

**ANNEXURE II**

**UNIVERSAL SOMPO GENERAL INSURANCE**

**CODE ON PROHIBITION OF INSIDER TRADING**

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## 1. PURPOSE:

This Code is formulated to regulate, monitor and report trading by Designated Persons and their immediate relatives. The objective of this code is preservation of confidentiality of unpublished price sensitive information (UPSI), to prevent misuse of such information and to prohibit a Designated Person and his / her Immediate Relative from Trading in Universal Sompo General Insurance Company (“USGI”) Securities while in possession of unpublished price sensitive information (UPSI). This Code also lays down the ethical standards to be adhered to while dealing in Securities of the Company. The Code has been framed adopting the minimum standards for code of conduct to regulate, monitor and report Trading by designated persons and immediate relatives of designated persons as specified in Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

## 2. DEFINITION:

The following terms for the purpose of this policy shall carry the meaning:

- |     |                           |   |
|-----|---------------------------|---|
| 2.1 | “Act”                     | Act shall mean Securities and Exchange Board of India Act, 1992 as amended from time to time.   |
| 2.2 | “Authority” or “IRDAI”    | Authority or IRDAI shall mean the Insurance Regulatory and Development Authority of India established under sub-section 1 of Section 3 of the IRDA Act 1999;  |
| 2.3 | “Board”                   | Board shall mean the Board of Directors of Company.   |
| 2.4 | “Code”                    | Code shall mean this Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons in Securities of the Company, as amended from time to time.  |
| 2.5 | “Code of Fair Disclosure” | Code of Fair Disclosure shall mean the Code of Practices and Procedures for Fair Disclosure of UPSI.  |
| 2.6 | “Company”                 | Company shall mean the Universal Sompo General Insurance Company Limited.   |
| 2.7 | “Group”                   | Group shall have the same meaning as defined under Regulation 1(4), Part I of Schedule III of IRDAI (Actuarial, Finance and Investment) Regulations, 2024.  |
| 2.8 | “Compliance Officer”      | Compliance shall mean the compliance officer appointed pursuant to clause 3 of this Code.   |
| 2.9 | “Connected Person”        | <p>Connected Person shall mean a person who is or has during the six months prior to the concerned act been associated with the Company, directly or indirectly, in any capacity including by reason of:</p> <p>Frequent communication with its officers; or</p> <p>Being in any contractual, fiduciary or employment relationship; or</p> <p>Being a Director, officer or an employee of the Company; or</p> |

Holding any position including a professional or business relationship between himself and the Company whether temporary or permanent, or

That allows such a person, directly or indirectly, access to Unpublished Price Sensitive Information or is reasonably expected to allow such access.

Further, following persons shall be deemed to be Connected Persons unless the contrary is established:

(a) an Immediate Relative of Connected Person as specified above.

(b) a holding company or associate company or subsidiary company.

(c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or

(d) an investment company, trustee company, asset management company or an employee or director thereof; or

(e) an official of a stock exchange or of clearing house or corporation; or

(f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or

(g) a member of the board of directors or an employee, of a public financial institution as defined in Section 2(72) of the Companies Act, 2013; or

(h) an official or an employee of a self-regulatory organisation recognized or authorized by the Board; or

(i) bankers of the Company; or

(j) a concern, firm, trust, HUF, company or association of persons wherein a Director of the Company or his Immediate Relative or banker of the Company has more than 10% holding or interest.

2.10 “Designated  
Persons”

Designated person shall mean:

- i. Promoters of the Company
- ii. Directors, KMPs and Senior Management of the Company
- iii. Officers as defined in the Companies Act, 2013 as amended from time to time.
- iv. Employees in the grade of MG-8 and above of the Company.
- v. Employees of the Company who have access to UPSI in various business divisions and functions including Finance, IT and Secretarial as may be determined by

the respective business/functional heads jointly with the Compliance Officer on the basis of the role/function in addition to seniority and professional designation.

- vi. All executive assistants/confidential secretaries to persons mentioned under (i) to (iii) supra.
- vii. Any other Person as may be specified by the Compliance Officer / Managing Director of the Company from time to time.

2.11 “Director” Director shall mean and include a member of the Board of Directors of the Company.

2.13 “ESOP” ESOP shall mean employee stock options granted by the Company to its employees, pursuant to Employee Stock Option Scheme/s or plans as applicable from time to time.

2.14 “Generally Available Information” Generally Available information shall mean information that is accessible to the public on a non-discriminatory basis, and ‘Generally Available’ will be construed accordingly. However, it shall not include unverified event or information reported in print or electronic media

2.11 “Immediate Relative” Immediate Relative shall mean a spouse of a person and includes parent, sibling and child of such person or of the spouse, any of whom is either dependent financially on such person or consults such person in taking decisions relating to Trading in Securities.

