

# **Royal Sundaram General Insurance Co. Limited**

## **Code of Conduct**

### **Introduction**

Royal Sundaram General Insurance Co. Limited (“the Company”) is committed to conducting its business with highest standards of compliance and ethical conduct. As employees of RS, it is essential to maintain ethical business standards, perform our duties with honesty and integrity and to share responsibility of building a Company of the highest standards and performance excellence. The purpose of this Code of Conduct (“CoC”) is to provide a clear statement of the principal policies of the Company regarding business conduct and to emphasize on the importance of this code. Compliance with this Code of Conduct and applicable laws is imperative to maintain the company’s reputation of following the highest standards of Company Governance. Failure to comply with the Code of Conduct may result in disciplinary action.

Henceforth,

- Royal Sundaram General Insurance Co. Limited will be referred as “the Company”
- The code of conduct will be referred as “Code”

### **To Whom does the Code apply?**

Our Code applies to all employees across functions, departments and grades. Employee shall mean all individuals on full-time or part-time employment with the Company, with permanent, probationary, trainee, temporary or contractual appointment. All the employees of the company should familiarize themselves with this Policy and principles outlined in this document, as we expect all employees to comply fully with the Code. As employees, it is important that we know and follow the Code as a guideline for decision-making that is paired with integrity.

### **What are my Responsibilities?**

#### **I FOLLOW THE CODE (CoC)**

1. Information about our business shall be communicated clearly, and accurately in a non-discriminatory manner and in accordance with local regulations.
2. Complete all required employee trainings in a timely manner and keep up-to-date on current standards and expectations.
3. Promptly report concerns about possible violations of laws, regulations or the Code to the management.
4. Treat suppliers, agents, Contractors, Service providers, Intermediaries, Consultants, advisors and other representatives with respect and consideration.
5. Fully cooperate with any internal investigations.

No reason, including the desire to meet business goals, can ever be an excuse for violating laws or regulations.

## **Respecting Each other**

An Equal Opportunity Workplace Free of Discrimination or Harassment

1. The employees shall be treated, selected and promoted on the basis of their qualifications and merit, without discrimination or concern for race, religion, caste, place of birth, nationality, colour, sex, sexual orientation, age or disability.
2. Sexual harassment, discrimination or offensive behaviour of any kind, which includes persistent demeaning of individuals through words or actions, display or distribution of offensive material, is prohibited. For more details, please refer to policy on Anti Sexual Harassment Policy.
3. No employee of the company shall create work which contains statements, suggestions or images offensive to general public decency and will give appropriate consideration to the impact of our work on minority segments of the population, whether that minority be by race, religion, national origin, colour, sex, sexual orientation, age or disability.

## **Safe, Healthy & Secure Workplace**

The company strives to provide safe, secure, healthy and civilized workplace to all its employees.

1. The use or possession of weapons on the premises of the Company is strictly prohibited.
2. No employee of the company shall use, possess or distribute illegal drugs in the premises of the Company and shall not report for work under the influence of drugs or alcohol

## **Privacy & Data Security**

1. The company employees must comply with privacy and data security laws as well as IRDA laws, as applicable, as well as contractual requirements at all times and especially when handling personal information and business data including the data of customers/clients collected in the course of conducting business. In particular, “insider trading” is expressly prohibited and confidential information must not be used for personal gain.
2. The security of customers’ records and the company’s working papers shall be ensured at all times. No employee of the Company shall violate the intellectual property rights including but not limited to patent, copyright, design, trademark, trade secret etc. in respect of any software, hardware, product, website etc used during the course of employment.

