

CreditAccess Life Insurance Limited

(CALI)

Whistle Blower Policy

Version No.	1
Policy Owner	Finance and Secretarial
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Approved By	Audit Committee and Board
Date of approval	

Revision History:

Version	Board Approval date	Author	Review/Comments
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Whistleblower policy

Background

Whistle blower policy is applied in the event of any unwarranted and unethical act by any of its employees against internal /external threats like frauds, bribery, corruption, abuse of authority, non-compliance with laid down systems and procedures.

The staff members/directors are expected not to be silent spectators to any wrongdoing in the branch/ corporate office but to report the same to the higher authority/ authorities concerned. The same is intended to ensure that a few unscrupulous staff members are not vitiating the overall atmosphere / work culture and putting the Company's interest in jeopardy. It is also observed that these acts do not take place overnight but are being carried out/ perpetrated over a period of time. It is unlikely that such acts could escape the knowledge of other colleagues working in the Branch / Office. Had such instances of frauds, bribery, corruption, abuse of authority, non-compliance with laid down systems and procedures etc. been brought to the notice of the higher authority/ authorities concerned in time, further damage could have been avoided.

The management adopts a policy in taking note of any information by the whistle blower and in dealing with the information in the best possible manner. The rights of the whistle blower will be safeguarded.

Policy

The Whistleblower Policy details the process for employees to 'Speak-up' or 'Blow the Whistle' in confidence about concerns with respect to internal malpractice and/or misconduct within the company, if any. Such concerns can arise in any of the following areas:

- (a) Criminal offense (e.g. fraud, corruption or theft) committed/ likely to be committed.
Breach of laws, regulations or CALI policies (including the CALI Code of Conduct)
- (b) Misappropriation: Criminal breach of trust: Manipulation of books of accounts / records of the organization
- (c) Opening of fictitious accounts or other KYC/ AML issues.
- (d) Engaging in any trade or business outside the scope of employment without the consent of the appropriate authority.
- (e) Behaviour or conduct which could have an adverse effect on CALI's reputation or financial interests.
- (f) Negligence, Cheating, Forgery, Breach of client promise - Actions concerning other staff including but not limited to Sexual or physical abuse of a member of staff, service recipient or service provider.
- (g) Discrimination against a member of staff, service recipient or service provider on grounds of sex, caste, religion or disability.
- (h) Actions which endanger the health or safety of employees or the public.
- (i) Drunkenness or riotous or disorderly behaviour or indulgence in betting or gambling or speculation that would affect the reputation of the organization
- (j) Willful damage or attempt to cause damage to the property of the organization or any of its customers that may lead to financial loss or reputation risk to the organization need to be reported by all persons mentioned in this policy.

- (k) Failure of the Company or an individual employee to comply with a legal or regulatory obligation.
- (l) Any actions/ procedures/ incidents which may lead to breach of regulations or laws.
- (m) Any actions/ procedures/ incidents which may lead to breach of internal policies and guidelines. Weakness in controls or systems which can lead to a significant operational risk.

Scope: This policy applies to permanent, part-time, temporary, contract employees, the Board of Directors and stakeholders, and those acting on behalf of the organization, regardless of whether they have been engaged directly or through an agency or a contractor, and whether such employees are working for remuneration or on a voluntary basis. It is expected that this Policy will encourage all the stakeholders to bring to the notice of the Company any issue involving compromise/ violation of ethical norms, legal or regulatory provisions, etc. without any fear of reprisal, retaliation, discrimination or harassment of any kind. The policy is primarily for concerns where the interests of external agencies, customers, or other entities dealing with the Company, other employees or of the organization itself are at risk.

Definitions:

- (a) Whistleblowing – Exposing any kind of information or activity which is in the public interest, which is deemed illegal, dishonest, or not correct within the Company.
- (b) Whistle-blower – A person who exposes any kind of information or activity which is in the public interest, which is deemed illegal, dishonest, or not correct within the Company. In this policy the words ‘Whistle blower’ and ‘informant’ have been used interchangeably.
- (c) Subject – Subject or Subject of investigation could be a person or group of people against whom a complaint or issue has been reported.
- (d) Designated Authority – The company secretary is authorized to receive complaints/issues/concerns & investigate the matter under the whistle blower mechanism of the Company.
- (e) Audit Committee of the Board (ACB) is authorized to review the investigation report for further action

Protection for the whistleblower

The Whistle Blower will be responsible for reporting reliable information. Whistle Blower shall not act on their own in conducting any investigative activities, nor will they have a right to participate in any investigative activities other than as requested by the Audit Committee of the Board (ACB). If one raises a concern under this Policy, s/he shall not be at risk of suffering any form of reprisal or retaliation. Retaliation includes discrimination, reprisal, harassment or vengeance in any manner. The Company’s employee shall not be at the risk of losing his/ her job or suffer loss in any other manner like transfer, demotion, refusal of promotion, or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his/her duties/functions including making further Protected Disclosure, as a result of reporting under this Policy.

CALI will keep the identity of the whistle-blower confidential provided the whistleblowing process should not be used for personal grievances, including personal HR issues. Similarly, it

should not be used for acting in bad faith or for taking revenge against colleagues. If considered appropriate or necessary, suitable legal action can also be initiated against such individuals.

