

## **Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information**

### **1. Preamble**

In line with Regulation 8(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("**Insider Trading Regulations**"), set forth is this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("**Code**") for Canara HSBC Life Insurance Company Limited ("**Company**").

This Code is being framed in furtherance of the Insider Trading Regulations, with an aim to ensure timely and uniform disclosure of UPSI (as defined below) and the manner in which it shall be disseminated to investors on immediate and regular basis.

This Code will be applicable to the Company with effect from filing of the Red Herring Prospectus with the Securities and Exchange Board of India ("**SEBI**") and the stock exchanges.

### **2. Insiders and Unpublished Price Sensitive Information**

2.1. "**Insider**" means any person who is:

- a connected person (as defined under the Insider Trading Regulations); or
- in possession of or having access to unpublished price sensitive information.

2.2. "**Unpublished Price Sensitive Information**" or "**UPSI**" means any information, relating to the Company or its securities, directly or indirectly, that is not generally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 Company's securities and shall, ordinarily including but not restricted to, information relating to the following:

- Financial Results
- Dividends
- Changes in capital structure
- Mergers, de-mergers, acquisitions, delisting, disposals, and expansion of business, award or termination of orders/contracts not in the normal course of business and such other transactions
- Changes in Key Managerial Personnel, other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor
- change in rating(s), other than ESG rating(s)
- Fund raising proposed to be undertaken
- Agreements, by whatever name called, which may impact the management or control of the Company
- fraud or defaults by the Company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad
- Resolution plan/restructuring or one-time settlement in relation to loans/borrowings

- from banks/financial institutions
- Admission of winding-up petition filed by any party/creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection thereof under the Insolvency and Bankruptcy Code, 2016
- Initiation of forensic audit, by whatever name called, by the company or any other entity for detecting mis-statement in financials, misappropriation/siphoning or diversion of funds and receipt of final forensic audit report
- Action(s) initiated or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the Company or its directors, key managerial personnel, promoter, in relation to the Company
- Outcome of any litigation(s) or dispute(s) which may have an impact on the company
- Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the Company not in the normal course of business
- Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
- Any other matter as may be prescribed by the board of directors of the Company ("**Board**") or Chief Executive Office and Managing Director or Chief Financial Officer or Chief Investor Relations Officer.

For the purpose of this Clause 2.2:

- a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.
- b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("**LODR Regulations**").
- c. For identification of events enumerated in this Clause as UPSI, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the LODR Regulations as may be specified by the SEBI from time to time and materiality as referred at paragraph B of Part A of Schedule III of the LODR Regulations shall be applicable.

### 3. **Chief Investor Relations Officer**

- i. The Chief Financial Officer of the Company shall be the Chief Investor Relations Officer ("**CIRO**") for the purpose of this Code. The CIRO shall be responsible for dissemination of information and disclosure of UPSI in accordance with the Insider Trading Regulations. For the purpose of disclosure, the CIRO may consult such officials within the Company to ensure the correctness and credibility of the UPSI.
- ii. All communications of UPSI with the stock exchange shall be approved by the CIRO and communicated through appropriate personnel after his/her authorisation.
- iii. The CIRO shall authorise disclosure or dissemination of UPSI: (1) by way of intimation to the stock exchanges; (2) on the website of the Company; and (3) in any other manner as may be decided by the CIRO to facilitate uniform and universal dissemination of UPSI.

- iv. The CIRO shall also be responsible for overseeing the contents of UPSI to be published on the website of the Company for the purposes of this Code and shall give appropriate directions for the publication of the same. No other person shall be authorised to publish any UPSI in the absence of any directions from the CIRO.
- v. Disclosure/ dissemination of UPSI should normally be approved in advance by the CIRO.
- vi. In the temporary absence of the CIRO for any reason whatsoever, the Managing Director and Chief Executive Officer shall nominate any other senior official of the Company to be responsible for authorizing dissemination of information and disclosure of UPSI.

#### **4. General obligations and guidelines for preservation and disclosure of UPSI**

- i. The Company shall promptly disclose UPSI that would impact price discovery as soon as credible and concrete information comes into being, in order to make such information generally available.
- ii. The UPSI shall be uniformly and universally disseminated and due care will be taken to avoid selective disclosure. In case the UPSI gets disclosed selectively, inadvertently or otherwise, prompt steps shall be taken to make such UPSI uniformly available.
- iii. All UPSI shall be handled on a need-to-know basis and in accordance with the provisions of the Insider Trading Regulations and any other applicable codes, policies and procedures of the Company.
- iv. Information to be termed UPSI shall be specific and intended to be generally made available at a point of time to ensure it does not lead to creation of a false market in securities of the Company.
- v. Under certain circumstances, the Company may keep material information as specified under the Regulations confidential, for a limited period of time, because immediate disclosure may compromise certain strategic business opportunities of the Company or may not be due to third-party confidentiality restrictions or uncertainty of events, or the event has still not fully concretized. The Company shall procure that the persons in possession of such material information shall maintain confidentiality in compliance with the Insider Trading Regulations. The determination of when to disclose such material information shall be made by the Managing Director & CEO or in his/ her absence by the Chief Financial Officer along with Company Secretary.