For the purpose of this Code, the declaration given by a Designated Person of an Immediate Relative who is either dependent financially on the person or who consults such person in taking decisions relating to Trading in Securities will be considered.

Further, even if a spouse is financially independent and does not consult the Designated Person, Connected Person or Insider, while taking Trading decisions, a spouse is presumed to be an Immediate Relative, unless rebutted so.

2.12 “Insider” Insider shall mean any person who is:  
A Connected Person or  
in possession of or having access to Unpublished Price Sensitive Information.

2.13 “Key Managerial Personnel” Key Managerial Personnel shall have the meaning assigned to it under the Companies Act, 2013 and the rules issued thereunder or any modification thereof.

- 2.14 “Promoter” Promoter shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 2.15 “Promoter Group” Promoter Group shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 or any modification thereof.
- 2.16 “SEBI” SEBI shall mean the Securities and Exchange Board of India.
- 2.17 “SEBI Insider Trading Regulation” SEBI Insider Trading Regulation shall mean the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- 2.18 “SEBI LODR Regulations” SEBI LODR Regulation shall mean the Securities and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- 2.19 “Securities” Securities shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof except units of a mutual fund.
- 2.10 “Trading” Trading shall mean and include subscribing, redeeming, switching, buying, selling, dealing or agreeing to subscribe, redeem, switch. buy, sell, deal in Securities and ‘trade’ shall be construed accordingly.
- 2.11 “Trading Day” Trading day shall mean a day on which recognized stock exchanges are open for trading.
- 2.12 “Trading Plan” Trading Plan shall have the meaning assigned to it in Clause 8 of this Code.
- 2.13 “Trading Window” Trading Window shall mean the period during which the Company's Securities can be traded by the Designated Person as provided in this Code

- 2.14 “Unpublished Price Sensitive Information” or “UPSI”
- Unpublished Price Sensitive Information or UPSI shall mean any information, relating to the Company or its Securities, directly or indirectly, that is not Generally Available, which upon becoming Generally Available, is likely to materially affect the price of the Securities of the Company and shall, ordinarily include but not be restricted to, information relating to the following:
- financial results
  - dividends
  - change in capital structure
  - mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions; and
  - changes in key managerial personnel;

Words and expressions used and not defined in this Code but defined in SEBI Act, 1992, the SCRA Act, 1956, the Depositories Act, 1996 or the Companies Act, 2013 and rules and regulations made thereunder shall have the meanings respectively assigned to them in those legislations.

### **3. ROLE OF COMPLIANCE OFFICER:**

- 3.1 The Compliance Officer shall be any senior officer, designated so and be a financially literate, senior officer capable of appreciating requirements for legal and regulatory compliance. The Compliance Officer shall report to the Board of directors and provide reports on dealing in Securities by Designated Persons to the Chairman of the Audit Committee on a quarterly basis. For the purpose of this Code, the Company Secretary shall be the Compliance Officer.
- 3.2 In the absence of the Compliance Officer for any reason, any senior officer, reporting to the Board, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance, shall carry out the responsibilities of the Compliance Officer as required under this Code and the Regulations.
- 3.3 The Compliance Officer shall be responsible for:
- 3.3.1 Administering this Code and other requirements under the SEBI Insider Trading Regulations for compliance of the policies, procedures prescribed therein.
  - 3.3.2 The timing for re-opening of the trading window considering various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be earlier than forty-eight hours after the information becomes generally available.
  - 3.3.3 Setting forth policies, procedures, maintenance of records and monitoring adherence to the rules for preservation of UPSI.
  - 3.3.4 monitoring of trades and implementation of this Code under the overall supervision of the Board of Directors of the Company.
  - 3.3.5 Providing disclosures to the stock exchange as required under the SEBI Insider Trading Regulations.
  - 3.3.6 Pre-clearing of Trades by Designated Persons and their Immediate Relatives, in accordance with the SEBI Insider Trading Regulations and this Code.



