

# ICICI LOMBARD GENERAL INSURANCE COMPANY LIMITED

## EMPLOYEES CODE OF CONDUCT

### Introduction to the Code of Conduct

ICICI Lombard General Insurance Company Limited ('the Company') is committed to conducting its business with highest standards of compliance and ethical conduct. This Code of Conduct ('Code') has been adopted to summarize the standards of business conduct that must guide the actions of the Employee(s).

The Company expects all its Employees to observe highest standards of integrity, honesty, fairness, discipline, decorum and ethical conduct while working for the Company as well as while representing the Company. These are fundamental pillars of the Code and every Employee is expected to follow the same during their employment with the Company.

For the purpose of the Code, the term 'Employee(s)' refers to and includes all employee(s), including all Directors, working on the rolls of the Company, whether permanently and/or on probation, either full-time or part-time, irrespective of the fact that the employee is working remotely in a virtual manner or working physically from the designated office(s).

This Code presents broad guidelines for conduct to be followed for better understanding of the Company's expectations towards them and their obligations towards the Company.

The reputation of any organization depends on the honest and ethical conduct demonstrated by its Employees. Compliance with this Code of Conduct and applicable laws is imperative to maintain the company's reputation of following the highest standards of Corporate Governance.

The key guiding principles that represent this policy are as follows:

#### **1. Conflict of Interest**

All Employees have an obligation to conduct themselves in an honest and ethical manner and act in the best interest of the Company. As action, behavior and conduct of any Employee has a direct reflection on the Company, It is therefore imperative that all Employees should avoid entering in to any situations that might lead to potential or perceived conflict of interest as prescribed under the 'Framework on Managing Conflict of Interest' of the Company. Employees must also abide by specific "Dos and Don't's" if any, issued by business group Employee(s) are part of, or those issued by other groups such as Compliance Group, Finance Group or Human Resources Group.

Conflict of Interest includes, but is not limited to, a director or an Employee who is a party to, or who is a director or an Employee of, or who has a material interest in, any person who is a party to a material contract or proposed material contract with the ICICI Group. It also means any situation that could reasonably be expected to impair their ability to render unbiased and objective advice/decision/recommendation or that could reasonably be expected to adversely affect that person's duty to the ICICI Group.

The Chairman/Managing Director/ other directors or any Employee who is directly or indirectly concerned or interested in any proposal would disclose the nature of his interest to the Board/Committee when any such proposal is being discussed. This disclosure can be provided before or during the meeting. The Chairman/Managing Director/ other directors or any Employee may recuse himself/herself from attending the meeting unless his/her presence is required by the other directors/members for the purpose of eliciting information and the Chairman/Director or the Employee so required to be present would abstain from voting on any such proposal. The decision on presence or recusal of interested persons will rest with the chairman/approving authority of the committee/meeting.

## **2. Compliance with Applicable Laws and Regulations**

The Company is committed to conduct its business with honesty, integrity and in compliance with all applicable laws, rules and regulations. All Employee(s) are required to comply with applicable laws, rules and regulations strictly and should not do anything or direct others to do anything that is in violation thereof.

Violation of the law must be avoided under any circumstances, especially violations that attract punishment of imprisonment, monetary penalties, or fines. Notwithstanding the legal consequences of such violation, any Employee found guilty will be additionally liable to disciplinary actions, initiated by the company for violating the Code.

Particular care should be taken to act legally in those areas where the law is evolving rapidly or is being extended to cover activities that have not been covered by legal requirements in the past. When in doubt, the Compliance Group should be consulted. Independent Directors of the Company shall adhere to the duties as provided in Code for Independent Directors under Schedule IV of the Companies Act, 2013 as well as duties for Directors as prescribed in the Companies Act, 2013 (Annexure) as amended from time to time which shall also form an integral part of the Code and all Directors and other Employees shall ensure compliance with applicable laws, rules and regulations applicable to them from time to time.

## **3. Corporate Opportunities**

Employee(s) are prohibited from taking for themselves business opportunities that arise through the use of corporate property, information or position. No Employee should use corporate property, information or position for personal gain.

#### **4. Use of Company Assets and Resources**

The Company's assets and resources are dedicated to achieving its business objectives. All Employee(s) are required to safeguard company assets and resources against any loss, damage, theft or misuse, and should not use them for any unlawful or unethical purpose. Company equipment and assets are to be used for Company's business purposes only in accordance with Company guidelines.

#### **5. Confidentiality**

The Company's confidential information is a valuable asset. Employees must maintain the confidentiality of sensitive information (i.e., information that is not in public domain) relating to the Company which comes to them in the course of the discharge of their duties or in any other manner. However, disclosures may be made if such disclosure is authorized by the Company or is legally mandated.

Confidential information includes information that is not in public domain that might be useful to competitors or that could be harmful to the Company or its customers if disclosed. It includes intellectual property such as trade secrets, patents, trademarks and copyrights, as well as business, research and new product plans, objectives and strategies, records, databases, salary and benefits data, Employee medical information, customer, Employee and suppliers lists and any unpublished financial or pricing information.

