

Business Responsibility & Sustainability Policy

Bajaj Allianz General Insurance Co. Ltd.

April 2021

A. INTRODUCTION

Bajaj Allianz General Insurance Company Limited (BAGIC / the Company) is an insurance company carrying on all lines of general and health insurance business.

Bajaj Finserv Limited (BFS) is the holding Company with 74% shareholding and Allianz SE holds 26% shareholding. Being part of the Bajaj group – one of the oldest and the most respected business houses in India and having Allianz SE, one of the world's largest financial services group, as co-promoter, the Company recognizes that its responsibility and accountability is not limited only to its investors from a financial perspective but also to the society at large.

For sustainable development, the management continues its efforts to strike a balance between the economic, social and environmental performance in dealing with various stakeholders of the Company, namely investors, customers, government, regulators, value chain partners, employees and the society as a whole.

B. SCOPE AND PURPOSE OF THE POLICY:

This Policy lays out the guiding principles, besides serving as a statement of intent, towards achieving a judicial balance between economic, social and environmental commitment to its stakeholders and the society at large. This Policy also reiterates the Company's commitment to abide by the applicable principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs ("NVGs") while conducting its business, to the extent applicable.

The Company shall endeavor to impress upon its partners to participate in the Business Responsibility initiatives depending upon their means and resources.

The Company has enlisted some of its policies, codes, etc. (Refer Annexure A) which aid in conduct of its business practices / activities in line with the Key Principles set out in this Policy.

C. AUTHORITY AND RESPONSIBILITY:

This Policy may be reviewed and amended from time to time in line with the any regulatory requirements as well as changes in Company's intent and business environment / eco-system. All material changes to this Policy will be placed before the Board for approval. Implementation of this

Policy shall be supervised by an executive committee comprised of the Senior Employees of the Company.

D. EFFECTIVE DATE

This Policy shall be effective from the date of approval by the Board.

E. KEY PRINCIPLES:

The Company shall conduct its business activities in line with the following Key Principles which are broadly based on the Principles envisaged in the NVGs, to the extent applicable in the interest of social set up, environmental and governance framework:

Principle 1: Business should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable

- The Company shall ensure appropriate governance structures, procedures and practices for ethical conduct at all levels.
- The Company shall, to the extent considered necessary and permitted by regulations, ensure transparent communication and access to relevant information about its decisions that impact relevant stakeholders keeping in mind the need to protect confidential competitive plans and information.
- The Company shall not engage in practices that are abusive, corrupt or anti-competitive under applicable laws.
- The Company shall truthfully discharge its responsibility on financial and other mandatory disclosures.
- The Company shall be a good corporate citizen by promoting social welfare activities and strive to promote sustainability and minimize the adverse impact of Company's business operations on the environment.
- The Company shall not practice discrimination based on age, sex, color, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals unrelated to the individual's suitability for the job and ability to perform work.
- The Company shall maintain accounts and records which reflect the true and fair picture of the Company's business activities in compliance with accepted accounting principles and standards for financial reporting.

- The Company's dealings with its customers shall be professional, fair and transparent. Customers' right to privacy in relation to their personal data is respected and such data shall be safeguarded in accordance with applicable laws.
- The Board members and employees shall ensure and take all reasonable measures to protect the confidentiality of non-public information about the Company, its business, customers and other materially significant information obtained or created in connection with any activities with the Company and to prevent the unauthorized disclosure of such information unless required by applicable laws, regulatory process or for any other legitimate purpose.
- The Board members and employees of the Company shall always act in the interest of the Company and ensure that any business or personal association does not create conflict of interest with their roles and duties in the Company.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

- The Company being in insurance business neither has consumption of raw material or produce any tangible goods, hazardous or otherwise. The Company shall however continuously look for opportunities to reduce its own carbon footprint to the extent it does not compromise its obligations to its customers or support of a national policy.
- The Company shall make efforts to firstly minimize waste, including e-waste, and also dispose waste in a responsible manner, including through authorized recyclers.
- The Company understands that its employees and customers can play a major role in reducing the environmental impact and thus shall create awareness regarding its various initiatives having a positive environmental impact. The Company shall engage with its employees and encourage them to adopt environment friendly practices.
- The Company shall make efforts to create a work culture and take such initiatives that work towards the conservation of the environment.

Principle 3: Businesses should promote the wellbeing of all employees

- The Company is committed to create a thriving, safe and inclusive workplace for all its employees. To achieve this, it drives various employee engagement initiatives.
- The Company shall provide equal opportunities at the time of recruitment as well as during employment, irrespective of age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals, which are best

suited to the individual's ability to perform the related work and the Company's requirement, thereby presenting an opportunity to the individual to excel and grow.