- 3.3.7 Maintaining a list of Designated Persons and also updating changes to the list from time to time.
  - 3.3.8 Maintaining a record of the opening and closing of the Trading Window.
  - 3.3.9 Reviewing the Trading Plan and assessing the potential of the plan for violation of the SEBI Insider Trading Regulations, if any.
  - 3.3.10 approving and monitoring the implementation of the Trading Plan.
  - 3.3.11 Notify the Trading Plan to the stock exchanges where the Securities are listed, on approval of the plan; and
  - 3.3.12 Maintaining records of all declarations and disclosures received by him/ her under this Code for a minimum period of 5 years.
- 3.4 The Compliance Officer shall be authorized to seek such information from the Designated Persons and Connected Persons as may be required to ensure or verify compliance with this Code and the SEBI Insider Trading Regulations and to give such approvals as are specified in the Code.
- 3.5 The Compliance Officer shall assist Designated Persons in addressing any clarifications regarding the SEBI Insider Trading Regulations and this Code

#### **4. PRESERVATION, COMMUNICATION AND PROCUREMENT OF UPSI:**

- 4.1 All Insiders shall maintain confidentiality of all UPSI and shall not communicate, provide or, allow access to such UPSI to any person directly or indirectly, except as permitted under Clause 4.2.
- 4.2 UPSI is to be handled within and outside the Company on a "need to know" basis and no UPSI shall be communicated to any person except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. UPSI should be disclosed only to those within the Company who need the UPSI to discharge their duty.
- 4.3 Further no person shall procure from or cause the communication by any Insider, of UPSI, relating to the Company or its Securities, either directly or indirectly except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.
- 4.4 The Company's Code for Fair Disclosures lays down the principles for determining legitimate purposes for the purpose of this code.
- 4.5 Any person including auditors, accountancy firms, law firms, analysts, consultant firms etc., assisting or advising the Company (Fiduciaries for the purpose of this Code), who is expected to have access to UPSI in the course of business operations shall formulate a code of conduct to regulate, monitor and report Trading by its employees / other connected persons (as defined under the SEBI Insider Trading Regulations) towards achieving compliance of the SEBI Insider Trading Regulations, adopting the minimum standards set out in Schedule C to the SEBI Insider Trading Regulations without diluting any of its provisions. The said persons will also be subjected to the Trading Window provisions of this Code under Clause 5 and contra trades under Clause 7.4.
- 4.6 While dealing with or handling UPSI within the Company, the Company shall establish policies, procedures and physical arrangements designed to manage confidential information and prevent the inadvertent spread and misuse of UPSI, or the appearance thereof.
- 4.7 Designated Persons and immediate relatives of designated persons in the organisation shall be governed by an internal code of conduct governing dealing in securities.

#### 4.8 Chinese Wall

To prevent the misuse of confidential information, the Company has adopted "Chinese wall" Policy which separates those areas of the Company which routinely have access to confidential information, considered "inside areas" from those areas which deal with sale/marketing or other departments providing support services, considered "public areas". In exceptional circumstances employees from the public areas may be brought "over the wall" and given confidential information on the basis of "need to know" criteria.

### 5. PREVENTION OF MISUSE OF UNPUBLISHED PRICE SENSITIVE INFORMATION:

#### 5.1 No Designated Person or Connected Person shall:

- 5.1.1 either on his own behalf, or on behalf of any other person, Trade when in possession of any UPSI unless the Trade is made pursuant to a Trading Plan, in accordance with the provisions of Clause 8 of this Code, or in accordance with the SEBI Insider Trading Regulations; or
- 5.1.2 advise any person to Trade in the Securities while being in possession, control or knowledge of UPSI. For avoidance of any doubt, it is clarified that "advice" shall mean to include recommendations, communications or counselling.

#### 5.2 Further, all Designated Persons and their Immediate Relatives shall be subject to the Trading restrictions enumerated below:

- 5.2.1 The Company shall specify a Trading period, called "Trading Window", for Trading in the Company's Securities. Subject to Clause 5.2.4 below, the time for commencement of closing of Trading Window shall be decided by the Compliance Officer.
- 5.2.2 The Trading Window shall be closed, inter alia, during the time the information referred below is not Generally Available Information:
  - a. approval of financial results;
  - b. declaration of dividends;
  - c. change in capital structure;
  - d. mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; and
  - e. changes in Key Managerial Personnel.
- 5.2.3 The Trading Window shall also be closed when the Compliance Officer determines that a Designated Person or class of Designated Persons is reasonably expected to be in possession of UPSI.
- 5.2.4 Without prejudice to generality of the foregoing, Trading is not permitted during the following periods:
  - a. In respect of financial results, from the first day of the month following the respective calendar quarter (March / June / September / December), as the case may be until expiry of 48 hours from the time the results are communicated to the stock exchanges.
  - b. In respect of other events, the period as the Managing Director and Chief Executive Officer of the Company may advise the Compliance Officer from time to time.

5.2.5 All Designated Persons of the Company shall conduct all their dealings in the Securities of the Company only in a valid Trading Window, in compliance with Clause 6 and Clause 7 of this Code and shall not deal in the Company's Securities during the periods when Trading Window is closed or during any other period as may be specified by the Company from time to time. Further, the Trading Window shall be applicable to any person having a contractual or fiduciary relationship with the Company, including its auditors, accountancy firms, law firms, etc., assisting or advising the Company.