## **Conflicts of Interest**

1. No employee of the company shall for personal or family gain directly or indirectly engage in any activity which competes with companies within the group or with our obligations to any such company; the employees shall not engage in any business, which might detrimentally conflict with the interest of the company. A conflict of interest, actual or potential, may arise where, directly or indirectly, (a) An employee engages in a business, relationship or activity with anyone who is party to a transaction with the company, (b) An employee is in a position to derive a personal benefit or a benefit to any of their relatives by making or influencing decisions relating to any transaction, and (c) An independent judgement of the company’s best interest cannot be exercised.
2. Prohibition on employees to act as an agent/ intermediary for solicitation of Insurance business. (a) Employees are prohibited to act as an agent/ intermediary of Company or any other Insurance company, (b) Relatives of employees shall also not act as an agent / intermediary of

the Company. At the time of joining the Company / as advised by the Company from time to time, employees shall give a declaration as to whether any of his relative is an agent / intermediary of the Company. The term 'relative' shall include spouse, sister, brothers, parents, sons, daughters and sons – in – law. Father in law and mother in law may also be included.

3. A conflict of interest situation would be deemed to have arisen when an employee's personal interest is perceived to be inconsistent with and is in conflict with the interest of the company. The following guidelines reflect some of the potential conflicts of interest explicitly mentioned in this code but every employee of the Company should endeavour to avoid situations which may cast a doubt or impair his/her ability to impartially decide on any issue that may come before him/her or which may make it difficult for him/her to perform duties objectively and effectively, in the interest of the Company. Some of the situations wherein a conflict of interest may be deemed to have arisen are elucidated hereinafter.
4. Employees may not compete with the Company: No employee may hold any position with, perform any services for, receive any compensation from, or have any financial interest in, any business in competition with the company or its customers / clients. This includes, for example, free-lance work by employees for competitors of the company.
5. Employees may not hold a financial interest in or receive compensation from vendors and other third parties
6. No employee (or any member of his or her immediate family\*) may be employed by, or have any financial interest in, a business that does or seeks to do business with the company or one of its clients or suppliers – if in his or her position he or she can influence the decisions of the company regarding transactions with that business. A 'financial interest' in an entity should be interpreted most broadly and means any direct or indirect interest in the financial success of the business, this could include owning stocks or bonds; being a partner, proprietor or director; being a creditor; or having any other arrangement as a result of which there is an interest in or claim upon the assets or income of the organization. It also would include any option, warrant, agreement, or other right or claim to acquire any such interest. It should be clear, however, that these prohibitions do not apply to interests of 1% or less in share ownership of publicly-traded corporation.
7. No employee (or any member of his or her immediate family and relatives\*) may receive compensation of any kind directly or indirectly from any business (or one of its proprietors) that does or seeks to do business with the company or one of its clients or suppliers – if in his or her position he or she can influence the decisions of the company regarding transactions with that business. \* Immediate family is defined as spouse or co – habitee, where the relationship is akin to that of a spouse, children including step children and any other financially dependent persons, whether or not related.
8. Employees may not on behalf of the Company engage in private business dealings with client or client's personnel. Business dealings with client personnel should be limited to their responsibilities with the client organization in question; business dealings between the company and client personnel in their private capacities are prohibited.
9. Pecuniary benefit / remuneration linked: a) An employee of the company conducting business on behalf of the company or being in a position to influence a decision with regard to the company's business with a supplier or consumer of which his/her relative is a principal officer or representative resulting in a benefit to the employee or to his/her relative b) Award of benefits: such as increase in salary or other remuneration, posting, promotion or recruitment of a relative of an employee of the company, where such an individual is in a position to influence the decision with regard to such benefits.

### **Outside affiliation/business interest/ directorship in competing entities**

1. As a matter of policy, any conflict of interest on account of any association with any business or any other entity is prohibited, unless the concerned employee obtains prior consent of the Managing Director (MD) of the company. Further, as the conflict of interest may not be obvious, any question to determine the nature of potential or actual conflict of interest that has arisen, should be disclosed to the Managing Director (MD) of the company.
2. Every employee of the company shall before accepting nomination as a director of a company or associating himself with any non-profit organization, make proper and complete disclosures and obtain specific approval of the Managing Director (MD) of the company. The Managing Director shall obtain such prior approval from the nomination & remuneration committee of the company.

