



# Policy for Determination of Materiality for Events/ Information and Disclosure thereof to the Stock Exchange

September 2022

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## **1. Introduction**

Regulation 30 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations), requires SBI Life Insurance Company Limited (“the Company”) to frame a policy for determination of materiality for disclosure of events or information to Stock Exchanges, based on the criteria specified in the said Regulation and the events/information that would be disclosed would be as presently prescribed by SEBI vide circular CIR/CFD/CMD/4/2015 dated September 9, 2015 and as would be amended from time to time.

### **1.1 Purpose**

The purpose of this policy is as follows:

- a. To ensure that the Company complies with the disclosure obligations to which it is subject as a publicly traded company as laid down by the Listing Regulations
- b. To ensure that the information disclosed by the Company is timely and transparent
- c. To ensure that the corporate documents and public statements are accurate and do not contain any misrepresentation
- d. To protect the confidentiality of materiality / price sensitive information within the context of the Company’s disclosure obligations
- e. To provide a framework that supports and fosters confidence in the quality and integrity of information released by the Company
- f. To ensure uniformity in the Company’s approach to disclosures, raise awareness and reduce the risk of selective disclosures

### **1.2 Scope**

The policy shall be called the “Policy for Determination of Materiality for events / information and Disclosure thereof to the stock exchange” which outlines the basis for determining ‘Materiality of an event and/or Information’, for making disclosures under Regulation 30 of the Listing Regulations to the stock exchanges.

This Policy shall be read together with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information formulated and adopted by the Company to lay down the procedures and practical guidelines that would be followed by the Company for the consistent, transparent, regular and timely public disclosure and dissemination of Unpublished Price Sensitive information.

### **1.3 Review and approval of the policy**

The policy will be reviewed by Board Audit Committee and will be recommended to the Board of Directors for approval, at least annually or as and when required.

## **2. Policy Requirements**

### **2.1 Determination of materiality of event and / or information**

An event and/ or information shall be considered material if the omission of which is likely to result in discontinuity or alteration of event or information already available publicly; or if the omission of an event or information is likely to result in significant market reaction, if the said omission came to light at a later date.

## **2.2 Authority for determining materiality of event and / or information**

The Chief Financial Officer or failing him any Key Managerial Personnel (KMP) authorised by the Managing Director will be authorised to determine the materiality of an event or information and for the purpose of advising on the disclosure to the stock exchanges.

## **2.3 Disclosures of events or information to stock exchanges**

The events or information which will be necessary to be disclosed to the Stock Exchanges are given below:

### **2.3.1 Events whose disclosure is mandatory and which would need to be disclosed without any application of the test/guidelines for materiality.**

The below events will be disclosed as soon as reasonably possible and not later than twenty four hours from the occurrence of event or information except for events stated in item (iv) below which shall be disclosed within thirty minutes of the conclusion of the Board Meeting. In case the disclosure is made after twenty four hours of occurrence of the event or information, the rationale for the delay will be provided along with such disclosures.

- i. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), or sale or disposal of any division(s) or subsidiary of the Company or any other restructuring. Acquisition would mean where the Company acquires direct or indirect control or where the Company acquires five percent or more of the shares/voting rights of any company or where the Company holds five percent or more of the share of any company, any further change in such shareholding occurs to the extent of two percent or more.
- ii. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
- iii. Revision in Rating(s).
- iv. Outcome of meetings of the board of directors: The Company shall intimate to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider or decide the following:
  - dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
  - any cancellation of dividend with reasons thereof;
  - the decision on buyback of securities;
  - the decision with respect to fund raising proposed to be undertaken;
  - increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
  - reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or

manner of new shares or securities or any other rights, privileges or benefits to subscribe to;

- short particulars of any other alterations of capital, including calls;
- financial results;
- decision on voluntary delisting by the listed entity from stock exchange(s)

The intimation of outcome of meeting of the board of directors will contain the time of commencement and conclusion of the meeting.