Proprietary and confidential information include any system, information or process that gives the Company an opportunity to obtain an advantage over competitors; non-public information about the Company businesses, its customers and its Employees, any other non-public information received.

Proprietary and confidential information about the Company, a customer, a supplier or a distributor, should not be disclosed (even with best of intentions) to anyone (including other Employees) not authorized to receive it or has no need to know the information, unless such disclosure is authorized by such customer, supplier or distributor, or by law, appropriate legal process or appropriate internal authorities.

Unauthorized use or distribution of proprietary information violates the Company's policy and could be illegal. Such use or distribution could result in negative consequences both for the Company and the individuals involved. This could result in potential legal and disciplinary actions. The Company is committed to respecting the rights of customers and their proprietary information and the Employees are also required to maintain such confidentiality and abide by the Information Security Policy of the Company

Acts of ignorance that could lead to leakage of such proprietary information, especially through or electronic means – like e-mails, web uploads, removable media (e.g. CD/DVD/pen drive) etc., may lead to investigation and probe against the Employees.

It is the mandatory for all the Employees to protect proprietary and confidential information (sensitive in nature), pertaining to the Company or its customer in a manner commensurate with its classification as per the principles enunciated in the Information Security Policy, Standards & Procedures (whether, from office premises physically or through digital/virtual mode) of Company. The Company expects Employees not only to own the active responsibility but also passive responsibility of protecting confidential data of the Company. The Employees shall not in terms of their Employment Contract, during the course of their employment/service with the Company and/or ICICI Group and thereafter also post their employment, without prior authorization from the Company and/or ICICI Group, engage in, publish, disclose, divulge or disseminate any confidential and/or sensitive information in relation to the Company and/or ICICI Group and/or comment on or publish in media or contact the media on any aspect/issue/matter pertaining to the Company and/or ICICI Group that has come to their knowledge during the period of their service with the Company and/or ICICI Group, nor would the Employee make any representations which will have the effect of tarnishing or diluting the reputation or brand equity of any entity in the ICICI Group. For the avoidance of doubt, confidential or sensitive information shall, in addition to any information defined as such under the Employment Contract, include any confidential and/or proprietary information belonging or relating to the Company and/or ICICI Group, its customers, or potential customers, or any member of the Company and/or ICICI Group, howsoever received or any of its officers, directors, Employees, shareholders, any person or entity associated with them (both past and present), or any business practices, plans or procedures, partners, products or business of the Company and/or ICICI Group. The aforesaid restrictions on publication of information and non-disparagement will operate during and post their employment with the Company and/or ICICI Group, since aforesaid restrictions are essential for protecting the business and commercial interests of the Company and/or ICICI Group and are fair and reasonable in light of the benefits accrued to the Employee during their employment.

All the proprietary information in the possession of any Employee should be surrendered back to the company upon leaving the Company.

The Company reserves the rights to monitor the activities of the Employees' on its owned assets.

The Company respects the proprietary rights of other companies and their proprietary information and the Employees are required to observe such rights.

## **6. Privacy of Employee Information**

The Company recognizes and protects the privacy and confidentiality of Employee medical and personal records. Such records would be shared strictly on need to know basis or as required by any law, rule and regulation or when authorized by the Employee or as per subpoena or court order and requires approval by Legal Group.

## **7. Inquiries and Investigations**

All Employees should cooperate fully with authorized internal and external investigations. Making false (or misleading) statements to Regulators/ Government authorities/ Auditors/ Investigation agencies/ Company representatives during investigations may lead to adverse consequences/heavy penalties.

It is important to protect the legal rights of the Company with respect to its confidential information; hence all requests for information, documents or interviews must be referred to the Compliance Officer. No financial information should be disclosed without the prior approval of the Chief Financial Officer. Violation of the aforesaid requirement by the Employee could attract disciplinary action as per the applicable process(es) and/or guideline(s) and/or policy(ies) of the Company.

## **8. Free Competition (Fair Competition)**

It is a common practice to gather information about the general marketplace, including competitors' products and services, where the company wants to compete fairly. No Employee should obtain any competitive information by unethical or illegal means, such as corporate espionage or improper access to confidential information. Employees shall avoid contacts with competitors that could create even the appearance of improper interactions, whether the contact is in person, in writing, by telephone, through e-mail or any other mode.

## **9. Personal Investments**

In order to protect the integrity of the Company, it is essential for all the Employees to conduct their personal trading in securities of the Company as per the provisions prescribed for prohibition of insider trading under SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, and as per Code of Conduct to regulate, monitor, and report trading by its Designated Persons (Insider Trading Code) in an appropriate manner that withstands public scrutiny and does not create even the appearance of impropriety. Employees should ensure the above guidelines not only for their personal trading in securities of the Company but also for their immediate relatives (as defined in the Insider Trading Code).

The Company policy and the applicable laws prohibit trading in securities of Company while in possession of material, non-public information (also known as inside information) of any Company.

It should be noted that using non-public information to trade in securities, or providing a family member, friend or any other person with a “tip”, is illegal. All nonpublic information should be considered inside information and should never be used for personal gain.