### **Arm's length principle (ALP) & transaction**

1. The arm's length principle (alp) is the condition or the fact that the parties to a transaction are independent and on an equal footing. An arm's length transaction is one in which the buyers and sellers of a product or service act independently and have no relationship to each other even though the said parties may have shared interests (employer-employee) or may be too closely related to be seen as completely independent. The concept of an arm's length transaction is to ensure that both parties in the deal are acting in their own self-interest and are not subject to any pressure or duress from the other party. An "arm's-length transaction" is therefore an equitable agreement that will stand up to legal scrutiny. It is expected that employees of the Company dealing either with the Company for availing its services and related offerings or acting as a nominee of the Company, on the board of any entity or in any other capacity, pursue all their dealings with the company or the said entities or any of its holding Company or subsidiaries or associates, on an arm's length basis and shall abstain from taking undue advantage of their positions. Dealings, if any, entered with the said entities shall be disclosed to the Managing Director of the company. The Managing Director shall obtain such prior approval from the nomination & remuneration committee of the Company.

### **Corporate opportunities**

1. Except as may be approved by the board of directors, employees of the company are prohibited from- (a) Taking for themselves personally any opportunities that belong to the company or are discovered through the use of the company's property, information or position; (b) Using company's property, information or position or goodwill for personal gain or for the benefit of his/her relatives and; (c) Competing with the company in any manner whatsoever.
2. Where any circumstances exist that may place the personal interest of an employee in conflict with the interest of the company, he/she shall on becoming aware of such conflict make full disclosure of all facts and circumstances thereof to the disciplinary committee of the company.
  - a) Notwithstanding such or any other instances of conflicts of interest that exists due to historical reasons, adequate disclosure shall be made by the employee inter alia with regard to his directorship/membership in other companies including but not limited to any material interests which he or she and/or his/her relative has in a family business or a company or firm that is a subsidiary or associate, competitor, supplier, customer or distributor of or has other material dealings with the Company.
  - b) Upon a decision being taken in the matter, the concerned employee shall be required to take necessary action, as advised to resolve/avoid the conflict. If an employee fails to make the required disclosure remedial actions, the management of the company shall take a serious view of the matter and consider suitable disciplinary action against him/her.

## Gifts and Entertainment

In all matters, related to gifts or entertainment, it is the responsibility of employees to exercise good judgment and follow the gift guidelines as described hereunder

1. The employees are expected to demonstrate the highest level of professional conduct when conducting business on behalf of the Company and/or representing the Company. The Company feels that business-oriented social contacts can serve the Company well when properly conducted on a limited and reasonable basis. Employees should make every effort to ensure that there is not a slightest reason for a third party to view a relationship as improper. Employees shall not accept anything from a person or organization that either competes with or does or seeks to do business with the company. In all matters, related to gifts or entertainment, it is the responsibility of employees to exercise good judgment and follow the gift guidelines as described hereunder.
2. Employees may not accept items such as loans, cash, or social amenities. Gift of cash / loan should never be given or offered or accepted regardless of the amount involved as the same will be considered as gross misconduct and will result in immediate dismissal from the Company as an exception, during the festival season such as Diwali or Christmas or for the occasional moderate entertainment, the employees may accept customary gift/s of a minor value where they are customarily given and are of commemorative nature. Under no circumstances, the value of such gifts shall exceed Rs.3,000. If the employee receiving the gift has any suspicion on the intention of the person/ organization giving such gift, the same should not be accepted
3. If a gift received by an employee is in excess of the prescribed limits of Rs. 3,000/-, and which cannot be reasonably declined or returned, will need to be reported to Functional Head, Head- HR & Chief Compliance Officer of the Company. Based on the decision from approving authority, the employee will take action or will donate the same to specified charities, and this fact of such donation shall be intimated to the person from whom such gift was received
4. Approving authority will be concerned Functional Head, Head HR & Chief Compliance Officer.
5. The company sees the following as examples of appropriate business-related amenities: a) Prizes that are awarded for contests open to partners and/or company personnel. b) Acceptance of refreshments and/or meals before, during or after a business meeting. c) Occasional use of supplier tickets for athletic, theatrical, musical or cultural events where the supplier accompanies the individual. d) Acceptance of infrequent business-related invitations to engage in such activities as training, industry seminars, or client entertainment. e) Acceptance of transportation or other travel-related gifts for approved Company business trips only. Travel expenses paid by a supplier when an employee of the supplier is not present on the trip are prohibited. Designation of an approved company business trip may only be made by office of Managing Director, and written approval must be secured before any employee accepts travel gifts from suppliers.
6. Again, every effort must be made to ensure that there is not a slightest reason to view a trip as improper. Any approved business trip that is paid for, in whole or in part, by a supplier must be supported by a letter from the supplier stating that funding for the trip was not directly or indirectly the result of business placed by the company. Every such acceptance needs an approval from the Business Head and MD. Any questions regarding acceptance of gifts from third parties should be referred to Head – HR.
7. No corporate contributions of any kinds, including the provision of services or materials for less than the market value, may be made to politicians, political parties or action committees, without the prior written approval of the Chief Financial Officer.
8. The employees shall not make any payment of any kind on behalf of the company, its employees or clients to any Government official, except if required by law.

