

Star Health and Allied Insurance Company Limited

Environmental Social & Governance

(ESG) Policy Framework - 2026

Version 3



Document Summary

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Revision History

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1.0	27 th Sep 2023	Environmental Social & Governance (ESG) Policy Framework	HR	EXCOM	BOARD
2.0	28 th Jan 2025	Environmental Social & Governance (ESG) Policy Framework	ESG Team	Corporate Social Responsibility Committee	BOARD
2.1	29 th Apr 2025	Environmental Social & Governance (ESG) Policy Framework	ESG Team	Corporate Social Responsibility Committee	BOARD
3	28 th Apr 2026	Environmental Social & Governance (ESG) Policy Framework	ESG Team	Corporate Social Responsibility Committee	BOARD

Revision Details

Change reference	Change details	Date
1.0	New Policy Created	Sep 27 th 2023
2.0	Added roles and responsibilities of the Committee Members Added a Board Governance Section	Jan 28 th 2025
2.1	Added company secretary to committee members	Apr 29 th 2025
3	Added Head Investor Relations to committee members	Apr 28 th 2026

1. INTRODUCTION

As India's largest private sector health insurance company, at Star Health and Allied Insurance Co Ltd (hereinafter referred as "our", "SHAI" or "the Company"), we have always stayed strong in our commitment to positively impact the environment, our customers, employees, and the community at large. Our core values guide our ESG practices, which seek to drive growth and empower communities through our corporate decision-making processes. ESG is an area of heightened focus and investment for SHAI and has changed its outlook towards the business.

Long-term business sustainability requires addressing ESG aspects, considering impacts on employees, workers, customers, and communities. Trust, transparency, and accountability are essential for business performance. Health insurers play a crucial role in building resilience and protection. SHAI is committed to sustainable and responsible business practices, integrating ESG considerations to identify risks and opportunities for long-term value.

As an organization, our aim is to align ESG approach (ESG Framework basis Global reporting initiative and Corporate Sustainability Assessment DJSI) with our strategic goals and the experience we seek to offer to all stakeholders. ESG is an area of heightened focus and investment for us and has changed our outlook towards business.

2. Applicability

The policy shall apply to all the applications to all the entities (internal & external stakeholders) of SHAI including the Board of Directors.

3. Policy Governance

To further strengthen our vision and focus on ESG, we have established an Environmental Social & Governance (ESG) committee, comprising of senior leadership members to support the Company's ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, corporate governance and sustainability as relevant to the Company. The ESG Committee also works on improving the Company's ESG disclosures to effectively demonstrate our ESG commitment to our stakeholders.

The Board of Directors shall be responsible for monitoring all ESG initiatives of the Company. The MD & CEO is authorized to constitute/re-constitute a management level ESG committee comprising of three or more senior members across major functions at SHAI for identifying and implementing ESG related initiatives. ESG Committee at the executive level shall comprise of the following six members and they shall be permanent members of the Committee:

- Chief Human Resource Officer – Chairperson of the Committee
- Chief Operating Officer
- Chief Financial Officer
- Head- Investor Relations
- Chief Risk Officer
- Company Secretary

Members of the Committee will be invited to all its scheduled meetings. The Committee may also involve non-permanent members in discussions by referring relevant matters to them. Non-permanent members will be invited to meetings where the matters referred to or topics related to their respective function, are being discussed.

This ESG policy framework will serve as a guiding document for all ESG initiatives and activities undertaken by the Company. The framework will be reviewed and updated every year after ratification by the Board.

Roles and Responsibilities of Committee Members:

