

Star Health and Allied Insurance Company Limited

GIFTS, MEALS & ENTERTAINMENT POLICY

Version 1.0

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Revision Details

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1.0	New Policy Created	Sept 20, 2023
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A. INTRODUCTION

At Star Health and Allied Insurance Co. Ltd. we recognize the importance of fostering positive relationships with clients, partners, and colleagues while maintaining the highest standards of professionalism and ethical conduct. This policy serves as a guide to ensure that all employees understand the appropriate guidelines and boundaries when it comes to offering or accepting gifts, arranging meals, and engaging in entertainment activities within and outside our company. By adhering to this policy, we aim to promote transparency, integrity, and fairness in all business interactions.

B. DEFINITION

For the purpose of this policy, the following terms shall carry the following meaning assigned to them:

- a) **Gift:** The term “gift” refers to an item or service given or received without expecting anything in return, usually as a gesture of appreciation, goodwill, or celebration. Gifts can include tangible items such as merchandise, gift cards, or promotional items, as well as intangible items like tickets to events or experiences.
- b) **Meal:** A meal can vary in terms of the time of day, formality, and setting. A meal includes breakfast, lunch, dinner, or snacks. It could be at a restaurant, at work, or during social events.
- c) **Entertainment:** Entertainment refers to activities or events that are designed to provide amusement, enjoyment, or diversion to individuals or groups of people. It involves various forms of entertainment, such as performing arts, visual arts, film and television, music, shows, games, sports and recreational activities, or any other similar form of engagement
- d) ***The nominal value as defined in the policy means an amount not exceeding Rs 5000/-***

C. APPLICABILITY

This policy is applicable to all the employees, including full-time, part-time, temporary, and contract workers, as well as interns, of Star Health and Allied and Insurance Co. Ltd.

D. PERMISSIBLE GIFTS

Permissible gifts of nominal value that shall be allowed under this policy are

- a) **Promotional items:** Items bearing company’s logo or branding, such as pens, keychains, calendars, etc.
- b) **Tokens of appreciation:** Small and inexpensive gifts given to show gratitude, such as coffee mugs, personalized stationery, desk accessories, etc.
- c) **Business-related books**
- d) **Gift cards:** Prepaid gift cards of modest value issued by or secured from reputable stores or restaurants
- e) **Event tickets:** Tickets to cultural events, sports games, or conferences that have a reasonable value and align with the recipient's interests.
- f) **Company-sponsored experiences:** Participation in team-building activities, workshops, or professional development events organized by the company, directed specifically at the company’s customers / potential customers, distributors, or agents, especially those that help in increasing the sales / revenue of the company.

Likewise, employees of the company may be the recipient of such experiences sponsored by the company's vendors to influence the promotion of / increase in vendor sales within the company.

Following are the rules and restrictions regarding gifts:

- a) **Monetary Value Limit:** The maximum value of gifts that can be given or received, either per gift or aggregated over a year would be within the nominal value defined by the company from time to time.
- b) **Permissible occasions:** The acceptable occasions for giving or receiving gifts are holidays, birthdays, work anniversaries, festivals or special occasions.
- c) **Approval process:** Approval should be sought from Department Head for giving or receiving gifts above the nominal value. Each such gift received should also be reported to the CHRO / CRO.

E. MEALS AND ENTERTAINMENT

We recognize that meals and entertainment play a role in building relationships, fostering goodwill, and conducting business. Therefore, reasonable and appropriate expenditures on meals and entertainment are permitted when they serve a legitimate business purpose and align with our company's values.

- a) **Monetary Value Limit:** The maximum value of meals and/or entertainment that can be given or received, either per or aggregated over a year should be within the nominal value.
- b) **Business-Related Meals:** Meals provided to clients, customers, vendors, or business partners may be reimbursed when they are directly related to the promotion, marketing, or development of our services. The cost of these meals should be reasonable and customary within the industry and should be documented with the date, location, attendees, and purpose.
- c) **Entertainment Expenses:** Entertainment expenses, such as tickets to shows, concerts, or sporting events, may be incurred if they are directly related to business discussions, negotiations, or relationship-building activities. These expenses must be reasonable and proportionate to the business objective and should be properly documented with the purpose, date, location, attendees, and business relationship.
- d) **Compliance and Approval:** All meals and entertainment expenses must comply with applicable laws, regulations, and industry standards. In addition, any expenses above a nominal value require pre-approval from an authorized manager or department head.

F. PROHIBITED ACTIVITIES

Following activities are prohibited under this policy:

- a) **Extravagant gifts:** Certain types of gifts are explicitly prohibited, such as cash, extravagant or lavish gifts, personal items, or gifts that could be perceived as bribes/inducements to increase sales of the sponsor of such gifts
- b) **Excessive or lavish spending:** This may include extravagant meals, high-priced entertainment events, or excessive alcohol consumption.
- c) **Personal expenses:** Using company funds/ resources for personal expenses unrelated to business purposes is prohibited. This includes personal meals, personal entertainment, personal gifts, personal social gatherings or events and other non-business-related activities
- d) **Conflicts of interest:** Engaging in meals or entertainment activities with individuals or organizations that could potentially create a conflict of interest or compromise the impartiality of business decisions.
- e) **Inappropriate activities:** Any activities that are considered unethical, illegal, or violate the company's code of conduct or are generally seen to be against public policy, are prohibited. This may include activities such as

gambling, engaging in illegal substances, or participating in activities that may be deemed offensive or discriminatory.

- f) Violation of laws and regulations: Participating in activities that are in violation of applicable laws, regulations, or industry-specific guidelines is prohibited. This may include activities such as bribery, kickbacks, or other forms of corruption.

G. Return of Gifts

If an employee receives a gift, they are required to return it within 10 days. However, if returning or refusing the gift could harm the business relationship with the giver, the employee and their department head may accept it after getting approval from the CHRO. In such cases, the employee must hand over the gift to the CHRO for appropriate action. CHRO has the authority to decide whether to raffle the gift at a Star Health party, donate it to a local charity, or dispose of it in another way.

H. Transparency and Records

. Employees should retain original receipts and record the relevant details in our expense management system to ensure proper accounting and substantiation for auditing purposes, including any payments made to Public Sector Companies, Public Servants, Government Companies, or charitable foundations.

I. DISCLOSURE REQUIREMENTS

Employees should disclose to the HR Department within a period of 10 days regarding any gifts, meals or entertainment given or received that exceed the nominal value to ensure transparency and prevent conflicts of interest, including the date, location, purpose, attendees, total cost, and any additional relevant information. Employees are also required to submit supporting documents such as receipts or invoices along with expense report.

J. REPORT AN ISSUE:

Star Health emphasizes the significant role of its employees in conducting business with the utmost ethics, honesty, and integrity.

If employees come across any inappropriate gift payments, provision of meals and entertainment, or any indications of policy violations around him, they are encouraged to report their concerns through to the HRBP or write us at whistleblower@starhealth.in. The HR Team will then follow the prescribed procedure of investigation as outlined in the Whistleblower Policy.

K. CONSEQUENCES OF NON-COMPLIANCE

In case of non-compliance or violation of the policy, disciplinary action will be taken including, but not limited to, reprimands, warnings, fines, termination, or legal action if applicable as per the internal Company Policies.

L. Training and Awareness:

The Company shall conduct regular training sessions to educate employees about this policy, its importance, and the consequences of non-compliance.

M. 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.