9. The employees shall comply with all applicable local laws and regulations (including accounting and auditing standards), and any other laws of the land.
10. Employees must co-operate to ensure that the company adheres to appropriate accounting and auditing standards.
11. It is the policy of the company that full and complete books and records are to be maintained. This means that all transactions must be accurately recorded and that all the company assets must be carried on the corporate books of account. It also means that employees are to comply fully with the accurate collection and upkeep of required supporting documentation for all the financial transactions, including but not limited to, vendor invoices; tax receipts; and other relevant documents.
12. The company's auditors (as well as independent auditors) are to receive the full cooperation of the employees. Falsifying company records will result in immediate dismissal including other legal actions.
13. Employees should do nothing which might discredit the Company even though it is not unlawful whether in company's premises or clients'/customers' premises or even in public places.
14. It is also important for employees to recognize that conduct that is not unlawful might nonetheless reflect badly on the Company and should therefore be avoided. For example: even if there were no technical violation of a local 'commercial bribery' law, employees should not give anything of substantial value to secure business from any client or potential client, or to obtain preferential treatment from any vendor or other third party. This is not intended to prohibit occasional moderate entertainment or an occasional gift of minor value to clients, suppliers or others with whom the company does business, unless, of course, the client or supplier has a policy that prohibits or limits this.

### **Intellectual Property**

1. Computers, networking resources, electronic communication system, (including e-mail), telephone and any other property provided to the employees are the property of the company and are provided to facilitate business related communication. The property shall be used only for business purposes. Employees are obliged to comply with data protection regulations and to actively contribute to ensuring that confidential data, especially personal data is secured against third – party access. All employees are obliged to observe the data protection regulations and to keep operational and business documents confidential.
2. Intellectual property including but not limited to trademarks and copyright, developed or otherwise acquired by the company employees, using the company resources is the property of Company.
3. The company employees with access to intellectual property shall not improperly disclose or use the intellectual property either during or after employment with the company without prior permission from the Company.

### **Anti-Money Laundering**

1. The employees shall comply with policies and procedures related to anti-money laundering initiatives as outlined in anti-money laundering policy of the company.

### **Fair Competition**

The Company is committed to achieving its business objective by ethically and legally impeccable means. We use fair and legal means of competition. The rules of competition and antitrust laws are binding for every one of company's employees.



