

Star Union Dai-ichi Life Insurance Co. Ltd.

Whistleblower Policy

DOCUMENT CONTROL

Document version

This Whistle Blower Policy document is version 1.1.

Revision history

SR. No.	Date of modification	Version No.	Modified by	Approved
1	August 2, 2013	1.1	Head: Legal & Compliance	Board of Directors

Issuing Authority

This policy document is to be approved by the Board of the Company

Author and Responsible Official

This policy document is to be maintained and updated by way of additions, deletions and modifications, only by the Principal Compliance Officer. Every time the policy document is edited, the version increases by one unit and the version is to be mentioned on Page 1 itself.

Applicability and Usage

This policy document applies to each and every member of the SUD Life Team. The Compliance Officer of the organization must ensure the proper use of this document.

Objectives

The Company expects employees to observe high standard of business and personal ethics in conduct of their duties and responsibilities. As employees and representatives of the Company, they must practice honesty, integrity and professionalism in fulfilling their responsibilities and comply with all applicable laws and regulations. The Company is committed to develop a culture where it is safe for all Employees, Suppliers, Service Providers, Vendor, Consultants, Agents, Distributors to raise concerns about any poor or unacceptable practice and any event of unethical conduct. The Company also believes in providing necessary safeguards for protection of employees from reprisals or victimization for raising concern in good faith.

The Policy is to enable a person who observes any unethical practice (whether or not a violation of law) or infringement of Company's Code of Conduct, to approach a Whistleblower Committee without any fear and not necessarily informing their supervisors and without revealing their identity, if they choose to do so. The Policy governs reporting and investigation of allegations of suspected or actual improper activities. Employees and others are encouraged to use guidance provided by this Policy for reporting all allegations of suspected or actual improper activities.

Policy is not replacement of the Company's grievance procedure or should not be considered a route for raising malicious or unfounded allegations against colleagues

Definitions

Words mentioned herein below and used in the Policy have the following meaning:

1) Whistleblower

Whistleblower means a person or entity making a disclosure of any unethical activity that they have observed. Whistleblowers could be employees, contractors, contractors' employees, trainees, Customers, Vendors, consultants, agents, distributors, Internal or External Auditors, Law Enforcement / Regulatory Agencies or other third parties.

2) Whistleblower Committee

Whistleblower Committee is a committee constituted by the Audit Committee of Directors consisting of MD & CEO and Deputy CEO & CFO who are tasked to assess independently the concerns raised by the Whistle Blower. It will be headed by MD & CEO.

3) Whistleblower Custodian

The Head: Legal & Compliance will act as the Whistleblower Custodian.

4) Investigation Committee

Investigation Committee means a Committee consisting of members nominated by the Whistleblower Committee to conduct the actual investigation of the concerns raised by the Whistleblower. The size of the Investigation Committee will be decided by the Whistleblower Committee depending on gravity of concern.

5) Employee

Employee means every employee of the Company, whether on Probation or Confirmed.

6) Investigator

Investigator means those persons appointed, authorized, consulted, approached by the Investigation Committee and may include the auditors of the Company and Police.

7) Ethical Behaviour

Ethical Behaviour includes conduct being in accordance with the accepted principles of right and wrong that govern the conduct of a profession including but not restricted to financial impropriety

and accounting malpractices, abuse of authority and negligence causing substantial and specific danger to public health and safety.

8) Professional Behaviour

Professional Behaviour includes exhibiting a cautious, conscious and generally business-like manner at the work place that strives to maintain a positive regard to others while avoiding excessive display of deep feeling.

9) Disciplinary Action

Disciplinary Action means any action that can be taken in terms of the chapter on “Disciplinary Action” under the H. R. Policy of the Company; on the completion of or during the investigation proceedings including but not limited to a warning, imposition of fine, suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter.

10) Subject

“Subject” means a person against or in relation to whom allegation is made or evidence gathered during the course of an investigation.

Scope

The Policy covers all employees of the Company including those who are on deputation from other organisations. This policy applies only to matters where the financial and other interests of the Company are at risk due to an act of commission or omission by the Subject.