**Note:** Trading window norms shall not be applicable for the trades carried out in accordance with an approved trading plan.

## **6. PRE-CLEARANCE OF TRADES:**

- 6.1 All Designated Persons and their Immediate Relatives, who intend to deal in the Securities of the Company during the period when the Trading Window is open, should pre-clear the transaction(s) irrespective of the value as per the pre-dealing procedure as described hereunder. No Designated Persons shall apply for pre-clearance of any proposed Trade if such Designated Person is in possession of UPSI even if the Trading Window is not closed. It is clarified that it is the responsibility of the Designated Persons to obtain approvals in respect of Trades proposed to be conducted by them or their Immediate Relatives.
- 6.2 An application may be made in the prescribed Form, to the Compliance Officer indicating the estimated number of Securities/ the value of the Securities that the Designated Person intends to deal in, the details as to the depository with which he has a security account, number of Securities held by him in physical and depository mode and such other details as may be required by the Company in this regard.
- 6.3 An undertaking shall be executed in favour of the Company by such Designated Person incorporating, inter alia, the following clauses, as may be applicable:
- That the Designated Person/ his or her Immediate Relative does not have any access to or has not received up to the time of signing the undertaking any "Unpublished Price Sensitive Information" which has remained unpublished and is not Generally Available in the public domain.
  - That in case the Designated Person/ his or her Immediate Relative has access to or receives Unpublished Price Sensitive Information after the signing of the undertaking but before the execution of the transaction, he/she shall inform the Compliance officer of the change in the position and that he/she or his/her Immediate Relative would completely refrain from dealing in the Securities of the Company till the time such information becomes Generally Available.
  - That he/she or his/her Immediate Relative has not contravened this Code.
  - That he/she has made a full and true disclosure while applying for clearance to Trade.
  - That the Compliance Officer shall have regard to whether the above declaration is reasonably capable of being rendered inaccurate.

## **7. OTHER RESTRICTIONS:**

- 7.1 All Designated Persons and their Immediate Relatives shall execute their Trade in respect of Securities of the Company within 7 trading days after the approval of pre-clearance is given, or a period of less than 7 trading days, in the event the Trading Window closes, prior to expiry of the period of 7 trading days. If the Trade is not executed within 7 trading days (or such shorter period, as applicable) after the approval is given, the Designated Person

must pre-clear the transaction again stating the reason for not completing the Trade. In the event the period between the date of the approval and commencement of closure of Trading Window is less than 7 trading days then the said transaction shall be executed within such lesser period.

- 7.2 Compliance Officer shall either clear the requested deal or decline to clear the same within 7 trading days of receipt of the request in the prescribed form or such shorter period in the event the trading window is due to be closed prior to 7 trading days of receipt of the request. In case of declining, the reasons for the same shall be recorded by the Compliance Officer.
- 7.3 In case the Compliance Officer or any of his / her Immediate Relative wishes to Trade in the Securities of the Company, he / she should get the Trade pre-cleared by the Board of Directors of the Company, or any committee of the Board or a specified Director to which the Board of Directors has delegated such authority under a board resolution, and all provisions of the pre-clearance as would be applicable to a Designated Person shall be applicable to the Compliance Officer.
- 7.4 Designated Persons and their Immediate Relatives shall not enter into an opposite transaction viz., sell or buy as the case may be for a period of six months following the previous transaction. Further, they shall also not take any position in derivative transactions in the Securities at any time.

Note: Restrictions of Contra Trade shall not apply in respect of trades carried out by Designated Persons in accordance with an approved trading plan, participation in buy back offers, open offers, rights issues, FPOs, bonus issues, exit offers exercise of stock options etc., of the Company

- 7.5 The Compliance Officer is empowered to grant relaxation from the strict application of the Contra Trade restriction after recording the reasons in writing, provided such relaxation does not violate the SEBI Insider Trading Regulations.

## 8 TRADING PLANS:

Any Insider is entitled to formulate a Trading Plan enabling him/her to trade in Securities of the Company, in a compliant manner (“Trading Plan”). The Compliance Officer will review the Trading Plan to assess whether the plan potentially violates the SEBI Insider Trading Regulations. The Trading Plan, once approved by the Compliance Officer will be notified to the stock exchanges where the Securities of the Company are listed.