1. The company employees shall market the company's products and services on its own merits and will not make unfair and misleading statements about competitor's products and services. Any collection of competitive information will be made only in the normal course of business and will be obtained only through legally permitted sources and means. Employees must provide reliable and meaningful information for all the activities to legitimately interested persons and as may be required by law, subject to considerations of the legal requirements, cost and confidentiality. There should not be any exaggerated claims about their products and, more specifically should not play on people's biases, fears and prejudices and avoid community specific or gender specific stereotypes.
2. The Company stands for higher degree of customer satisfaction and does not accord any preferential treatment to any of the broker(s). It is behest upon each and every employee that it will ensure and abide by ethos of professional agnosticism while communicating and interacting with clients and intermediaries. It is expected from an employee amongst other conditions, to ensure that it holds its conduct on supreme level of professional neutrality and withhold from directly or indirectly recommending or suggesting any particular broker for acting as an intermediary in a business transaction.

### **Media & Confidentiality**

1. Addressing media queries should be treated as a very sensitive matter and therefore only the authorized communications team and the designated spokespersons are authorized to interact with media. Employees are requested to strictly refrain from entertaining media queries or interactions (including off the record statements) under any circumstances
2. Any requests from the investors, analysts and the media should be referred to the Corporate communications department / Compliance department. a) An employee of the company (other than authorized communications team) should never give the impression that he/she speaking on behalf of the company in any personal communication, including user forums, blogs, chat rooms and bulletin boards. b) Unauthorized disclosure of confidential information is often damaging to customers and always damaging to the Company, and is cause for immediate dismissal.
3. It is the policy of the company that no employee may disclose to unauthorized parties, or otherwise make use of, the confidential or proprietary information of the company or any client. It may be noted that this obligation continues even after an employee ceases to be employed by the company.
4. Correspondingly, the company recognizes that some employees have a duty not to disclose information received on a confidential basis elsewhere, and company policy forbids the disclosure of such information or its solicitation or acceptance by other company employees.

### **Confidentiality Agreement**

1. It is a condition of your employment that you maintain the secrecy of any and all "Confidential" and/ or "Proprietary" information of which you gain knowledge or possession as a result of your employment with the company and/ or all such material supplied by the Company and/or its Affiliates. The term "Proprietary information" shall mean Company or Group Companies or Affiliates information, whether in oral, written, diskette, graphic or machine readable form, visual or otherwise or any other format, including but not limited to, the details of the customers/ employees of the Company, agents, , intermediaries, prices, business plans, strategic plans, reserves or other non-public financial information, insurance policies, customer base in general, manuals, designs, procedures, formulas, discoveries, inventions, improvements,

concepts, ideas, future plans and budgets, unannounced organizational or staffing changes, financial analysis, competitive analysis, management information, technical data, market studies, software, technical knowhow, codes, algorithms. You shall at all times during employment and after the separation keep the “Confidential” and/ or “Proprietary” information disclosed to you and / or acquired by you in the course of your employment with the Company and not disclose the same intentionally or inadvertently to any third party or the competitors of the Company.

2. You confirm that all the material supplied, software, technical knowhow, codes, algorithms and the proprietary information passed on shall be the sole properties of the Company. You shall not employ, use and /or engage any information for any purpose other than the business of the Company and only during the course of your employment with the Company or even after separation from the Company on any ground whatsoever
3. This obligation of confidentiality continues even after you cease to be employee of the Company.
4. For the purpose of the aforesaid clauses information means any information which is confidential, commercially sensitive and is not in the public domain relating or belonging to the company or parent company including but not limited to information relating to business methods, corporate plans, management systems, finances, new business opportunities, marketing or sales of any past, present or future, product or service, lists or details of customers, potential customers or the arrangements made with any customer.
5. The employee shall forthwith handover to the Company all the Confidential information, materials, records, correspondence, codes and applications and material relating to the Company in possession of the employee on or before last days of his employment with the Company
6. Failure to Follow Code: Any employee of the Company, who violates the standards contained in this code may be subject to disciplinary action up to and including dismissal and if applicable, to criminal or civil proceedings.