In view of the obligations on employees under applicable laws read with this Code and the terms of employment, in case of trading in any listed securities on the stock exchanges in India, employees are required to necessarily open a trading account with ICICI Securities Limited and conduct all trades only through such trading

account. For the sake of clarity, the said clause will not be applicable to independent directors.

Employees shall not trade in derivatives, including futures and option of securities of any listed company including that of ICICI Lombard. It is clarified that this restriction shall not be applicable to 1. Government Securities or 2. index-based derivatives including index futures, which are not specific to any listed company. For the sake of clarity, the said clause will not be applicable to independent directors, except trading in derivatives including futures and option of ICICI Lombard which is prohibited in Insider Trading Code.

All the Designated Officers as defined under Dealers' Code of Conduct and Personal Trading Guidelines are required to familiarize themselves and comply with the "Dealers' Code of Conduct and Personal Trading Guidelines" (**'Dealers' Code'**) as adopted by the Company.

Investments in securities by the Employees of the Company should be made as per the applicable laws and policies/codes adopted by the Company.

## **10. Know Your Customer / Anti Money Laundering**

Anti Money Laundering & Combating Financing of Terrorism legislations criminalize flow of money off/from the specified crimes including trafficking of any kind (e.g.: drug, human, animal, organs, body parts, etc.), terrorism, theft, fraud, handling of stolen goods, counterfeiting, etc. It is also an offence to undertake and/or facilitate transactions with individuals and entities whom you suspect of being involved in money laundering or terrorist financing (ML/TF).

The Company has adopted "Anti Money Laundering (AML/CFT) Policy and Framework" in line with the IRDAI prescriptions, as amended from time to time. The principal objectives of the Policy are as under:

- a. Preventing the Company from being used by money launderers to further their illicit business;
- b. Enabling assistance to law enforcement agencies in identifying and tracking down money launderers;
- c. Ensuring that the Company remains compliant with all relevant anti-money laundering legislation and regulations to the extent applicable.

All the Employees are required to adhere to the statute/regulations/circulars/guidelines/rules/policy applicable to the Company with regards to the AML / CFT. The Employees should exercise requisite care in selecting those with whom we conduct business. While conducting business, the Employees must adhere to processes which are in place for checking the identity and complete profile of the customers and counter parties as per the guidelines. In case of unusual transactions which are not of regular nature, care should be exercised and reasons for undertaking that transaction should be analysed/documented with appropriate

internal approvals. These processes ensure adequate customer due diligence and ongoing monitoring of their transactions. This is done to detect suspicious transactions during the entire period of relationship.

## **11. Accuracy of Company Records and Reporting**

Employees must ensure that records, data and information owned, collected, used and managed by them for or on behalf of the Company is accurate and complete. Records must be maintained as per the Record Maintenance Policy adopted by the Company.

Employees must assist in maintenance of appropriate records so as to ensure that financial transactions are prepared in accordance with generally accepted accounting principles and that they fairly present the financial conditions and results of the company.

Employees must observe high standards of decency regarding content and language when creating business records and other documents (such as email) that may be retained by the Company or any third party.

Any misappropriation or tampering or non - maintenance of records should be reported to the Head of the concerned function.

## **12. Reporting to Government/external agencies**

The Company has a responsibility to communicate effectively with shareholders so that they are provided with full, accurate and timely information, in all material respects, about the financial results and condition of operations of the Company. The reports and documents are required to be filed with or submitted to regulatory authorities. Therefore, such reports and any other public communications should be full, fair, accurate, timely and understandable.

Employees must, therefore, never make inaccurate or misleading reports, certificates, claims or statements to government / regulatory authorities.

## **13. Protecting assets of the Company**

Protecting assets of the Company against loss, theft or other misuse is the responsibility of every Employee, officer and Director. Any suspected loss, misuse or theft should be reported to the supervisor or the Chief Financial Officer.

## **14. Gifts and Entertainment**

### **14.1 Accepting Gifts and Entertainment - General Principles**

Employees should not accept gifts - anything of value (including entertainment and incentives) from current or prospective customers or vendors or suppliers,

unless it is in accordance with the Operational Guidelines for Acceptance of Gifts, Entertainment and Sponsored Travel.

These guidelines would broadly cover following areas:

- Gifts
- Entertainment and Sponsored Travel
- Incentives offers received at the Company's Level

#### 14.2 Giving Gifts and Entertainment - Bribery and Corruption

14.2.1 A Bribe is an inducement or reward offered, promised, provided, given or received directly or indirectly in order to influence a decision of the recipient or induce improper performance which may result in a business, financial or other kind of gain or advantages to the offerer. Corruption is the abuse of entrusted power for a private gain.

14.2.2 The Employees must note that the Company follows a zero tolerance approach towards Bribery and Corruption.

14.2.3 The Employees must not make any payment to or for anyone for the purpose of obtaining or retaining business or for obtaining any favorable action. If any Employee is found to be involved in making such payments, such Employee would be subject to disciplinary action as well as potential civil or criminal liability for violation of the code. Such payment shall also include payment by the way of giving funds or property as donation.

14.2.4 No Employee should offer or give any funds or property as donation to any government agency or its representatives, in order to obtain any favorable performance of official duties.