### **Trading Plan shall:**

- 8.1 not entail commencement of Trading on behalf of the Insider earlier than six months from the public disclosure of the Trading Plan;
- 8.2 not entail Trading for the period between twentieth Trading Day prior to the last day of any financial period for which results are required to be announced by the Company and the second Trading Day after the disclosure of such financial results;
- 8.3 entail Trading for a period of not less than twelve months;
- 8.4 not entail overlap of any period for which another Trading Plan is already in existence;
- 8.5 set out either the value of Trades to be effected or the number of Securities to be Traded along with the nature of the Trade and the intervals at, or dates on which such Trades shall be effected; and
- 8.6 not entail Trading in Securities for market abuse.

The Compliance Officer shall be entitled to seek express undertakings necessary for the assessment, approval and implementation of the Trading Plan. Once approved, the Trading Plan will be irrevocable and the Insider will be required to mandatorily implement the Trading Plan and will not be entitled to deviate from it or to execute any Trade outside the scope of the Trading Plan.

Trading plan to state either the value of the trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or the dates on which such trades shall be executed. Implementation of an approved Trading Plan shall not commence if any UPSI in possession of the Insider at the time of formulation of the Trading Plan is not Generally Available at the time of commencement of the implementation of the Trading Plan. The Compliance Officer may defer the commencement of the Trading Plan until such UPSI becomes Generally Available.

## **9. REPORTING REQUIREMENTS FOR TRANSACTIONS IN SECURITIES:**

The following disclosures are required to be made by the Designated persons, their Immediate Relatives and by any other person for whom such person is taking Trading decisions.

The disclosures of Trading in Securities shall also include Trading in derivatives of Securities and the Traded value of the derivatives shall be taken into account for purposes of Clause 9, provided that Trading in derivatives of Securities is permitted by any law for the time being in force.

### **9.1 Initial Disclosure**

Every person on appointment as a Key Managerial Personnel or as a Director of the Company or upon becoming a Promoter, member of the promoter group shall disclose his/her holding of Securities of the Company as on date of the appointment or becoming a Promoter, to the Company / Compliance Officer within seven (7) days of such appointment or becoming a Promoter in Form B. Designated Persons are also required to make the initial disclosure within the said period of seven (7) days of their appointment/ designation as a designated person of the Company in Form B.

In case of any change, the concerned Designated Person shall forthwith give a notice in writing of such changes to the Compliance Officer.

Designated persons are required to disclose, the names of educational institutions from which they have graduated and names of their past employers.

The above timelines are also subject to the timelines prescribed by SEBI for system driven disclosures from time to time.

### **9.2 Continual Disclosures**

Disclosure of Securities of the Company acquired or disposed of by a Promoter, member of the promoter group, Designated person and Director of the Company, will be made, in case the value of Securities so Traded, whether in one transaction or a series of transactions over a calendar quarter, aggregates to a Traded value in excess of Rs.10 lakhs (Rupees Ten lakhs) or such other value as may be specified, within two (2) Trading Days of such transaction in Form C. Particulars of such Trading shall be reported by the Company to the stock exchanges on which Securities are listed within two (2) Trading Days of receipt of the disclosure or becoming aware of such information.

It is clarified for the avoidance of doubts that the disclosure of the incremental transactions after any disclosure under this Clause, shall be made when the transactions effected after the prior disclosure given in a calendar quarter cross the threshold specified above.

The Company may, at its discretion require any other Connected Persons or a class of Connected Persons to make disclosures of holdings and Trading in Securities of the Company in such form and at such frequency as may be determined by the Company in order to monitor compliance with these Regulations in Form D as prescribed in SEBI circular dated 9<sup>th</sup> February, 2021 or as may be amended from time to time.

The Compliance Officer shall maintain records of all the declarations received in the prescribed forms for a minimum period of five years.

The Compliance Officer shall place before the Board of the Company, on a quarterly basis, all the details of the dealing in the Company's Securities by Designated Persons. The above report will also include reporting of pre-clearances not granted; decisions taken not to Trade after securing pre-clearances.

Designated persons are required to disclose names and Permanent Account Number, or any other identifier authorized by law of the following persons to the company on an annual basis and as and when the information changes;

- a. immediate relatives
- b. persons with whom such designated person(s) shares a material financial relationship
- c. Phone, mobile and cell numbers which are used by them

Explanation:

The term "material financial relationship" shall mean a relationship in which one person is a recipient of any kind of payment such as by way of a loan or gift during the immediately preceding twelve months, equivalent to at least 25% of such payer's annual income but shall exclude relationships in which the payment is based on arm's length transactions

Any off-market inter-se trades between insiders shall be reported by the insiders to the company within two working days (Threshold of Rs. 10 Lakhs shall not be applicable for off-market inter-se transfers i.e. all off-market transfers shall be reported to the Company within 2 trading days.)