#### **5. Information to be shared on a need-to-know basis**

All employees, directors and Insiders of the Company are required to ensure that handling of all UPSI, including onward communication, is done on a need-to-know basis and in line with the Code or any other applicable codes, policies and procedures of the Company.

Directors/ employees shall not discuss the matters or developments regarding the Company which in any way relate to UPSI with any other persons, except that are required to be disclosed in performance of his or her duties or under applicable laws or regulations or in legal proceedings.

To protect UPSI, the directors/ employees of the Company:

- shall not discuss UPSI in public places where UPSI may be overheard (e.g., elevators, restaurants, airplanes, taxicabs) or participate in, host or link to Internet chat rooms, online social networking sites, newsgroup discussions or bulletin boards which discuss matters pertaining to the Company's activities or its securities;
- shall not carry, read or discard UPSI in an exposed manner in public places;
- shall advise the other persons with whom they are meeting where UPSI may be disclosed, before the meeting, that they must not divulge the UPSI; and
- Shall not deal in the securities of the Company until the UPSI is publicly disclosed.

## **6. Sharing of information with analysts and research personnel**

- i. The Company shall ensure that any information shared with analysts and research personnel is not UPSI and is generally available. Alternatively, the information shared shall simultaneously be made public on a non-discriminatory basis.
- ii. The CIRO shall also develop best practices to make available transcripts or records of proceedings of meetings with analysts and other investor relations conferences on the official website of the Company to ensure official confirmation and documentation of disclosures made.

## **7. Responding to Market Rumors**

The Company shall not comment, affirmatively or negatively, on market rumours. Should a stock exchange or any regulatory authority request that the Company make a definitive statement in response to a market rumour that is causing significant volatility in the securities of the Company, the CIRO, who in consultation with Managing Director & CEO or in his/ her absence the Company Secretary shall consider the matter and content of the Company's response and take appropriate steps.

## **8. Sharing of UPSI for legitimate purpose**

The UPSI may be shared by an Insider(s) only in furtherance of the legitimate purpose(s) which shall include the following, in each case, subject to compliance with the Insider Trading Regulations:

1. Sharing of UPSI in the ordinary course of business by any Insider with existing or proposed

partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants.

2. Sharing of UPSI where such communication is in furtherance of performance of duty(ies);

3. Sharing of UPSI for discharge of legal obligation(s).

4. Sharing of UPSI for any other genuine or reasonable purpose as may be determined by the CISO of the Company.

5. Sharing of UPSI for any other purpose as may be prescribed under applicable laws / rules / regulations from time to time

Provided that such sharing should not be carried out to evade or circumvent the prohibitions of Insider Trading Regulations. Further, the nature of information being shared shall be commensurate to the purpose for which access is sought to be provided to the recipient (i.e., on a need-to-know basis).

Notwithstanding the above, other provisions / restrictions as prescribed under the Insider Trading Regulations or any other law for the time being in force in this behalf, as may be amended from time to time, shall be observed.

Any person who is in receipt of UPSI for a “Legitimate Purpose” shall be considered as an “Insider” for purposes of this Code and due notice shall be given to such person(s) to maintain confidentiality of such UPSI and shall refrain from trading/ dealing in securities of the Company, whether directly or indirectly, while in possession of UPSI.

## **9. Digital Database**

A structured digital database shall be maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons or entities as the case may be with whom information is shared along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. In compliance with the Insider Trading Regulations, such database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

## **10. Restrictions on communication and trading by insiders**

The Company shall inform the recipient of UPSI, by way of written intimation and/ or contractual agreement, such as confidentiality agreement, that (i) the information being shared is UPSI and that the Company is the exclusive owner of such UPSI; (ii) upon receipt of UPSI, the recipient would be deemed to be an Insider and subject to the provisions of the Insider Trading Regulations, (iii) the recipient must maintain confidentiality of the UPSI at all times, (iv) the recipient may use the UPSI only for the approved purposes for which it was disclosed; (v) the recipient should provide a written undertaking that he/she/it shall not undertake trades in the

securities of the Company while in possession of the UPSI; and (vi) the recipient must extend all cooperation to the Company, as may be required in this regard.

## **11. Publication and Disclosure**

This Code shall be published on the website of the Company. Further, this Code and every amendment thereto shall be promptly intimated to the stock exchanges where the securities of the Company are listed.

## **12. Review**

The Code shall be approved by the Board of Directors on the recommendation of Audit Committee and reviewed annually, or as frequently as may be prescribed under the applicable laws or as may be prescribed by the Board.

In case any amendments or clarifications are issued by the relevant regulatory authorities which are not consistent with the provisions laid down under this Code, then such amendments clarifications, etc. shall prevail and this Policy shall stand amended to that extent. Necessary changes to the Policy will be presented and incorporated in the immediate next meeting of the Audit Committee/ Board.

*Note: Words not defined herein shall have the meaning as per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.*