Guiding Principles

To ensure that this policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will

- a) Ensure that the Whistleblower and/ or the person investigating or participating in the allegation is not victimized for doing so;
- b) Treat victimization as a serious matter including initiating disciplinary action on such person/s;
- c) Ensure complete confidentiality of whistleblowers, persons participating in investigation, subject involved and reports/ proceedings/ records created at different levels including disciplinary action subject to “need to know” basis;
- d) Not attempt to concede evidence related to allegations;
- e) Take disciplinary action, if anyone destroys or concedes evidence related to the allegations;
- f) Provide an opportunity of being heard to the persons involved specially to the subject and ensure sufficient and fair opportunity to the subject to justify his stand/ case and ensure complete fairness in the process of investigation/ disciplinary action.

Reporting Allegations of Unethical Activities

Any person may report allegations of actual or suspected unethical activities or compliance violation. Knowledge on suspicion of unethical activities may originate from Employees, Contractors, Customers, Vendors, Internal or External Auditors, Law Enforcement / Regulatory Agencies, Agents, Distributors, Consultants, trainees or third parties. Allegations of unethical activities may also be reported anonymously. If identity of complainant is disclosed follow up questions and investigations would be made easy.

Reports of allegation of actual or suspected unethical activities are encouraged to be made in writing so as to assure a clear understanding of the issues. Such reports should be factual rather than speculative and must contain as much specific information as possible to allow for proper assessment of the nature, extent and urgency of preliminary investigative procedures.

An unethical activity can be reported through any one of the following;

- 1) The report can be submitted to the Whistleblower Committee through any of the channels mentioned below;
 - a) E-Mail Complaint – An e-mail complaint can be sent to the Whistleblower Committee at whistleblower@sudlife.in
 - b) Written Complaint – A written complaint can be sent to the Whistleblower Committee to the following address:

Whistle Blower Committee
Star Union Dai-ichi Life Insurance Company Limited
11th Floor, Raghuleela Arcade, Sector 30A,
Vashi, Navi Mumbai - 400 703

- 2) If the complaint is against any member of the Whistleblower Committee, it will be directly reported to the Chairman of the Audit Committee of Directors.

The Chairman - Audit Committee
Star Union Dai-ichi Life Insurance Company Limited
11th Floor, Raghuleela Arcade, Sector 30A,
Vashi, Navi Mumbai - 400 703

Investigating Alleged Unethical Activity

The following investigation process will be followed in case the report is filed with the Whistleblower Committee.

- 1) The Whistleblower Committee will determine whether the concern or complaint actually pertains to a compliance or ethical violation through majority decision within three business days of receipt of the complaint by the Committee. If the complaint is made to the Chairman of the Audit Committee of Directors, he will initiate an investigation under the responsibility of a designated Committee comprising of Non-Executive Directors.
- 2) If the Whistleblower Committee decides that the complaint is not valid, wherever possible, Whistleblower Custodian will communicate the rationale for the decision to the complainant. However, the complainant can escalate the matter to the Chairman of the Audit Committee of Directors if the person still believes there is a reason. The Chairman of the Audit Committee of Directors will refer the complaint to the designated Committee for further investigation. The complainant can complaint of unethical activities/ compliance violation to the Chairman of the Board of Directors when he has reason to believe that it would be appropriate in the interest of the Company that urgent investigation is required and delay in this regard may result in substantial financial or reputation loss to the Company.
- 3) If the Whistleblower Committee determines that the complaint is a valid compliance violation/ suspected or actual unethical activities, an Investigation will be initiated by the Whistleblower Committee.
- 4) The investigation report and the findings along with any supporting evidence will be presented to the Whistleblower Custodian.
- 5) All reasonable efforts will be taken to ensure that the investigation process is completed within three calendar weeks from the day of the receipt of the complaint. Any extension to the investigation will be authorized by the Whistleblower Committee upon representation.
- 6) The Whistleblower Committee will take a decision based on the investigation report and the findings along with any supporting evidence .
- 7) Prompt and appropriate corrective/appropriate action will be taken by the Whistleblower Committee as is described in “Disciplinary Action” chapter of the HR Policy of the Company.
- 8) The above procedure will also be followed by the designated Committee constituted by the Audit Committee of Directors.