14.2.5 While the Employees are expected to put in the best of their efforts in every transaction, they will not be penalized by the Company for delayed performance of a transaction solely on the grounds of refusal to pay bribes.

14.2.6 The Employee should familiarize and comply with the Anti-bribery and Anti-corruption Policy of the Company, which is available on the Intranet. The Employee must contact the Compliance Group with any questions on the matter.

### 15 Workplace Responsibilities

15.1 'Workplace' means any place of work where an Employee is discharging his/her official duties and responsibilities, whether working from office physically and/or working through virtual/digital mode from home or any other location, as the case may be.

15.2 Fair Employment Practices and Diversity



15.2.1 The Company is committed to adoption of fair employment practices. It ensures diversity of workplace through efforts to recruit, develop and retain the most talented people from a diverse candidate pool. It upholds the principle that advancement is based on talent and performance and there is a commitment to equal opportunity.

15.2.2 As a fair employment practice, it is expected that the Employees shall not (during the course of their service or for a period of one year from the date of cessation) directly or indirectly on their own accord or on their behalf or in conjunction with any other person, convey or solicit or attempt to induce any Employee or any Employee of a business associate (with which the Employee has been associated in the one year prior to their cessation of service) to leave their current employment with the Company and to join any activity, vocation , profession, employment, consultancy, service, occupation or business that the Employee undertakes or in any manner cause such other Employee to be solicited or employed by any person or enterprise with whom the Employee may be associated in any capacity.

### 15.3 Drug and Smoke Free Workplace

All Employees should ensure that their workplace is healthy and productive, free from any illegal drugs and smoking.

### 15.4 Discrimination and Harassment and Intimidation

15.4.1 The Company is committed to prohibition of harassment and intimidation of Employees in the workplace. The Company discourages conduct that implies granting or withholding favors or opportunities as a basis for decisions affecting an individual, in return for that individual's compliance. Such action of harassment is relatively easier to identify, as it takes the form of either a threat or a promise, whether explicit or implied.

15.4.2 The Company has a Gender Neutral Policy that prohibits unwelcome advances, requests for sexual favors, or other verbal or physical conduct where such conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

### 15.5 Safety at the Workplace

15.5.1 The Company considers safety of Employees as the primary concern. The Company is committed to safety of Employees and expects its Employees to comply fully with appropriate laws and internal regulations.

15.5.2 The Company encourages responsible behavior of its Employees and colleagues that result in the best possible accident prevention measures. This applies both to the technical planning of workplaces, equipment, and processes and to safety management and personal behavior in everyday workplace.

15.5.3 All the Employees are expected to be attentive to general safety principles as laid down from time to time or under common knowledge.

#### 15.6 Fair Treatment of counter-parties

15.6.1 All Employees shall act responsibly, honestly and with integrity in all dealings with the Company's vendors, customers including prospective customers, government officials, regulators and competitors.

15.6.2 The Company's contractual relationships with its vendors, agents, and customers are important for its success. Vendor selection and hiring decisions must be made objectively and in Company's best interest, based on evaluation of integrity, suitability, price, delivery of goods/ service, quality and other pertinent factors.

15.6.3 Similarly, negotiations with customers and potential customers should be conducted in a professional manner. In addition, Employees should never enter into agreements, written or otherwise, that would appear to contain questionable accounting and/or business practices.

15.6.4 All relationships with external counter-parties should be conducted in professional and impartial manner. Vendor selection and hiring decisions must be made objectively and in best interest of the Company, based on evaluation of integrity, suitability, price, delivery of goods/ service, quality and other pertinent factors. The Employees should commit to fair contract and payment terms with them in return of good service at a good price supplied in a responsible manner.

15.6.5 Any personal relationship of the Employees with contractors, suppliers, vendors, agents and intermediaries should be disclosed by them to their superiors at the time of entering into any transaction with them and should not influence any decisions made on behalf of the Company. Negotiations with customers and potential customers should be conducted in a professional manner.

15.6.6 Vendors, suppliers should not be used for any personal purposes, so as to have any conflict of interest while dealing with them.

15.6.7 The quality of company's relationships with its suppliers and other external counter-parties often has a direct bearing on the quality of the products offered by the company, services and ultimately our customer relationships. The company, therefore expect its suppliers to operate to the same standards as the company expects for themselves.

#### 15.7 Corporate Opportunities

15.7.1 Employees and Directors are prohibited from making any personal benefits from the business opportunities that arise through the use of corporate property, information or position. No Employee or Director

should use corporate property, information or position for personal gain, and no Employee or Director shall compete with the Company.

- 15.7.2 Competing with the Company may involve engaging in the same line of business as the Group, or any situation where the Employee or Director takes away from the Group opportunities for sales or purchases of property, products, services or interests.

