



Century Insurance

A Lakson Group Company

Proposed Whistleblowing Policy

(Under the Code of Corporate Governance for Listed
Companies, 2019
&
The Code of Corporate Governance for Insurers, 2016)

INTRODUCTION:

A company's best defense against corporate theft continues to be the maintenance of a business environment that promotes a sense of integrity through a strong code of conduct and management's attention to compliance with internal controls.

"Whistle blowing" is the term used to describe the option available to an employee to raise concerns about workplace wrongdoing, fraud or unethical behaviors. Whistle blowing is becoming a corporate code because the cost of silence is too high.

UN-ETHICAL BEHAVIOR AT WORK PLACE

Fraud in corporate setting includes misstating expenses, false billing, forgery of documents or signatures and embezzlement. Whereas following are some examples of unethical behavior:

- Sharing of company information which is confidential and may benefit a competitor
- Abusive usage of electronic communication
- Operating a separate business that hinders individual's commitment to job responsibilities
- Accept a payment or service from vendor in exchange for a favor
- Any kind of corporate theft

TYPES OF FRAUD / WRONG DOING / UN-ETHICAL BEHAVIOR

Fraud affecting an organization generally falls within one of three categories.

- Management Fraud, which involves senior management's intentional misrepresentation of financial statements or theft or improper use of company resources.
- Employee Fraud, which involves non-senior employee theft or improper use of company resources
- External Fraud, which involves theft or improper use of resources by people who are neither management nor employee of the company.

REASONS OF WRONGDOING / FRAUD/UN-ETHICAL BEHAVIOR

Multiple Researches have proved that following are some major factors which play a vital role in likelihood of fraud and wrongdoing at workplace:

- Economic downturn and mounting pressure on employees
- Conflict of Interests
- Employee dual roles
- Apparent Conflicts

REACTION OF EMPLOYEES AGAINST UN-ETHICAL BEHAVIOR

When an employee discovers unethical, immoral or illegal action at work, the employee makes a decision about what to do with this information. If an

employee is concerned about some wrong doing or risk in the workplace that threatens the business or other employees, he/she has four options:

- Stay Silent
- Below the whistle internally
- Below the whistle externally
- Leak the information anonymously

REASONS OF EMPLOYEE'S SILENCE

Silence is the option of least risk for an individual employee who came across wrongdoing in the workplace and is the default option for many reasons. Without guidance and reassurance on what to do, it is understandable that most employees will stay silent. Employees don't speak up due to following four reasons:

- Fear of retaliation
- Belief that nothing will be done
- Fear that identity will be revealed
- Not wanting to make waves or get others in to trouble

WHO CAN BE THE WHISTLE BLOWER?

Protecting the growth of any business, including ours, means that it every single employee's responsibility to perform their specific job with the highest level of commitment. We cannot overlook unethical behavior. Our employee are the ones

who raise the issues, or “blow the whistle” on suspected misconduct involving significant business practice issues.

In order to prevent and detect fraud and other misconduct from occurring at Century Insurance Company Limited the company relies on employees to be the eyes and ears of the company. Fraud can be discovered through many resources, including employees, vendors and others. Reporting illegal and/or unethical workplace conduct on the part of a co-worker, manager or supervisor is always the right thing to do. It includes every employee’s obligation to do the right thing in reporting unethical behavior or misconduct, which often has the result of stunting or hampering the growth of our business.

WHAT IF FRAUD DISCOVERED?

If fraud is discovered or there is a reasonable basis to believe that fraud may have occurred, an investigation must be undertaken. Any employee who has committed a fraud will be terminated.

GOLDEN ARCHES CODE FOR WHISTLE BLOWERS

Century Insurance is committed to providing a workplace conducive to open communication by asking questions and raising issues, even when doing so might be difficult. Courage is something we all admire. Century Insurance acknowledged the courage demonstrated when others look away or choose to do nothing.

Century Insurance management wants to help the employees act with integrity to prevent risks and make better decisions when confronted with difficult situations. Our policy of non-retaliation not only promotes sense of integrity but also protects our faithful people from backfire.

CENTURY INSURANCE POLICY OF NON-RETALLATION

Century's policy of Non-Retaliation ensures that no matter our role, employee accountability shall always be encouraged, and those who report good faith, their concerns shall be protected throughout the life of our business. This policy states that:

“Century's prohibits retaliations against employees who:

- Provide information about unethical behavior or cause information to be provided
- Act in good faith with reasonable belief that the information provided is true
- Assists in an investigation

The term “Retaliation” includes:

- Discharge or layoff
- Demotion
- Denial of overtime or promotion
- Harassment or threats
- Denial of benefits

- Failure to hire or rehire
- Intimidation
- Reassignment affecting prospects for promotion
- Reduction in pay or hours

HOW YOU CAN HELP?

Under the Century's Standard of Business Conduct, every employee is expected to be diligent and ethical in the performance of his/her work. And have the right to expect the same from other employees and company management. Employees shall keep an eyes on what is going on around them and speak up when observe any improper or unethical activity.

Century's employees are expected to use their best judgement to act, at all times and in all ways, in the best interest of the company. Employees shall do their best to avoid following scenario whenever possible.

Conflict of Interest

Conflicts of interest have the potential to impact many individual, particularly those in position in which objectivity and integrity are of the utmost importance. Some common conflict of interest includes self-dealing, outside employment, family interests, gifts personal relationship etc. If your relationship with a customer, supplier, competitor, business partner or other employee ever interferes with your objective business judgement, avoid such relationship. Never solicit or accept money, loans, credits or prejudicial discounts, gifts,

entertainments, favors or services from our present or potential clients that might influence or appear to influence your decisions.

Conflict of Roles

Someone with two different roles may experience situation where those roles are at odds. You are expected to avoid such situation where you face any peculiar conflict between any of yours roles.

Sharing of Confidential Information

We all have the sense of what confidential information is. It is the information that belongs to the company or individual that could be harmful to the company or individual if disclosed improperly. When dealing with confidential information, whether it belongs to you or to Century's take steps to ensure that the confidentiality is maintained.

The best way to keep a secret will always be simple: don't tell anyone. If you must share a secret, disclose as little as necessary to achieve the business objective.

Misuse of Electronic Communication

Computers and internet are a part of everyday life that is usually taken for granted. It is important for each of us to remember that electronic communication can create significant risk to employee, through loss of productivity, possible breaches in security, and even extending to possible sexual

harassment suits which may result from others being subjected to inappropriate conduct while at work. Century's has always reserved the right to review all activity that takes place on our network. While we do not review individual email or other communication without cause, regular scan of the activity on our network are conducted to identify prohibited conduct and potential problems. If there is any doubt as to the appropriateness of any content, employees must refrain accessing, viewing, or downloading it while using Century's networks, systems or equipment.

IN CONCLUSION

Century's employees are expected to use their best judgement to act, at all times and in all ways in the best interest of the company. Employees shall do their best to avoid conflicts of interest whenever possible.

If any employees believe that he/she has been the subject of retaliation or want to share any, underwriting, compliance or ethics related concerns, including concerns regarding accounting, Claims, Controls or auditing matters, confidentially or anonymously shall contact HR Department or CEO of Company.