Documentation and Reporting

- 1) All reports along with the supporting documentation and evidences will be filed by the Investigation Team. The reports will be filed with the Whistleblower Custodian.

- 2) A quarterly status report on the total number of complaints received during the period, with summary of the findings of the Whistleblower Committee and the corrective actions taken will be sent by the Whistleblower Custodian to the Chairman of the Audit Committee of Directors. The Audit Committee of Directors will report on quarterly basis to the Board of Directors about status of complaints.
- 3) All documentation pertaining to the complaint including but not restricted to the investigation report, corrective action taken and evidence will be maintained by the Whistleblower Custodian for a period of three years.
- 4) When possible and when determined appropriate by the Whistleblower Committee, notice of any corrective action taken will be given to the person who submitted the concern or complaint.
- 5) All complaints received will be kept confidential and will be shared only on a “need to know” basis.

Roles and Responsibilities

1) Whistleblower

- (i) Whistleblowers to provide initial information related to a reasonable belief and good faith that an unethical activity has occurred as soon as possible. The motivation of a Whistleblower is irrelevant to the consideration of the validity of the allegation. If there is a reasonable basis for communication of unethical and improper practices or any other alleged wrongful conduct, communication about it shall be deemed to be in “good faith”. Good faith shall be deemed to be lacking when the complainant does not have a personal knowledge of a factual basis for the communication or where the complainant knew or reasonably should have known that the communication about the unethical activity is malicious, false or frivolous.
- (ii) Whistleblower (including anonymous Whistleblower) must provide all factual corroborating evidence, as is available / possible, to enable commencement of an investigation. An investigation will not be undertaken without verifiable support. However, Whistleblower shall refrain from obtaining evidence for which they do not have a right of access.
- (iii) Whistleblowers have a responsibility to be candid with the Whistleblower Committee and Investigation Committee. The Person should be prepared to be interviewed by the Investigation Committee.
- (iv) Whistleblowers are not to act on their own in conducting any investigation.
- (v) Whistleblowers will not be immune to disciplinary action if he is found guilty of or is a party to the allegations or if the allegation or complaint is found to be malicious or frivolous.

2) Investigation Participants

- (i) All participants / employees who are interviewed, asked to provide information or otherwise participate in an investigation have the duty to fully co-operate with the investigators.
- (ii) Participants should refrain from discussing or disclosing the investigation or their testimony with anyone not connected to the investigation. In no case, the participant should discuss the investigation subject, the nature of evidence requested or provided or testimony given to investigators unless agreed to by the investigators.
- (iii) Request for confidentiality by participants will be honored to the extent possible within the legitimate needs of law and the investigation as also on “need to know basis”.
- (iv) Participants are entitled to protection from retaliation for having participated in an investigation.

3) Concerns that can be raised :

The issues that can be addressed under the policy are classified under breach of the policy/misconduct/misappropriation/harassment, etc

Whistleblower are advised to raise issues with the Whistleblower Committee in respect of the following

- a. All unlawful act whether civil or criminal;
- b. Breach of or failure to implement or comply with any Company Policy
- c. Knowingly breaching any state/national law, or regulations including in personal capacity;
- d. Unprofessional conduct or business practice;

- e. Fraudulent or corrupt practices (including the offering or accepting of bribes or otherwise gaining undue advantage from a relationship with the Company);
 - f. Questionable practices that have in any manner circumvented the laid down procedure and policies of the Company;
 - g. Dangerous practice(s) likely to cause physical harm/damage to any person/property;
 - h. Failure to rectify or take reasonable steps to report a matter likely to give rise to significant and avoidable cost or loss to the Company;
 - i. Abuse of power or authority for any unauthorized or ulterior purpose;
 - j. Unfair discrimination, coercion, harassment in the course of the employment or provision of services;
- The list is only illustrative and not exhaustive and shall include other acts pertaining to breach of policy/ misappropriation/harassment etc.

