain only with HCG Secretariat and will not be revealed in case the reportee wants to keep it confidential.

Article 6: Anonymity

- 6.1 Complainant is encouraged to disclose their name & attach necessary supporting evidences to prove the occurrence of concern. Investigation may not be possible unless source of information is identified.
- 6.2 Concerns expressed anonymously will not be investigated, but consideration will be given to:
 - (a) The seriousness of the matter raised.
 - (b) The creditability of the concern.
 - (c) The likelihood of confirming the allegations.

Article 7: False and vague information

Information must be genuine and in good faith. At times the information may not have adequate data or proof, but to help the authority:

- a. Information must with adequate supporting data/ proof/documents so as to enable the authority to investigate the matter.
- b. False or misleading information or misuse of this channel with malafide intension is strictly prohibited and may attract disciplinary action.

Article 8: Precautions

It is advised that matters related to interpersonal issues, service conditions, organizational policies etc. should not be brought through this channel and should be reported through the existing reporting mechanism or the organization channels or Division head/ Human Resource /Administration.

Article 9: Protection to the Information provider

No director, manager, department head or any other associate of /with authority (section head, division head, HR as the case may be) if they come to know about the initiator of the Complaint/Proposal shall take or recommend an adverse action against him/her in retaliation.

Article 10: Confidentiality

- 10.1 Confidentiality will be maintained to the extent possible within the limitations of HRID Rules & Regulations and the legitimate needs of the investigation. Complainant's identity will, of course, be known to the personnel with a legitimate need to know in order to carry out an investigation.
- 10.2 The Compliance officer/HCG Secretariat shall determine whether or not to treat an issue as a confidential, according to the request of the complainant and the contents thereof. Even otherwise, the intention in each case should be to treat it as confidential.
- 10.3 HCG Members, HR Department, the complainant, persons against whom the complaint is being investigated, and other persons engaged in BEIPL activities /process shall maintain secrecy in accordance with the previous provision as under:
 - Not to discuss the matter in an informal/social gathering/meetings;
 - Discuss only to the extent or with the persons required for the purpose of completing the process and investigations.
 - Not keep the papers unattended anywhere at any time.
 - Keep the electronic mails/files under password.

If anyone is found not complying with the above, he/she shall be held liable for such disciplinary action as is considered fit by the Management.

Article 11: Resolution of concerns

- 11.1 All the Investigations and proceedings will be dealt by Business Ethics & Compliance Committee (BECC) chaired by the Compliance Officer. The Compliance Officer shall be the coordinating person for BEIPL activities and will supervise and manage the operations thereof. The Compliance Officer shall have the discretion to share the matter with the relevant member

- of the committee and may invite them to join the proceedings.
- 11.2 Defendant would be given appropriate opportunity to respond to the investigations.
 - 11.3 Meetings of BECC will be held, as necessitated either by the Compliance Officer or more than two members, to discuss the relevance of complaints, investigation process, results/issues. Investigation finding will be submitted to the Disciplinary Action Committee (DAC), who shall decide the quantum of punishment or disciplinary action and recommend to the President for final approval.
 - 11.4 The proceedings of the meetings shall be recorded in the minutes and shall be signed by the Compliance officer and be kept in the custody of BECC Secretariat.
 - 11.5 If initial inquiries indicate that the concern reported has no basis, or it is not a matter to be investigated under this Policy, it may be dismissed at this stage with reason recorded in writing.
 - 11.6 The investigation shall be completed normally within 45 days of the receipt of the protected disclosure and is extendable by such period as the BEC Committee deems fit.

Article 12: Communication

- 12.1 Associates and Business partner shall be informed by BECC Secretariat at the following events:
 - (a) Acknowledgement of concern received under BEIPL (if at the pre-investigation if it comes to prove that the concern is of serious improper conduct and have a large impact on the HRID)
 - (b) Resolution status of the investigation with the complainant, if identity is disclosed.
 - (c) Preventive general awareness email to all associates to safeguard from the impact of the serious concern reported.

Honda R&D (India) Pvt. Ltd.

BEIPL Communication Form

(This form shall be completely filled, tick mark appropriate boxes, wherever applicable)

I am an Associate of HRID Yes No

Part – I

I hereby authorise the disclosure of my identity if the HRID HCG Secretariate reasonably believes it is necessary or appropriate.

Name: _____ Emp. Code: _____

I wish to remain anonymous.

Part – II

Details of Violation: _____

Department(s) suspected of violation, if applicable _____

Individual(s) suspected of violation, if applicable _____

Describe all relevant facts of the suspected violation:

Describe how you became aware of the suspected violation

Part – III

If you are an associate of the Company, would you like to discuss this matter with the HCG Secretariate?

Yes No

All the information mentioned in this form remain confidential