- v. Agreements (viz. shareholder agreement(s), joint venture agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/ treaty (ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- vi. Fraud/ Defaults by promoter or key managerial personnel of the Company or arrest of key managerial personnel or promoter.
- vii. Change in directors, key managerial personnel, Auditor and Compliance Officer.
  - A. In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges as soon as possible but not later than twenty four hours of receipt of such reasons from the auditor.
  - B. Resignation of Independent Director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:
    - i. Detailed reasons for the resignation of independent directors as given by the said director shall be disclosed by the listed entities to the stock exchanges.  
Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.
    - ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided
    - iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the detailed reasons as specified in the sub-clause (i) above.
- viii. Appointment or discontinuation of share transfer agent.
- ix. Corporate debt restructuring, if any done for the Company.
- x. Issuance of notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.
- xi. Proceedings of annual and extraordinary general meetings of the listed entity along with prescribed details.
- xii. Amendments to memorandum & articles of association of listed entity in brief.
- xiii. Schedule of analyst or institutional investor meet and presentations on

financial results made by the listed entity to analysts or institutional investors. Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the Prescribed manner.

- xiv. Events in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
- xv. Initiation of Forensic audit

The KMP authorised under this Policy will determine on the disclosure of events or information to the Stock Exchanges based on the application of the test of materiality as mentioned above. In addition to this, the KMP while determining the materiality will do on a case to case basis depending on specific facts/ circumstances relating to the information/ event and apply such other qualitative/ quantitative criteria if required and as may be deemed appropriate to the event.

**2.3.2 The following shall be events / information of which the Company shall make disclosure to the stock exchange(s) upon application of the guidelines for materiality as specified in the Policy**

- i. Commencement or any postponement in the date of commencement of commercial operations of any unit/division.
- ii. Change in the general character or nature of business brought about by arrangements for strategic, technical, manufacturing, or marketing tie-up, adoption of new line(s) of business or closure of operations of any unit/division (entirety or piecemeal).
- iii. Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts, not in the normal course of business.
- iv. Product launch
- v. Agreements (viz. loan agreement(s) (as a borrower) or any other agreement(s) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.
- vi. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
- vii. Effect(s) arising out of change in the regulatory framework applicable to the Company.
- viii. Litigation(s)/dispute(s)/regulatory action(s) with impact.
- ix. Frauds/defaults by directors (other than key managerial personnel) or employees of the Company. IRDAI has laid down regulatory framework for all insurance companies with respect to reporting of frauds.
- x. Options to purchase securities (including any Share Based Employee Benefit (SBEB) Scheme) at the time of instituting the scheme and vesting or exercise of options.
- xi. Giving of guarantees or indemnity or becoming a surety for any third party other than in the ordinary course of business.
- xii. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals

- xiii. Any other event which is in the nature of major development that is likely to affect business of the Company
- xiv. Any other information exclusively known to the Company which may be necessary to be disseminated to enable the holders of the securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

The Company will disclose all events or information with respect to subsidiaries which are material from the perspective of the Company.

## **2.4 Disclosures on Website**

The Company shall disclose on its website all such events or information which has been disseminated to the Stock Exchanges under this Policy and such disclosures shall be hosted on the website of the Company.

## **2.5 Responsibility**

The KMP authorised under this Policy will review the Policy from the perspective of the Listing Regulations and determine the events/information for disclosure as may be amended by SEBI from time to time. All such amendments will be informed to the Board and the approval of the Board will be sought to align the policy in line with the SEBI Listing Regulations.

## **3. Record keeping**

All documents shall be preserved for a period as specified in the applicable regulations and as per Board approved Record Maintenance and Document Retention Policy.

## **4. Appendices**

### **4.1 Definitions**

- 4.1.1 “Key Managerial Personnel”** for the purpose of Listing Regulations means the Managing Director & CEO, Chief Financial Officer and Company Secretary of the Company.
- 4.1.2 “Listing Regulations”** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including subsequent modifications issued to the same from time to time.
- 4.1.3 “Stock exchange”** means the Bombay Stock exchange limited and National Stock exchange of India or any other recognized stock exchanges where the securities of the Company are listed.