

Kshema General Insurance Limited

Whistleblower Policy

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Table of Contents

S. No	Content	Page No.
1	Introduction	4
2	Term of the Policy	4
3	Purpose of the Policy	4
4	Definitions	5
5	Implementation and Administration	6
6	Scope	6
7	Roles and Responsibilities	7
8	Operating Procedure	8
9	Record Keeping Procedure	9
10	Documentation	9
11	Training	9
12	Review	10
13	Compliance & Ethics	10

1. Introduction

- 1.1 Kshema General Insurance Limited (the Company) seeks to create an environment free of improper or unethical practices, conduct by laying down the highest standards of conduct for its employees, to ensure their overall professional growth, and to set industry benchmarks for fair practices.
- 1.2 The Company has established its Whistle Blower Policy to supplement the Code of Conduct and Fraud Monitoring Policy of the Company.
- 1.3 The Company has adopted a Whistle Blower Policy, which outlines the Company's commitment to ensure that all directors, employees, and parties in a direct contractual/ fiduciary relationship with the Company or any other person, are able to raise concerns in good faith regarding any serious possible irregularities, governance weaknesses, financial reporting issues or any unfair practice or any event of misconduct or any illegal activity or other such matters occurring in the Company.
- 1.4 The Whistle Blowing or reporting mechanism set out in the Policy invites all Whistle Blowers to act responsibly to uphold the reputation of the Company.
- 1.5 Nothing in this Policy is intended to limit any protection provided to Whistle Blower by any applicable laws or regulations, or to place any limits on Whistle Blower's ability to communicate with government, administrative, or law enforcement authorities, as provided by law.

2. Term of the Policy

- 2.1 The policy is effective from the date of approval and remains in force until revised, amended, or replaced by the Board of Directors or the competent authority of the Company.

3. Purpose of the Policy

- 3.1 The purpose is to provide a formal mechanism for employees and stakeholders to report unethical conduct, fraud, misconduct, violation of laws, or company policies, ensuring proper investigation and corrective action while safeguarding whistleblowers.

4. Definitions:

5.1 Unless otherwise specified in this Policy, the following terms shall bear the meanings respectively assigned to them herein.

- a) **"Committee"** means **Risk Management Committee** constituted by the Board of Directors of the Company.
- b) **"Employee"** means every *bonafide* employee currently in the employment of the Company. For the purpose of this Policy, employee includes directors of the Company.
- c) **"Victimisation"** any act, direct or indirect, recommended, threatened or taken against a Whistle Blower by any person because the Whistle Blower has made a disclosure pursuant to the Policy.

Retaliation includes overt/covert acts of:

- 1) discrimination
- 2) reprisal
- 3) harassment
- 4) vengeance
- d) **"Whistle Blower"** A Whistle Blower means any employee, parties in a direct contract, employees of contractors, interns, trainees, consultants, intermediaries or agents who raises a concern in accordance with the policy.
- e) **"Complaint"** means written expression (includes communication in the form of electronic mail or other electronic scripts) by Whistle Blower containing information about potentially illegal and/or unacceptable practices and/or Alleged Wrongful Conduct and/or Unethical or Improper practices.

Whistle Blower can raise complaints, if any, which they have on the following or possibilities / apprehensions of:

- 1) Breach of any law, statute or regulation by the Company.
- 2) Issues related to accounting policies and procedures adopted for any area or item
- 3) Acts resulting in financial loss or loss of reputation
- 4) Misuse of office, suspected / actual fraud and criminal offences
- 5) Leak of Unpublished Price Sensitive Information (UPSI)
- f) **"Investigators"** mean those persons authorized, appointed, consulted or approached by the management and may include the auditors of the Company.

- g) **"Respondent"** means a person against whom or in relation to whom a complaint for improper or unethical practices has been reported or evidence gathered during an investigation.
- h) **"Policy"** this Whistle Blower Policy.
- i) **"Good Faith"** A Whistle Blower shall be deemed to communicating in "good faith" if there is a reasonable basis for believing there have been unethical or improper practices or any other alleged wrongful conduct.

Under following circumstances, good faith shall be missing,

- 1) the employee does not have personal knowledge of the factual nature of the alleged malpractice or
 - 2) the employee knew or reasonably should have known that his reporting of unethical/improper practices/alleged wrongful conduct is malicious, false or frivolous.
- j) **"Unethical or Improper practices"** shall mean,
 - 1) An act which does not conform to approved standards of social and professional behavior.
 - 2) An act, which leads to unethical business practices.
 - 3) Improper practice refers to actions which are not appropriate.
 - 4) Breach of etiquette or morally offensive behaviour, etc.
 - k) **"Alleged Wrongful Conduct"** shall mean violation of law, infringement of Company's code of conduct or ethical policies, mismanagement, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority.

5. Implementation and Administration

5.1 The policy is implemented and administered under the supervision of the Audit Committee. The Compliance Officer / designated authority is responsible for receiving disclosures, safeguarding confidentiality, coordinating investigations, and reporting outcomes to the Audit Committee.

6. Scope

6.1 This policy is applicable to all employees of the Company, including permanent, temporary, and contractual staff, as well as directors, senior management, vendors, consultants, and service providers associated with Kshema General Insurance Limited. The scope of the policy includes matters related to fraud, financial irregularities, misrepresentation,

falsification of records, abuse of authority, violation of applicable laws, unethical practices, and misuse of company assets or resources.