4) Investigation Subject

- (i) A subject is a person or a group of persons who is the focus of investigative fact finding either by virtue of an allegation made or evidence gathered during the course of an investigation. The decision to conduct an investigation is not an accusation, it is to be treated as a neutral fact finding process.
- (ii) The identity of a subject should be maintained in confidence to the extent possible given the legitimate needs of law and fairness in investigation.
- (iii) Subjects should normally be informed of the allegation at the outside of a formal investigation and have opportunities for input during the investigation.
- (iv) Subjects have a responsibility not to interfere with the investigation and to adhere to admonitions from investigators in this regard. Evidence shall not be withheld, destroyed or tampered with, and witnesses shall not be influenced, coached or intimidated.
- (v) Unless there are compelling reasons to the contrary, subjects should be given the opportunity to respond to material points of evidence contained in an investigation report.
- (vi) No allegation of wrong doing against a subject shall be considered sustained unless at the minimum, a preponderance of the evidence supports the allegation.
- (vii) Subjects have a right to be informed of the outcome of the investigation.

Any disciplinary or corrective action initiated against the subject as a result of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.

5) Whistleblower Committee

- (i) The Whistleblower Committee will be responsible for up-holding principles of the Code of Conduct of the Star Union Dai-ichi Life Insurance Company.
- (ii) The Whistleblower Committee will determine whether the concern or complaint actually pertains to a compliance, Code of Conduct violation or unethical activities.
- (iii) The Whistleblower Committee will review the findings of the Investigation Committee and will initiate appropriate corrective action. The Whistleblower Committee will keep track of all reports of the Investigation Committee and will ensure that these cases are also reported in the Audit Committee of Directors on a quarterly basis.
- (iv) The Whistleblower Committee will be responsible for ensuring that the investigation process is fair and transparent.
- (v) The Whistleblower Committee will provide sufficient and fair opportunity to the aggrieved person to prove / justify his stand and case, including personal hearing as may be required, and shall ensure complete fairness in the process of investigation.

Whistleblower Protection

The Company will use best efforts to protect Whistleblowers against retaliation, as described below;

- (1) The Company will keep the Whistleblower's identity confidential, unless (a) the person agrees to be identified; (b) identification is necessary to allow the Company or law enforcement officials to

investigate or respond effectively to the report; (c) identification is required by the law; or (d) the person accused of compliance violations is entitled to the information as a matter of legal right in disciplinary proceedings.

- (2) The Company prohibits retaliation against a Whistleblower with the intent or effect of adversely affecting the terms or conditions of employment (including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or wages). Whistleblowers who believe that they have been retaliated against may file a written complaint with the Whistleblower Committee. A proven complaint of retaliation shall result in a proper remedy for the person harmed and severe disciplinary action including termination of employment against the retaliating person. The Whistleblower Committee based on the scrutiny of complaint filed by the Whistleblower after investigating it shall report to the Chief Executive Officer for taking disciplinary action under the HR Policy to provide remedial relief like reinstatement of the Whistleblower, order for compensation for lost wages/ remuneration or any other benefits. The protection from retaliation is not intended to prohibit Managers / Supervisors from taking action, including disciplinary action, in the usual course of their duties and based on valid performance related factors.
- (3) In the event that a complaint made in good faith is subsequently found to be untrue, no action would be initiated against the Whistleblower. However, action will be taken against the Whistleblowers making baseless and malicious allegations.
- (4) The Company will keep all proceedings/ reports/ disciplinary action records in safe custody & confidential. The confidentiality will be subject to "need to know" basis.

Annual Affirmation

The Company shall annually affirm as a part of Corporate Governance Report as attached to an Annual Report to the Company that a Whistleblower Policy is in place and it has provided protection to Whistleblower from adverse personnel action.

Notification

All Departmental Heads are required to notify and communicate the existence and contents of this Policy to employees of their Department / Office. Every Departmental Head / Head of Office shall submit a certificate duly signed by him to the Compliance Officer that this Policy was notified to each employee of his Department/ Office. The new employees shall be informed about the Policy by the HR Department and a statement in this regard shall be periodically submitted to the Compliance Officer.

Amendments:

The Board reserves its rights to modify and amend the Policy from time to time.

WHISTLE BLOWER PROCESS