#### **10. CODE OF FAIR DISCLOSURE AND CONDUCT:**

The code of practices and procedures for fair disclosure of UPSI to be followed in the Company is provided in Annexure.

#### **11. POLICY AND PROCEDURE FOR INQUIRY IN CASE OF LEAKAGE OF UPSI:**

The Policy and procedure for inquiry in case of leakage of UPSI or suspected leakage of UPSI is provided as Annexure A.

#### **12. PENALTY FOR CONTRAVENTION OF THE CODE:**

12.1 Any Designated Person who Trades in the Company's Securities or communicates any information for Trading in Securities, in contravention of this Code or the SEBI Insider Trading Regulations, may be penalised and appropriate action may be taken by the Company. The Company shall inform SEBI promptly in the event that there is any violation of the SEBI Insider Trading Regulations by any person who is subject to this Code.

12.2 Designated Persons who violate this Code shall also be subject to disciplinary action by the Company, which would be determined by the Managing Director. The penalty may include warning, wage freeze, suspension, recovery, clawback, termination, ineligibility for future participation in employee stock option plans, etc.

12.3 Should a contra trade be executed, inadvertently or otherwise, in violation of the restriction imposed in this Code, the profits from such trade shall be liable to be disgorged for remittance to SEBI for credit to Investor Protection and Education Fund administered by SEBI under the Act.

12.4 The action by the Company shall not preclude SEBI from taking any action in case of violation of the Regulations.

### **13 INFORMATION TO SEBI IN CASE OF VIOLATION OF SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015:**

In case it is observed by the Company/Compliance Officer that there has been a violation of the Regulations, by any Designated Person, SEBI will be informed by the Company of such a violation.

### **14 COMMUNICATIONS:**

This Code will be uploaded in the Intranet of the Company. The Code of Fair Disclosure will be uploaded on the website of the Company. This Code will be disseminated to all Designated Persons who shall abide by the same. The responsibility for complying with the provisions of the Regulations shall vest with each Designated Person including any violation by their Immediate Relatives.

Every amendment to the Code of Fair Disclosure shall be promptly intimated to the stock exchanges where the Securities of the Company are listed.

The Compliance Officer can be contacted for any clarification/ assistance in relation to this Code.

### **15 INTERPRETATION OR CLARIFICATION:**

In case any difficulty or doubt arises in the interpretation of this Code, the matter shall be referred to any two Directors and their decision shall be final and binding. If the issue involves any act or matter involving the Chairman, the Chairman of the Audit Committee shall decide upon such issue.

### **16. DISCLAIMER:**

This Code is the internal policy of the Company to prevent Designated Persons and Connected Persons who are considered by the Company to be Insiders of the Company for the purposes of the SEBI Insider Trading Regulations, from Trading while in possession of UPSI. It is however the responsibility of each Designated Person and Connected Person to ensure compliance with the provisions of the SEBI Insider Trading Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any Designated Person or Connected Person, of the SEBI Insider Trading Regulations or other related laws.

### **17. REVIEW:**

The Compliance with the provisions of these SEBI Insider Trading regulations shall be reviewed periodically by the internal auditors of the Company. The Audit Committee shall also review compliance with the provisions of these SEBI Insider Trading regulations at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively.

### **18. OTHERS:**

18.1 The Managing Director is authorized to make minor modifications to this Code which would remove ambiguities, enhance clarity on the provisions of the Code etc. Any major modification to the Code will require authorization by the Board.

18.2 Where the Company engages a service provider who is a Connected Person, the head of the department at the Company which engages such Connected Person is responsible for communicating the requirements of this Code to such Connected Person and verify whether such Connected Person has a similar code of conduct applicable to its employees to prevent such persons from misusing UPSI of the Company, as well as the efficacy of implementation of such code by those Connected Persons.

- 18.3 Protection shall be available for any employee who files a Voluntary Information Disclosure Form, irrespective of whether the information is considered or rejected by SEBI, or he or she is eligible for a Reward under SEBI Insider Trading Regulations, against any discharge, termination, demotion, suspension, threats, harassment, directly or indirectly or discrimination, by reason of:
- 18.3.1 filing a Voluntary Information Disclosure Form under these regulations;
  - 18.3.2 testifying in, participating in, or otherwise assisting or aiding the Board in any investigation, inquiry, audit, examination or proceeding instituted or about to be instituted for an alleged violation of insider trading laws or in any manner aiding the enforcement action taken by the Board; or
  - 18.3.3 breaching any confidentiality agreement or provisions of any terms and conditions of employment or engagement solely to prevent any employee from cooperating with the Board in any manner.
- 18.4 ‘Employee’ for the purpose of this clause means any individual who during employment may become privy to information relating to violation of insider trading laws and files a Voluntary Information Disclosure Form under SEBI Insider Trading Regulations and is a director, partner, regular or contractual employee, but does not include an advocate.