Any investigation into allegations of potential misconduct shall not influence or be influenced by any disciplinary or redundancy procedures already taking place concerning an employee reporting a matter under this policy.

Harassment or Victimization:

CALI shall not tolerate the harassment or victimization of anyone raising a genuine concern. A whistle blower can report any violation of this rule to the Audit Committee, in case the complaint is against any Director and in any other case to the CEO & Managing Director. Such person to whom the complaint is made shall have the responsibility to investigate such a complaint and instruct further action to the management.

Confidentiality:

The Company recognizes that an informant may want to raise a concern in confidence under this Policy. CALI shall not disclose the identity, without her/ his consent. If the situation arises where the company is not able to resolve the concern without revealing the identity (for instance because her/ his evidence is needed in court), CALI shall discuss with her/ him about the proposed manner to proceed, and within the confines of statutory requirements endeavor to meet his/ her preferences on revealing the identity.

Anonymous Reporting of Issues:

The policy encourages employees to put their names to allegations as appropriate follow-up questions and investigation may not be possible unless the source of the information is identified. In the absence of sufficient information about the identity of the informant the Company may not be in a position to protect the informant or provide feedback to the informant. The company may consider anonymous reports, at its discretion, this Policy is not well suited to concerns raised anonymously.

Concerns expressed anonymously may be investigated, but consideration will be given to:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from attributable sources

Disqualifications: While it will be ensured that whistleblowers will be accorded complete protection from unfair treatment, any abuse of this protection will warrant disciplinary action. Protection under this policy will not mean protection from disciplinary action arising out of false or bogus allegations made by any whistleblower, knowing fully well that the allegations are bogus and/or false or with a mala fide intention.

Process for reporting and handling whistleblower cases:

The employee can raise his/her concern through any of the following channels:

- Write to the Company Secretary. Reach out to reporting Manager/Function Head/HR Head /MD&CEO. If the complaint is against the Line Manager or against any of the senior management personnel mentioned above, the whistleblower can write to a level higher. For

instance: If the complaint is against the Line Manager, then the whistleblower can write to the Business Head. If the complaint is against the Chief Compliance Officer, the whistleblower can write to the MD&CEO. If the complaint is against the MD&CEO, the whistleblower can write to the Chairman of the Audit Committee.

Information required during disclosure:

At a minimum, all disclosures raised under this policy should provide the following information:

- Date of complaint/disclosure
- Name and designation of person against whom disclosure is being raised.
- Details of the disclosure/concerns.
- Any incidents which has led to the complaint being raised.
- Name and contact details of the whistleblower

Given below are the roles and responsibilities of the designated authority (Chief Risk Officer & Chief Compliance Officer) in the whistle blower mechanism.

The designated authority shall use appropriate discretion to entrust the investigation to anyone who they may find deemed fit to conduct the investigations. Designated authority shall maintain a record of all the complaints received in the financial year. The complaint shall be recorded immediately on receipt of information and shall cover information such as data of receipt of complaint, nature of misconduct/offense, name of the accused, mode of receipt of complaint. The name of the informant shall be excluded from this record to protect the identity of the informant. All documents generated during an investigation are to be retained by the designated authority or such other authority as may be specified in clearly marked 'confidential' files.

Process for investigating complaints made under this policy:

The whistleblowing procedure is intended to be used for serious and sensitive issues, based on factual information and not speculation. The procedure for handling reported issues can be segregated into the responsibilities of designated authority and the investigation process.

Whistleblower complaints may be investigated by Chief Risk Officer & Chief Compliance officer, depending on the nature of the complaint, and will be recommended to the Audit Committee for further disciplinary action, where applicable.

Investigation Process: The designated authority shall initiate an investigation only after a preliminary review and only if it is established that the allegation is supported by specific information or that the matter is worthy of management attention/review. The primary responsibility for the investigation may be given to a chosen individual or an investigation committee based on the nature and seriousness of the issue. The investigation individual or committee may have other chosen representatives to support them in the investigation process. The investigating official or committee shall file a report with the findings of the investigation and maintain records of all supporting evidences. The file along with the evidences shall be handed over to the designated authority. During the investigation, the complainant shall be informed of the timeframe within which the designated authority will complete the investigation and arrive at a decision. All employees/ directors shall cooperate with the investigating authority/ committee in the event they are called upon to provide any

information/evidence/ interviews. Such employees/ directors shall refrain from discussing matters of the investigation with the subject of the investigation or with any other party not involved with the investigation.

The person against whom the complaint is made (Subject of the investigation(subject)) will be notified of the complaint and given an opportunity to present his/her inputs to the investigating team. Subject shall co-operate fully with the investigation and has the right to consult with any person of his/her choice during the investigation. Subject shall not withhold evidence nor interfere with the investigation in any way. Subject shall have the right to be informed of the outcome of the investigation and respond to the findings, if required. When the investigation is completed, the designated authority shall arrive at a decision, supported by the facts brought out by the investigation and communicate the decision and recommended action to the management.

Management responsibility under the policy:

The Compliance Officer/Chief Risk Officer is responsible for the effective implementation of the whistleblower policy. A quarterly report has to be submitted by the Chief Compliance Officer to the MD/CEO. A copy of this report will also be placed before the Audit Committees of the Board, detailing the cases received from whistleblowers with actions taken under the same.