Chief Human Resource Officer	Focuses on workplace policies, including the Code of Conduct, Human Rights, Gender Diversity, Diversity and Inclusion and Stakeholder Engagement. Sets measurable targets and identifies opportunities for continuous improvement in reducing emissions, optimizing energy consumption, and minimizing water and waste footprints. Actively promotes employee awareness and training on ESG principles.
Chief Operating Officer	Drives sustainable operations by embedding eco-friendly practices into daily processes and enhancing operational efficiency in alignment with ESG objectives. Ensures that underwriting processes incorporate comprehensive risk analysis and systematically evaluate ESG factors, including environmental and social risks, for potential exposures.
Chief Financial Officer	Ensures adherence to governance standards as outlined in the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, and IRDAI-Corporate Governance Guidelines 2016, along with any amendments. Oversees the financial governance framework, ensuring ESG-related investments and expenditures are aligned with compliance and long-term organizational goals.
Head Investor Relations	Integrates ESG considerations into the company's overall strategic planning and ensures their alignment with business objectives. Oversees the development and execution of robust ESG reporting frameworks, improving ESG disclosures to effectively showcase the company's commitment to sustainability and accountability to stakeholders.
Chief Risk Officer	Plays a critical role in integrating ESG risks, particularly climate-related risks, into the organization's comprehensive risk management framework. Identifies, monitors, and mitigates ESG-related risks across operational, financial, and reputational domains. Develops strategies to build resilience against environmental and social disruptions while ensuring compliance with global ESG risk standards and frameworks. Actively collaborates with other functional heads to embed risk awareness in ESG initiatives.
Company Secretary	Acts as an independent body providing guidance and expert inputs on all ESG-related matters. Ensures that board decisions on ESG policies and practices are effectively implemented and aligned with regulatory and stakeholder expectations.

SHAI has established a dedicated ESG team, who is in charge of overseeing the activities of overall implementation of sustainability initiatives while coordinating with individual departmental heads. Further the ESG Team will head the quarterly meetings and report on identified Environmental & Social criticality to the board members and investors. The team will work collaboratively to identify and implement best

practices, driving continuous improvement in our environmental, social, and governance performance. Regular meetings will be held to review progress, address challenges, and adapt strategies as needed. This structured approach ensures that our ESG efforts are both effective and transparent, fostering a culture of sustainability throughout the organization. Report to the Board the implementation and progress of the ESG initiatives on a periodical basis, at least once in a quarter.

3.1 Board Governance

The Board of Directors will oversee the company's ESG committee and the ESG framework to ensure a focused and strategic governance approach. The CSR Committee will review, approve, and monitor the integration and implementation of ESG initiatives, ensuring alignment with the company's sustainability objectives and compliance with applicable regulatory requirements.

The CSR Chairperson will play a pivotal role in driving ESG leadership by ensuring that sustainability goals are embedded into the company's decision-making processes. This includes periodic evaluations of ESG performance, providing guidance on material ESG risks and opportunities, and ensuring transparency in ESG reporting to stakeholders.

This governance structure will foster accountability at all levels of the organization, strengthen ESG integration across functions, and drive long-term sustainable value creation for all stakeholders.

4. Approach

To further strengthen our vision and focus on ESG, we have established an Environmental Social & Governance (ESG) committee, comprising of senior leadership members to support the Company's ongoing commitment to environmental stewardship, health and safety, corporate social responsibility, corporate governance and sustainability as relevant to the Company. The ESG Committee also works on improving the Company's ESG disclosures in order to effectively demonstrate our ESG commitment to our stakeholders.

ENVIRONMENTAL	SOCIAL	GOVERNANCE
The environmental component ensures that our business consumes environmentally responsible resources and consumes only as much as is moderately needed.	The social component addresses the need to invest in employees, service providers, customers and community engagement, a framework of relationships that protects the company from unexpected shocks.	The Governance component encompasses business integrity, corporate governance practices, internal controls, effective decision-making systems, compliance with the law, and the demonstration of trust and transparency in governance matters. It involves an examination of the company's internal functioning.

5. Focus Areas

a. Climate Change Strategy

Energy & Emission	Waste
The Company shall in its strategy to combat climate change and transitioning to a low carbon economy, we will strive to reduce our carbon footprint by taking on initiatives to monitor and reduce our energy consumption. The Company's initiatives will be aimed at: ■ Incorporating energy efficient building designs where applicable ■ Implementing automated energy management solutions to reduce energy consumption ■ Retrofitting existing high energy consuming devices and equipment to maximize performance while consuming less electricity ■ Incorporating energy efficiency at our data centres, by reducing server rack space, using Lithium ion batteries in UPS devices and use ozone friendly refrigerants for cooling.	The Company shall make efforts to dispose waste in the most responsible manner. Electronic waste generated by the company will continue to be disposed through authorized personnel. The company will ensure that no waste is sent from the company to the landfill. The company is conscious of paper usage in its operations, transactions and customer communications. The Company will go digital across service and product lines will continue to reduce paper consumption, thereby reducing paper waste. Printing and photocopying operations by employees across large offices will also continue to be monitored and regulated in order to reduce wastage of paper. The company will strive to reduce the use of all forms of plastic in its offices, branches as well as in its promotional, marketing and outreach events.
Water conservation	Fuel
The Company shall strive to reduce water wastage and shall conserve water by adopting best practices and by creating awareness.	The Company shall strive to create awareness amongst employees on usage of fuel and encourage them to utilize fuel efficient methods for travel.

b. Environmental & Social Risk Management in Insurance Sales:

We are cognizant of our environmental and social risks in our business and hence, proactively evaluate these risks as part of our customer appraisal process.