### **Misconduct & Key Irregularities**

1. Wilful slowing down in the performance of work, or abetment or instigation thereof.
2. Theft, taking, giving or offering bribes, fees, gratuity, commission, fraud, and embezzlement or dishonesty in connection with the company's business or property. Financial dealings with vendors. Premium received by the employee from the customers in his account.
3. Habitual absence without sanctioned leave.
4. Overstaying sanctioned leave for more than seven days without sufficient grounds or proper or satisfactory explanation.
5. Habitual or frequent late attendance in excess of grace period will amount to misconduct. There is no grace period available in our attendance system
6. Breach of Company's policies or rules & regulations or any law, or committing any act in public which lowers the image of the company.
7. Unauthorized collection of interaction in connection with the company's business or property.
8. Seeking/giving loans from the company's clients or suppliers. Giving or taking loans amongst employees during office hours.
9. Violation of confidences.
10. Drunkenness, intoxication, riotous, disorderly or indecent behaviour or indulgence in abusive language, consumption of drugs/narcotics on the company's premises.
11. Commission of any acts subversive to discipline of good behaviour.
12. Habitual negligence or neglect of work.
13. Wilful damage to work in progress or to any property of the company or its clients.



14. Holding or aiding or abetting unauthorized meetings during office hours or in the office premises.
15. Gambling in the office premises or indulgence in speculation in office premises.
16. Working, without permission, in or outside office hours, on work similar or competitive to that undertaken by the Company.
17. Accepting outside or other salaried employment (Including Part time work).
18. Involvement in criminal offence, or offences involving moral turpitude.
19. Refusal to accept charge sheet, order or other communication intended for service on any employee in accordance with this Code of Conduct and other policies of the Company.
20. Breach of trust and confidence.
21. Violation of any intellectual property rights including but not limited to patent, copyright, design, trademark, trade secret etc., in respect of any software, hardware, product, website etc., used during the course of employment.
22. Committing any act resulting in sexual harassment under the law.
23. Irresponsible behaviour / loose comments on social media attracting negative publicity for the Company.
24. Violation of Media Guidelines of the Company.
25. In case of any complaint with police/FIR filed against the employee should be informed to HR.

The above list is only illustrative. The Company reserves the right to take action against the employee if any instances of misconduct are reported or observed as per the policies of the Company.

An employee pending investigation can be placed under suspension and will be entitled only to 50% basic salary. An employee found guilty of GRAVE misconduct may be warned or censured or dismissed without notice or any compensation in lieu thereof.

### **Complaint Procedures**

Any violation of the code should be immediately raised with to the Human Resource Department or to the Compliance Officer of the Company or to the office of Managing Director. All situations will be treated confidentially and will be promptly investigated. If the result of the investigation indicates that corrective action is called for, such action may include disciplinary measures up to, and including, dismissal of the offender. Interest of employee who reports violation in good faith will be protected.

### **Confirmation of Compliance**

All employees are required to sign off on understanding and compliance with the company code. All Company employees are expected to fully understand and comply with the policies herein.

The Code is to be read in conjunction with the whistleblower policy, Anti-money laundering and the anti-fraud policy.

## **Declaration / Acknowledgment**

I acknowledge that I have received and read the Code of Conduct of Royal Sundaram General Insurance Co. Limited.

I understand that as an employee of Royal Sundaram General Insurance Co. Limited, I am required to comply with the Code of Conduct and other policies of the Company and understand that there may be additional policies or rules specific to my job and/or the location of my posting. I further understand that failure to do so may subject me to disciplinary action, up to and including termination, loss of employee benefits etc. and, if required, to criminal or civil proceedings. I also undertake to comply with such code of conduct which may be altered hereinafter. I understand that if I have a concern about a violation of the Code of Conduct, I must promptly report the violation to my immediate Supervisor/Manager or to the Human Resource Department or to the Compliance Officer of the Company.

If I have questions concerning the meaning or application of the Company Code of Conduct, any Company policies, or the legal and regulatory requirements applicable to my job, I know I can consult my manager or the Human Resources Department knowing that my questions or reports to these sources will be maintained in confidence.