## Annexure

### **POLICY GOVERNING THE PROCEDURE OF INQUIRY IN CASE OF ACTUAL OR SUSPECTED LEAK OF UNPUBLISHED PRICE SENSITIVE INFORMATION**

#### **1. PURPOSE**

The Policy is framed to lay down the procedure for inquiry in case of any leak, actual or suspected, of the Unpublished Price Sensitive Information (“UPSI”) of Universal Sampo General Insurance Company Limited, in pursuance of Regulation 9A(5) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (‘SEBI Insider Trading Regulations’), as amended by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 for initiating appropriate action on becoming aware of such leak and for informing the Securities and Exchange Board of India promptly of such leaks, inquiries and results of such inquiries.

#### **2. DEFINITION OF CERTAIN TERMS**

2.1 ‘Leak of UPSI’ shall refer to such act/circumstance(s) by virtue of which an UPSI is made available or becomes available, by any means or mode to any person other than person(s) authorized by the Board or Chief Investor Relations Officer after following the due process prescribed in this behalf in the Code of Practices for Fair Disclosure of the Company and/or under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or SEBI (Prohibition of Insider Trading) Regulations, 2015 and any amendment, re-amendment or re-enactment thereto before its official publication or announcement or formal circulation in public domain including a purported attempt thereof.

2.2 ‘All terms used herein shall have the same meaning as defined under the Company’s Code of conduct for regulating, monitoring and reporting of trading by Designated Persons in securities of the Company.

#### **3. OBJECTIVES:**

The objectives of the Policy are:

- 3.1 To strengthen the internal control system to prevent leak of UPSI;
- 3.2 To restrict and prohibit sharing of UPSI, with an unauthorized person, which originates from within the Company and which affects the market price of the Company’s securities as well as loss of reputation and investors’/ stakeholders’ confidence in the Company;
- 3.3 To have a uniform code to curb unethical practice of sharing UPSI by Insiders, Employees and Designated Persons with any person, firm, company or body corporate;
- 3.4 To initiate inquiry in case of leak of UPSI or suspected leak of UPSI and inform the same to SEBI promptly; &
- 3.5 To take disciplinary action, if deemed fit against any Insiders, Employees & Designated Persons found guilty of violating the Policy apart from any other action, as appropriate, that SEBI may initiate/take against the Insiders, Employees & Designated Persons.

#### **4. RESPONSIBILITY OF CHIEF INVESTOR RELATIONS OFFICER**

4.1 The Chief Investor Relations Officer shall be responsible to (i) Oversee the compliance of this Policy; (ii) Report any incidents of actual or suspected leak of UPSI to the Enquiry Committee; (iii) Instruct and facilitate the Compliance Officer in reporting incidents of actual or suspected leak of UPSI to SEBI; (iii) Instruct and facilitate the Compliance Officer in communicating incidents of actual or suspected leak of UPSI to the Stock Exchanges; &

(iv) Perform such other responsibilities and actions as the Board may require him to do, from time to time, under this Policy or the Code of Practices for Fair Disclosure of the Company.

4.2 The Chief Investor Relations Officer shall be authorized to seek such information from the Insiders, Employees and Designated Persons as may be required to ensure or verify compliance with this Policy and the SEBI Insider Trading Regulations and to give such permissions or approvals as are specified in this Policy.

## **5. RESPONSIBILITY OF COMPLIANCE OFFICER**

5.1 The Compliance Officer shall be responsible to (i) Facilitate the Chief Investor Relations Officer in ensuring the compliance of this Policy; (ii) Report the incidence of actual or suspected leak of UPSI to SEBI; (iii) Communicate the incidents of actual or suspected leak of UPSI to the Stock Exchanges; (iv) Co-ordinate with the Chief Investor Relations Officer in facilitating disclosure of the relevant facts of the incidence of actual or suspected leak of UPSI to the Enquiry Committee; & (v) Perform such other responsibilities and actions as the Board may require him to do, from time to time, under this Policy or the Code of Practices for Fair Disclosure of the Company.

5.2 The Compliance Officer shall assist the Insiders, Employees and Designated Persons in addressing any clarifications regarding the SEBI Insider Trading Regulations and this Policy.

5.3 In the absence of the Compliance Officer for any reason, any senior officer, reporting to the Board or the Managing Director, who is financially literate and is capable of appreciating requirements for legal and regulatory compliance, shall carry out the responsibilities of the Compliance Officer as required under this Policy and the Regulations.