The Company shall ensure responsible advertisements of its services and products and will not resort to unfair trade practices.

c. Procurement Practices:

The company recognizes the need to work closely with our suppliers to reduce waste, improve efficiency, reduce carbon footprint and engage with them to understand their commitment towards human rights and

labour practices. We will thus continue to work towards greater integration of environmental & social considerations in our procurement practices. The company will make efforts to procure products which are:

- Recycled
- Environment friendly
- Energy efficient
- Locally sourced including MSMEs

The company will also set clear expectations with vendors and suppliers to abide by labour laws, human rights and applicable regulations in their regions of business. They are expected to adhere to laws addressing child, forced or trafficked labour.

d. Workforce and Employment Practices

Non-Discrimination & Fair Treatment	SHAI employees are central to everything we do and satisfaction of our employees is critical to the long-term success of the company. We will provide fair and equal employment and advancement opportunities to all its employees and there will be no discrimination based on race, caste, color, age, sex, disability and socio-economic status of the candidate. We ensure a fair recruitment process that helps us identify and hire people with the right values, who are then groomed, encouraged and retained through a combination of financial and non-financial incentives.
Remuneration and career progression.	The company will continue to create an inclusive culture to ensure representation across gender, caste, creed, religion, region, physical ability and military/ veteran status. The Company is making structured efforts on gender diversity initiatives. The percentage of women in our workforce is at 27% and we aspire to increase this percentage to 30% by 2025. The Company will strive to provide such welfare measures for retaining employees who return from parental leave.
Employee Health & Well-being	The Company is committed to continuing to take steps to promote a safe and conducive work environment for its employees and will provide guidance on occupational health and safety, appropriate healthcare benefits and medical cover to all its employees. The Company will continue to conduct regular health check-up.
Ethics & Governance	Our commitment is to uphold the utmost standards of Integrity, ethics, transparency, and accountability consistently. We will conduct ourselves with responsibility and adhere to good governance practices.
Code of Conduct	The Company has mechanisms to deal with issues related to inhumane treatment including mental or physical coercion or verbal abuse, sexual harassment, sexual abuse, slavery, of employees. This is guided by the Code of Conduct and Ethics, an internal document available to all employees. The Company's Conduct Regulations also define good corporate practices, financial transactions & personal account dealings, Professional Code of conduct and management action that will continue to promote a complaint workplace culture.

Women Safety	The Company has a Zero tolerance Policy on Prevention of Sexual Harassment at Workplace, and an Internal Complaints Committee (ICC) is in place that investigates cases of sexual misconduct and investigates a fair and transparent process and takes action against erring employees. The Company will continue to promote and protect the well-being of all women employees, especially women who are required to work after office hours due to business requirements.
Valuing and being responsive to all stakeholders	We prioritize showing respect and responsiveness to all our stakeholders. Regular engagement helps us understand their concerns and needs. We aim to promptly address internal and external grievances and incorporate feedback into our business processes to foster positive change.
Training & Development	The Company recognizes the importance of having a skilled workforce with necessary competencies to deliver on the Company's strategic and operational plans through well-structured training modules to assist in job-specific development as well as personal development of the employees. The Company is committed towards providing an environment that is conducive and promotes training and development opportunities to all employees. Periodic training and updates on ESG are provided to all employees, especially the ESG committee members.
Grievance Redressal	The Company will strive to address the grievance of the employees as per the Grievance Redressal procedure for employees in a fair and transparent manner.

e. Our Customers:

We recognize that maintaining the trust and regard of our customers is important for our success and longevity, in a fiercely competitive market. Through our digital platforms and initiatives, we will provide our customers, the flexibility to access and consume our services over any digital platform of their choice. We recognize that product quality and service delivery is vital for our business growth. The Company seeks to achieve this by regularly reviewing service levels and capturing feedback from internal & external customers.