7. Roles and Responsibilities

- 7.1 Adopt standard operating procedures to treat the Complaints, for handling the disclosures, investigations, record retention, communication, process of reporting of actions taken etc. The operating guidelines will be updated to the Board.
- 7.2 Upon receipt of the Complaint, the Committee shall initiate inquiry into the Complaint. The Committee shall report details of the concerns received, status of inquiry and recommended actions to the Board or any other Committee as confirmed by the Board for this purpose on periodical basis.
- 7.3 Inquiry into the Complaints received under this Policy shall be completed within reasonable time. Once the inquiry is completed, the Committee shall communicate the actions to be taken, if any, to the Board or any other Committee as confirmed by the Board for this purpose.
- 7.4 May appoint an Investigator, where the nature of the Complaint demands investigation for verification of facts and details.
- 7.5 Once a prima facie case is established, Respondent will normally be informed of the allegations before the commencement of the process of further investigation and shall be given adequate opportunity to defend themselves during the investigation. Reporting Managers, peers, subordinates of the Respondent may also be contacted on merits to establish the veracity of a complaint.
- 7.6 The Committee shall ensure that the inquiry, investigations and any actions taken in furtherance of the Complaint shall be kept confidential. Identity of the Whistle Blower shall also be kept confidential.
- 7.7 The status of all open and closed Complaints shall be reported to the Board by the Committee.
- 7.8 Establish policies and procedures for the creation of a dedicated unit to deal with Complaints and report to the Committee
- 7.9 In case, Complaints does not fall within the ambit of the Policy, Whistle Blower shall be informed that the concern is being forwarded to the appropriate department/authority for further action, as deemed necessary.

7.10 Roles of Appointed Actuary and Statutory/internal auditors:

The Appointed Actuary and the statutory/internal auditors have the duty to 'whistle blow', i.e., to report in a timely manner to the IRDAI if they are aware that the Company has failed to take appropriate steps to rectify a matter which has a material adverse effect on its financial condition. This would enable the IRDAI to take prompt action before policyholders' interests are undermined.

8. Operating Procedure

Any individual wishing to raise a concern may submit a whistleblower complaint through the designated email address, whistleblower@kshema.co. Upon receipt of the complaint, it shall be recorded and, where possible, acknowledged. A preliminary review will be conducted to assess the nature and validity of the complaint. If deemed necessary, a detailed investigation shall be initiated by authorized personnel. The findings of the investigation will be presented to the Audit or Ethics Committee, which shall decide on appropriate corrective, preventive, or disciplinary actions.

8.1. Status of Complaint

A Complaint shall be considered open until actions as recommended by the Committee are not completed. The Complaint shall be deemed closed upon confirmation by the Board of the recommended actions.

8.1.1. Actions for false complaint

- a) Any abuse of the protection under this Policy will warrant disciplinary/ penal action, as decided by the Committee and after being referred to the appropriate authority with recommendations for necessary action as deemed fit.
- b) Whistle Blower who makes false or baseless allegations, with a mala fide intention or knowing it to be false or baseless, would be subject to disciplinary/ penal action, as appropriate, under the relevant rules/ laws and will not be protected under this Policy.

8.1.2. Safeguard Against Victimization

- a) The Company strictly prohibits discrimination, retaliation or harassment of any kind against a Whistle Blower who is in good faith and based on his reasonable belief that such conduct or practice have occurred or are occurring, reports that information.

- b) Whistle Blower, if subjected to discrimination, retaliation or harassment for having reported any concern under this Policy, he/she must report to the Committee.
- c) The Company will not tolerate any attempt on the part of anyone to retaliate, apply any sanction or disadvantage or to discriminate against Whistle Blower, who has reported to the Company serious and genuine concern regarding an apparent wrongdoing.
- d) It is imperative that the Whistle Blower bring the matter to the attention of the Committee promptly so that any concern of discrimination, retaliation or harassment can be investigated and addressed promptly and appropriately.
- e) Any other employees assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- f) Complaints lodged by Whistle Blower in good faith, which is not confirmed by subsequent investigation, no action shall be taken against that Whistle Blower. However, it is cautioned that while making a Complaint, Whistle Blower exercise due care to ensure the accuracy of the information.

9. Record Keeping Procedure

- 9.1. All whistleblower disclosures, investigation reports, outcomes, and actions taken shall be properly documented and securely maintained. These records shall be preserved in accordance with applicable legal requirements and the Company's record retention policies to ensure traceability and accountability.

10. Documentation

- 10.1. The documentation under this policy includes records of complaints received, investigation reports, minutes of committee meetings, and reports detailing actions taken. All such documentation shall be treated as confidential, and access shall be restricted to authorized personnel only.
- 10.2. All instances reported by the Whistle Blower shall be documented along with the results of investigation relating thereto and shall be retained by the Company for a minimum period of 10 years.

11. Training

- 11.1. The Company shall conduct periodic awareness and training programs to familiarize employees with the Whistleblower Policy and its reporting mechanisms. The policy shall be communicated through appropriate

internal channels to reinforce ethical conduct and encourage timely reporting of concerns.

12. Review

- 12.1. This policy shall be reviewed periodically by the Audit Committee to assess its effectiveness and adequacy. Based on regulatory changes, organizational requirements, or governance best practices, the policy may be amended with the approval of the Board of Directors.

13. Compliance & Ethics

- 13.1. Kshema General Insurance Limited strictly prohibits any form of retaliation, harassment, or victimization of whistleblowers who raise concerns in good faith. Any violation of this principle shall result in disciplinary action. At the same time, malicious or knowingly false complaints may attract appropriate consequences. The policy reinforces the Company's commitment to ethical conduct, compliance with laws, and robust corporate governance.

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