## **6. CONSTITUTION OF ENQUIRY COMMITTEE**

6.1 The Company has constituted an Enquiry Committee to look into and handle allegation of actual or suspected leak of UPSI.

The Enquiry Committee shall consist of at least 3 (three) Members viz., the Chief Investor Relations Officer, the Compliance Officer and the Chief Financial Officer.

6.2 If the issue involves or if any allegation is made against any of the members of the Enquiry Committee, then the matter shall be referred to the Audit Committee for investigation.

6.3 The Enquiry Committee is responsible:

- a. To conduct a preliminary enquiry to ascertain the truth contained in the information or complaint pertaining to actual or suspected leak of UPSI, if any;
- b. To authorize any person, if required, to collect necessary support material;
- c. To consider the facts and circumstances and decide / direct on the matter;
- d. To decide on the disciplinary action thereon; &
- e. To consider such other matter(s) as may be required by the Board.

## **7. PROCEDURE FOR ENQUIRY INTO ACTUAL OR SUSPECTED LEAK OF UPSI**

7.1 The Enquiry Committee shall follow the below procedure in enquiring or investigating any actual or suspected leak of UPSI, on becoming aware of an actual or suspected leak of UPSI, on its own or otherwise, by any Promoter, Director, Key Managerial Person, Insider, Employee, Designated Person or any other person:

### **7.1.1 Take cognizance of the matter:**

Within a period of 7 (seven) working days of becoming aware of an incident of actual or suspected leak of UPSI, the Enquiry Committee shall meet to take cognizance of the matter and decide on the following:

- a. If it finds the allegation to be frivolous or not maintainable or not within the scope, then to dismiss the same, or
- b. If it finds the matter requires further investigation, to initiate a preliminary enquiry thereon.

#### 7.1.2 **Conduct a preliminary enquiry and investigation:**

The purpose of conducting a preliminary enquiry is to ascertain the truth or otherwise of the allegations contained in the information or complaint, if any, and to collect necessary available material in support of the allegations, and thereafter to decide whether there is justification to embark on action as may be warranted.

In order to initiate/conduct an enquiry to collect the relevant fact, material substances on actual or suspected leak of UPSI, the Enquiry Committee may, if required, appoint/authorise the Chief Investor Relations Officer or any other person(s), as it may deem appropriate, to initiate/conduct an enquiry to collect the relevant facts, material substances on the actual or suspected leak of UPSI. Within 4 working days of its decision to conduct a preliminary enquiry based on the merits of the case, the Committee shall write to the complainee intimating the details of the complaint requesting him or her to give a written representation within 4 working days of the receipt of the letter.

On receipt of the written representation, the Committee shall proceed to investigate the matter and for such purpose may consult such persons, whether internal or otherwise, as they may feel expedient in this regard.

During the course of the investigation, the committee may call for additional information as they may deem fit.

If no representation is received from the complainee within the stipulated time, the Committee shall issue a notice to the complainee asking him to show cause as to why the company should not initiate disciplinary proceedings as applicable against him/her.

#### 7.1.3 **Action:**

Upon receipt of the response to show cause or if no response is received, then based on its investigation report the Enquiry Committee shall decide on appropriate disciplinary action against the persons(s) found to be guilty in the matter. The action of the Committee may include but not be limited to warning, wage freeze, suspension, ineligibility for future participation in ESOP, recovery and termination.

### **8. INTERPRETATION OR CLARIFICATION**

In case any difficulty or doubt arises in the interpretation of this Policy, the matter shall be referred to the Chief Investor Relations Officer and his/her decision shall be final and binding.

### **9. DISCLAIMER**

This Policy is the internal policy of the Company to provide for the procedure for inquiry in case of any actual or suspected leak of UPSI. It is however the responsibility of each Insiders, Employees & Designated Persons to ensure compliance with the provisions of the SEBI Insider Trading Regulations and other related laws. The Company shall not be responsible or liable for any violation or contravention by any of the Insiders, Employees & Designated Persons of the SEBI Insider Trading Regulations and other related laws.

## 10. OTHERS

- 10.1 The Chairman of the Board is authorized to make minor modifications to this Policy which would remove ambiguities, enhance clarity on the provisions etc. Any major modifications to the Policy however will require prior authorization by the Board.
- 10.2 Where the Company engages a service provider who is a Connected Person, the head of the department at the Company, which engages such Connected Person is responsible for communicating the requirements of this Policy to such Connected Person and verify whether such Connected Person has a similar Policy applicable to its employees to prevent such persons from misusing UPSI of the Company, as well as the efficacy of implementation of such Policy by those Connected Persons.

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