Abiding by the Customer Privacy policy, the Company will continue to treat customers' data with utmost sensitivity and privacy. The Company will also undertake initiatives to combat cybercrime and data theft by means of a comprehensive mechanism of information and data security.

The Company has established grievance redressal mechanism as prescribed by IRDAI for redressing customer grievances.

f. Community & Society:

Guided by our board governing Corporate Social Responsibility (CSR) policy, the Company will continue to create value for marginalized communities in the country, through well-structured programs and interventions.

g. Transparency & Accountability to Stakeholders:

By means of the Whistle Blower policy, the Company will continue to empower and encourage various stakeholders including employees, customers, suppliers, vendors, shareholders and other stakeholders to bring to the notice of the Company, any issue involving compromise / violation of our code of conduct / ethical norms, legal or statutory provisions without fear of reprisal, retaliation, discrimination or harassment. CHRO receives and addresses these concerns by initiating a thorough enquiry conducted by the appropriate authoritative body within the company.

h. Good Governance practices:

We are committed to maintaining the highest levels of corporate governance and our goal is to foster a culture of compliance, ethics, integrity, honesty, professionalism, respect, transparency, and accountability across Star Health. We have proactively upheld good governance practices and are constantly striving to enhance our standards. Our Board of Directors are responsible for setting the course for, and evaluating the company's performance with regards to corporate governance. The parameters of evaluation include compliance, internal controls, risk management, information and cyber security, customer service, social & environmental responsibility.

The Company's corporate governance framework complies with the Indian companies Act, 2013, the regulations and guidelines of the Securities and Exchange Board of India ("SEBI") and the requirements of the listing agreements with the Stock Exchanges, the Insurance Act 1938, Regulations and guidelines issued by IRDAI and all other applicable statutes.

We will continue to adopt and adhere to the best recognized corporate governance practices and are continuously bench-marking itself with best in class practices across the globe.

6. Community & Society

The Company shall continue to create value for marginalized communities in the country, through well-structured programs and interventions. In alignment with this commitment, the Company shall focus on various initiatives designed to empower underserved groups, fostering their economic and social progress. These efforts shall be driven by the following principles:

Tailored Services: The Company shall recognize and address the unique needs of diverse communities. By developing services that are tailored to meet these distinct requirements, the Company shall contribute to enhancing the financial well-being of underserved groups.

Engagement and Collaboration: The Company shall actively engage with external partners and stakeholders to extend its reach and develop initiatives that align with the aspirations of the communities it serves. This collaborative approach shall help identify opportunities for mutual growth and progress.

Client-Centric Approach: The Company shall remain dedicated to providing services that are respectful and responsive to the needs of its clients within these communities. By doing so, the Company shall not only build trust but also encourage the utilization of services that promote economic advancement.

Sustainable Impact: The Company shall design its community-focused initiatives for sustainable, enduring impact. Addressing critical issues such as access to financial services, education, and livelihood opportunities, these initiatives shall contribute to the long-term well-being of underserved individuals and families.

Ethical Practices: Upholding ethical practices shall be a guiding principle for the Company's commitment to social responsibility. The Company shall ensure that all its initiatives, including those aimed at financial inclusion, adhere to the highest standards of integrity and respect.

Through the diligent execution of these initiatives, the Company shall foster an environment in which underserved communities have increased access to opportunities and resources that can significantly enhance their lives. The Company's emphasis on building partnerships and delivering targeted services shall enable the achievement of positive, lasting change, thereby contributing to the development of a more inclusive and equitable society.

7. Compliance and Reporting

ESG Disclosures & Reports: The Company shall ensure that the Business responsibility and Sustainability Report (BRSR) forms part of the published Annual Report every year as prescribed under SEBI (LODR) Regulations, 2015. Further, the Company shall continue to disclose ESG information in relevant ESG indices and forums to demonstrate its commitment to stakeholders.

Independent Third Party Assurances on ESG Disclosures: The Company will strive to achieve KPIs under BRSR Core and obtain assurance as required under the SEBI regulations. Further, the Company shall continue to seek third party assurance on its ESG disclosures to demonstrate credibility of publicly available information.

8. Periodic Review

The policy shall be reviewed at least once annually and more frequently, where required, to ensure it remains up to date, relevant and aligned with the evolving landscape of social media platforms and user behaviour.