#### 15.8 Contact with Media

- 15.8.1 In order to pro-actively manage the reputation of the company with the media and to ensure consistency of messages, interaction with media must occur only with the prior approval of corporate communications team of the company.
- 15.8.2 Social media allows users to interact with each other by sharing information, opinions, knowledge and interests. Some examples of social media are sites such as Facebook, YouTube, LinkedIn, Orkut, Twitter etc.
- 15.8.3 There are various risks associated with communicating on the Social Media platform. Thus, there is a need to address such concerns in an appropriate manner keeping in mind the interest of the Company and its wider stakeholders.
- 15.8.4 Social Media guidelines of the Company lay down standards that Employees should adhere to while communicating internally, externally as well as online.

### 16. Special Responsibilities of Superiors and Managers

In addition to responsibilities as Employees, supervisors and managers must abide by the:

- 16.1 Duty of selection - Carefully select the Employees for a job in light of their personal and professional qualifications. The duty of care increases with the importance of the obligation to be entrusted to the Employee.
- 16.2 Duty of instruction - Formulate obligations in a precise, complete, and binding manner, especially with a view to ensure compliance with provisions of instructions.
- 16.3 Duty of monitoring - Ensure that compliance with provisions of applicable laws / regulations is monitored on a constant basis (duty of monitoring).
- 16.4 Duty of communication - Communicate to the Employees that any violation of the applicable laws / regulations are disapproved of and would have disciplinary implications.

## **17. Raising Ethical Issues**

- 17.1. The Company encourages its Employees to report to their supervisor/HR/compliance, concerns and suspected violations of the Code, internal policies, external legal and regulatory requirements etc. The Employee can choose to remain anonymous if he/she so wishes. All significant breaches should be escalated immediately.
- 17.2. The Company will conduct prompt and thorough investigations of alleged violation and take appropriate corrective action.
- 17.3. No Retaliatory action against an Employee shall be taken for making a report in good faith.
- 17.4. HR department of the company shall take appropriate actions against individuals who have acted in violation of extant laws, rules and regulations.
- 17.5. An Employee who violates the internal policies and guidelines shall be subject to disciplinary action, including demotion or dismissal.
- 17.6. All Employees before taking any new role, assignment or responsibilities, shall ensure that all dos and don'ts are well understood, so that acting in contravention to the code is avoided.

### **Compliance with Code of Conduct**

It is the responsibility of each Employee to Comply with this Code of Conduct and the Company policies and procedures, as amended by the Company from time to time. An Employee's conduct, in relationship to the code and policies, may affect his performance reviews and job status. Violations or failure to abide by the Code of Conduct, applicable laws or other Company policies and procedures can result in disciplinary action including termination of employment. Violation of the code that involves illegal behavior will be reported to the appropriate authority. In case the Company suffers a loss, it may pursue its remedies against the individuals or entities responsible.

Any waiver of any provision of this Code for any Employee of ICICI Lombard shall be approved in writing by the Compliance Officer/Head HR based on the business requirements and applicable legal framework. This Code is subject to modifications and can be amended by the Audit Committee of the Board from time to time.

The Code of Conduct cannot answer every question or address every possible situation and should be read in conjunction with applicable regulations, prevalent policies, practices and procedures of the Company, as amended from time to time. There may be circumstances leading to overlapping and /or conflict amongst two or more policies, which may be addressed in accordance with the Code or be referred to the Compliance Officer/ Head of HR for necessary resolution, as the case may be.

This code shall apply equally to all Employees.

The Compliance Officer/ Head of HR will have the primary responsibility and authority for enforcement of this Code, subject to supervision of the Board Nomination and

Remuneration Committee of the Board of Directors, in case of accounting, internal accounting, controls or auditing matters, the Audit Committee of Board of Directors, The Company will devote necessary resources to enable the Compliance Officer / Head of HR to establish such procedures as may be reasonably necessary to create a culture of accountability and facilitate compliance with this Code. Questions concerning this Code should be directed to the Compliance Officer / Head of HR.

Employees and Directors should promptly report any concern about violations of ethics, laws, rules, regulations or this Code, including by any senior executive officer or Director, to their supervisors, managers or the Compliance Officer / Head of HR of the Company. Any such concerns involving the Compliance Officer / Head of HR should be reported to the Board.

The Company encourages all its Employees and Directors to report any suspected violations promptly and intends to thoroughly investigate any good faith reports of violations. The Company will not tolerate any kind of retaliation for reports or complaints regarding misconduct that were made in good faith. Open communication of issues and concerns by all Employees and Directors without fear of retribution or retaliation is vital to the successful implementation of this Code. All Employees are required to cooperate in internal investigations of misconduct and unethical behavior.

Any waivers (including any implicit waivers) of the provisions in this Code for executive officers or Directors may only be granted by the Board of Directors and will be promptly disclosed to the shareholders. Any such waivers will also be disclosed in the Company's annual report under Indian law and its annual report on Form 20-F.

## 1. Key Irregularities

1.1 While the Company believes that the Employees would realize and appreciate the need to follow this Code in letter and spirit, in an unfortunate incident or act of breach, a corrective and/or deterrent action becomes unavoidable. Hence, any act of breach of the stipulations mentioned in the Code would be treated as misconduct which may attract penal action.

1.2 Based on the intent, seriousness and mitigating/extenuating circumstances of such non-compliance the breaches may be broadly classified into four categories as detailed hereunder:

### 1.2.1 Habitual Irregularities

Repeated negligence in performing duties, depending on the gravity and consequences to the Company may fall under this category. Illustrative behavior includes:

1.2.1.1 Unpunctual or irregular attendance, leaving workplace without permission, habitual or prolonged absence without leave.

1.2.1.2 Negligence or failure to take due care while obtaining and preserving documents/records.

- 1.2.1.3 Negligence or failure to ensure accuracy and timely completion of work.
- 1.2.1.4 Indecent/discourteous behavior with customers, Employees, superiors etc.
- 1.2.1.5 Not following the prescribed dress code.
- 1.2.1.6 Showing an intransigent or unreasonably negative attitude to management and/or fellow Employee's.
- 1.2.1.7 Minor breach of health and safety requirements.
- 1.2.1.8 Smoking in a non-designated area.
- 1.2.1.9 Careless use of the Company's equipment or furniture.
- 1.2.1.10 Refusing to attend nominated training programmes unless the absence is authorized by the superior.
- 1.2.1.11 Use of foul or abusive language (whether verbal or in writing) and gestures.
- 1.2.1.12 Refusing any official instruction/direction to moderate changes in responsibilities if such a change is a business necessity.
- 1.2.1.13 Being under the influence of alcohol and/or drugs not medically prescribed when at work (whether on the Company premises or otherwise).
- 1.2.1.14 Consumption or being under the influence of drugs not medically prescribed and/or excessive alcohol at a management sponsored event.
- 1.2.1.15 Indulging in habitual misconduct, errors and negligence while performing duties.

#### 1.2.2 Gross/ serious violations

Any act which is in breach of the Code, internal policies/procedures and which may cause financial loss or reputation risk to the company falls under this category. Illustrative behavior under this category includes:

- 1.2.2.1 Failing to comply with the Company policies, procedures, rules and working practices, as amended from time to time.
- 1.2.2.2 Obstructing the customers from dealing with the Company or obstructing other Employees from discharging their responsibilities.
- 1.2.2.3 Engaging in any other trade/business/employment while in the employment of the company except in accordance with any other policy and/or process adopted by the Company or without confirmation of their supervisor.

- 1.2.2.4 Participation in any demonstration against the company or its Officials.
- 1.2.2.5 Accepting gifts and favors from clients and vendors in violation of relevant guidelines.
- 1.2.2.6 Disrupting/slowing down of continuous customer service or work, in the branch or office –either solely or by way of participation in strike, bandh etc.
- 1.2.2.7 Violation of any of the provisions of the security policy including IT security policy of the company.
- 1.2.2.8 Taking a decision at the cost of the company which has a financial implication favoring the Employee or his/her relatives or associates.
- 1.2.2.9 Involvement in harassment including sexual harassment or racial harassment.
- 1.2.2.10 Failure to take all possible steps to protect the interest of the Company and to perform duties with utmost integrity, honesty, devotion and diligence.
- 1.2.2.11 Indulging in any act which is likely to cause damage/loss to the property and which are prejudicial to the reputation and interest of the Company.
- 1.2.2.12 Failure to act in the best judgment while performing duties as well as while exercising delegated power entrusted by company.
- 1.2.2.13 Failure to avoid indebtedness in any manner while in service.
- 1.2.2.14 Engaging in and/or facilitating any financial dealing/s including lending money belonging to the company to the colleagues.
- 1.2.2.15 Any act which brings or has the potential to bring dis-repute to the image of the Company at all times.
- 1.2.2.16 Failure to comply with existing regulatory rules and regulations like Insurance Act 1938 and rules made thereunder, IRDA Act 1999, regulations, rules formulated by IRDA etc.
- 1.2.2.17 Any other act which is against the ethos/culture of the company.
- 1.2.3 Fraudulent Irregularities

Any act with a fraudulent or malafide intention irrespective of whether there was any financial loss or loss of reputation of the Company falls in this category. Some illustrative behavior under this category would include:

  - 1.2.3.1 Suppressing or misrepresentation of facts.

- 1.2.3.2 Any act of creation/acceptance of fake/incorrect/fraudulent records or manipulation of records with fraudulent intention..
- 1.2.3.3 Failure to do proper due diligence in any deal/transaction to avoid any possibilities of a fraud or money laundering.
- 1.2.3.4 Theft or pilferage or any dishonest act affecting the company in any manner.
- 1.2.3.5 Involvement in any act in the area of corruption, misuse of office, criminal offences, suspected or actual fraud etc.
- 1.2.3.6 Helping customers in ways which could lead to a loss to the Company.
- 1.2.3.7 The Company shall issue a Guideline for "Operating Salary Account" by its Employees for engaging in and/or facilitating any financial dealings through the same.

The Company is governed by the Companies Act, 2013 which has defined the act of "fraud" under Section 447 and has prescribed the penal provisions for the same. The same is reproduced below:

**Definition of Fraud:**

"Fraud" in relation to affairs of a company or anybody corporate, includes any act, omission, concealment of any fact or abuse of position committed by any person or any other person with the connivance in any manner, with intent to deceive, to gain undue advantage from, or to injure the interests of, the company or its shareholders or its creditors or any other person, whether or not there is any wrongful gain or wrongful loss;

- (i) "Wrongful gain" means the gain by unlawful means of property to which the person gaining is not legally entitled;
- (ii) "Wrongful loss" means the loss by unlawful means of property to which the person losing is legally entitled.

**Punishment for fraud:**

Without prejudice to any liability including repayment of any debt under this Act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.



*Provided further that where the fraud involves an amount less than ten lakh rupees or one percent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.*

Employees are expected to be mindful of the above provisions and exercise necessary diligence.

#### 1.2.4 Irregularities in High Risk Areas

Any act which may not be apparently with fraudulent intention but are considered as High Risk area irrespective of any financial loss or loss to the reputation of the Company falls in this category. This includes:

1.2.4.1 Failure to act in spite of having knowledge of wrong things being practiced.

1.2.4.2 Failure to take corrective steps to stop such wrong practices.

1.2.4.3 Failure to escalate such matters to higher authorities.

1.3 The areas considered, as High Risk will be assessed by the Operational Risk Management Committee of the Company. Such committee will also have the power and authority to notify the list of High Risk areas from time to time.

1.4 It must be noted that irregularities cited in the above categories are indicative in nature and are not exhaustive.

### 1. Disciplinary Procedures

1.1. The primary objective of the disciplinary procedure is to make Employees aware of the instance/s of apparent and reported breach of the Code on their part and to afford such Employees with an opportunity of making submission against such reported instance/s including improving their attendance, work performance or amending/rectifying their conduct as the case may be, should they fall below the standards expected by the Company.

1.2. When deciding upon the appropriate way to deal with any potential issues an Employee has in meeting the Company standards, the reasons behind this difficulty will be considered. There can be occasions when problems are due to an Employee's incapability to do his/her job, personal circumstances or health rather than there being any measure of personal blame. In such cases, the Employee will be informed by the immediate manager that he/she is not meeting the required standards.

1.3. The immediate manager will discuss his or her concerns with the Employee and where appropriate, will agree objectives with the Employee to be achieved over a reasonable period of time. The immediate manager will also discuss any assistance the Employee may require, including where practicable - training. If

after a reasonable time, an Employee is still unable to reach the required standards, the matter may be dealt with within the context of the disciplinary procedure.

- 1.4. If the problem relates to the Employee's health, the immediate manager may arrange for the Employee to see the Company nominated Medical Advisor.
- 1.5. If the problem stems from the Employee's failure to demonstrate satisfactory conduct, or there are problems with the Employee's performance e.g. due to the Employee's inattention or lack of motivation, the disciplinary procedure will be implemented.
- 1.6. Usually disciplinary procedure would start after detailed fact finding exercise/internal investigation including one-to-one discussion with the concerned Employee, where-ever possible-by the respective business group, is carried out and a detailed report to that effect is submitted to Head of HR. In certain cases such investigation may be carried out independent of the respective business group.

## 2. Disciplinary action

Depending upon the nature and seriousness of non-compliant behavior, the Company may take corrective action against the erring Employees. The Company may prefer civil or criminal action against errant Employees. Such actions may include penalties as deemed appropriate considering the nature of violation and its implications on the Company. The extenuating / mitigating circumstances, if any, shall also be considered while taking action.

These actions could be – Cautionary Action, Deterrent Action and Capital Action.

### 2.1. Cautionary action

The cautionary or exemplary action(s) may be in the form of:

- 2.1.1. Condoning, advising, warning, censuring etc.
- 2.1.2. Imposition of fine.
- 2.1.3. Suspension from employment for a certain period of time.
- 2.1.4. Adversely impacting annual performance rating.
- 2.1.5. Withholding of increment, performance linked bonus / incentive (partly).

### 2.2. Deterrent action

The deterrent action(s) may be in the form of:

- 2.2.1. Recovery of full / partial monetary loss caused to the Company with or without a financial penalty.
- 2.2.2. Suspension from employment for a certain period of time.

2.2.3. Withholding of increment, performance linked bonus / incentive (partly) or promotion.

2.2.4. Demoting to the lower grade or level or Reduction in basic salary.

2.3. Capital action

The capital action may be in the form of:

2.3.1. Temporary suspension or permanent termination of services.

2.3.2. Dismissal from services

2.3.3. Exit Through Resignation at the instance of the Company

2.3.4. Compulsory Retirement

3. Process for disciplinary action

3.1. The Company will be the sole judge to decide on the categorization of breaches as also the form of corrective actions.

3.2. All disciplinary actions shall be decided and intimated to the Employees on the basis of the report received by the HR Team from the respective vertical / department after following the process as described in the foregoing.

3.3. Depending upon the nature of such report Employee/s would be informed in writing of the gist of the instance/s of breach of the Code reported against them and would be afforded with an opportunity to make their submission/s in writing within specific time frame to the designated official in HR Team. On receipt of such communication from HR team, Employees would be required to make their submission/s in writing which would be taken into consideration while arriving at a decision. However, in case Employee/s choose not to avail of such an opportunity within the specific time frame or within extended time frame, if allowed by HR team in deserving cases, it would be construed that the Employee concerned has no submission to make and accordingly the matter would be decided upon ex-parte and any decision taken in those circumstances would be binding on the concerned Employee.

3.4. HR function of the Company shall put in place a matrix of Disciplinary Authority and the Appellate Authority to carry out all administrative/disciplinary actions envisaged under the Code.

3.5. The Disciplinary Authority of the Company shall on the basis of reports submitted to it by an Investigating authority/function and/or suo-moto after ensuring adherence to due process initiate appropriate investigation and disciplinary proceedings/actions against an erring Employee and impose penalty/ies including but not limited to, placing an Employee under suspension.

3.6. An Employee against whom an order has been passed by a Disciplinary Authority, may, within seven working days from the date of receipt of the order, prefer an appeal in writing to the Appellate Authority. Such written appeals, if

received within the stipulated time, shall be disposed of by the Appellate Authority by way of a detailed speaking order.

- 3.7. The range of possible actions outlined above should not be regarded as necessarily either sequential or cumulative. The Company reserves the right to omit any or all of the levels of action where it considers it appropriate. It is for the Disciplinary Authority to decide which of the possible responses are appropriate in any given case. For example, if a single breach of discipline is serious (albeit it may be the Employee's first breach of discipline) the Employee may be given a final warning notwithstanding the fact that no previous warnings have been given.
- 3.8. The Company reserves the right to suspend an Employee on payment of subsistence allowance pending the outcome of disciplinary action.
- 3.9. During the first three months of suspension, an Employee will be paid subsistence allowance at the rate of 1/3rd of basic pay and other allowances (except transport and or conveyance allowance) which he/she was drawing on the date of such suspension. In the event the suspension continues beyond three months, an Employee shall be paid from the fourth month onwards at the rate of one half of the basic pay and allowances (except transport and or conveyance allowance) which he/she was drawing on the date of such suspension. Such an Employee would not be eligible for any other benefits. However, if any local laws, which are applicable to an Employee, provide for a payment of a higher amount than the above, the same shall be applicable and paid during the period of suspension.
- 3.10. The subsistence allowance will be paid to an Employee on furnishing a declaration every month acceptable to the Company that the Employee is not engaged in any other employment, business, profession or vocation or in any gainful activities, self employment during the period of suspension whether or not having earned any income. An Employee under suspension shall have to report to the company for the purpose of investigation/enquiry as and when required by the company and shall not leave the station of his posting from where he was suspended without permission of the Compliance Officer/Head – HR of the Company.

## Annexure

### Duties of Directors as per Section 166 of the Companies Act, 2013:

1. Subject to the provisions of this Act, a director of a company shall act in accordance with the articles of the company.
2. A director of a company shall act in good faith in order to promote the objects of the company for the benefit of its members as a whole, and in the best interests of the company, its Employees, the shareholders, the community and for the protection of environment.
3. A director of a company shall exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
4. A director of a company shall not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the company.
5. A director of a company shall not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of making any undue gain, he shall be liable to pay an amount equal to that gain to the company.
6. A director of a company shall not assign his office and any assignment so made shall be void.
7. If a director of the company contravenes the provisions of this section such director shall be punishable with fine which shall not be less than one lakh rupees but which may extend to five lakh rupees.

### Duties of Independent Directors as per Schedule IV of the Companies Act, 2013:

The independent directors shall—

1. undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company;
2. seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the company;
3. strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member;
4. participate constructively and actively in the committees of the Board in which they are chairpersons or members;

5. strive to attend the general meetings of the company;
6. where they have concerns about the running of the company or a proposed action, ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting;
7. keep themselves well informed about the company and the external environment in which it operates;
8. not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
9. pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company;
10. ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use;
11. report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy;
12. acting within his authority, assist in protecting the legitimate interests of the company, shareholders and its Employees;
13. not disclose confidential information, including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.

Employee declaration  
(To be submitted to HR at the time of joining)

I Mr./Ms. \_\_\_\_\_ confirm and declare that:

1. I have read and understood the terms of employment applicable to me and the provisions of the ICICI Lombard Code of Conduct.
2. I shall, during the course of my service with ICICI Lombard General Insurance Company Limited or in the event of cessation of my service in the future, due to any reason whatsoever, for a period of six months from the date of such cessation, directly or indirectly, either on my own accord or on behalf or in conjunction with any other person/s, firm or company refrain/desist from canvassing or soliciting attempting to or including any Employee(s) business associate(s) to leave their current employment with ICICI Lombard/Group companies/ business partners to join the services of any new employer/firm/company or any other competitor of the Group companies/ Business Partners.
3. I am aware that any act in contravention of the above provision on my part shall attract initiation of appropriate action as deemed fit by ICICI Lombard General Insurance Company Limited.
4. I shall disclose to the Company the following details, whenever required by the Company:
  - 4.1. All bank accounts being held by me - either singly or jointly with other family members.
  - 4.2. Investment made in immovable property including sale of such property.
  - 4.3. A statement that I have no material interest or any other conflicting interests, in any person who is a party to a material contract or proposed contract with the Company.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Employee ID

\_\_\_\_\_  
Date