- The Company shall prohibit use of child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The Company shall ensure timely payment of wages, as per applicable labour laws.
- The Company shall take cognizance of work-life balance of all its employees and shall seek to provide appropriate facilities for the employee well-being.
- The Company shall keep the workplace environment safe, hygienic and humane, upholding the dignity of the employees.
- The Company shall ensure continuous upgradation of skill and competence of employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. It shall promote career development through human resource departments interventions.
- The Company shall create a harassment free workplace with due systems and practices in place for employees to feel safe and secure while discharging their responsibilities.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders

- The Company understands the impact of its policies, decisions, products & services and associated operations on the stakeholders. In line with its policies, practices and processes, the Company engages with its stakeholders and strives to resolve differences with them in a just, fair and equitable manner
- The Company shall help, encourage and engage with its customers in fair, equitable and consistent manner.
- The Company shall make its products available to all qualified applicants without discrimination and treat all customers consistently and fairly.
- The Company through its Corporate Social Responsibility (CSR) policy shall continue to drive initiatives towards the benefit of disadvantaged, vulnerable and marginalized stakeholders.
- The Grievance Redressal Policy of the Company and the feedback mechanism available to assess the service levels and other complaints shall follow the spirit laid down herein.

Principle 5: Businesses should respect and promote human rights

- The Company appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights. The Company shall strive to percolate these values, through its policies, at all levels in the organization.

- The Company shall always strive to integrate respect for human rights in management systems, wherever applicable. Access to Grievance redressal mechanisms shall be ensured for all individuals whose human rights are impacted by the Company or its operations.
- The Company shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace. The Company shall endeavor to promote the awareness and realization of human rights across the value chain and not complicit in human rights abuses by a third party.

Principle 6: Business should respect, protect and make efforts to restore the environment

- The Company being in insurance business neither has consumption of raw material or produce any tangible goods, hazardous or otherwise. The Company shall, however, facilitate adherence to the principle of respecting, protecting and restoring the environment.
- The Company shall promote ecological sustainability and green initiatives by adopting energy saving mechanisms and sensitizing employees to reduce carbon footprint of the Company through initiatives like tree plantation activities, proper disposal of waste, promote use of recycled items, adopt and follow environment friendly practices and the like.
- The Company shall take initiatives towards utilization of natural and manmade resources in an optimal and responsible manner.
- The Company shall encourage using electronic methods of communication within and outside offices and discourage use of paper to make a positive difference. The Company shall strive to promote culture of e-meetings to reduce travel, eventually leading to reduction in its carbon footprint.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

- The Company, being part of various chambers of commerce, confederations and associations and the General Insurance Council, shall aim to make recommendations / representations before regulators and associations for advancement and improvement of financial services industry in India and perform the function of policy advocacy in a transparent and responsible manner in the best interest of the Company and larger national interest.
- As a corporate citizen, the Company shall operate within the democratic setup and constitutional framework.

Principle 8: Businesses should promote inclusive growth and equitable development

- The Company understands the impact of its operations on social and economic development and aims to undertake appropriate action to promote inclusive growth and equitable development through coverage of the customers across the demographics. The Company shall also strive to innovate / invest in products, technologies and processes that promote the well-being of society.
- The Company through its CSR activities shall focus on the areas as enumerated in the Corporate Social Responsibility Policy, as amended from time to time and, to the extent possible, shall strive for inclusive growth and equitable development.
- The Company believes that true and full measure of growth, success and progress lies beyond balance sheets or conventional economic indices. It is best reflected in the difference that the business makes to the lives of people.
- These initiatives are designed to reflect the needs of the target population. In order to ensure community ownership and sustainability of the CSR program, key stakeholders such as governments, NGOs, local communities and other local institutions may be actively engaged during project planning as well as implementation.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

- The overall well-being of the customers and that of society shall be considered while serving the needs of customers. The Company shall refrain from restricting the freedom of choice while designing, promoting and selling its products and services.
- The promotional and advertorial collaterals of the Company shall contain the relevant information, as considered necessary, and shall not be created with a deliberate intent to mislead the customer.
- The Company shall provide adequate trainings to employees and distributors to continuously meet the challenges of a dynamic business environment and will also provide adequate grievance handling mechanisms to address customers concerns and feedback. The Company shall maintain privacy of consumers' confidential data in the normal course of its business.

Annexure A

List of policies, codes, etc:

- Anti-fraud Policy
- Board Evaluation Criteria
- Business continuity Management Policy
- CSR policy
- Information and Cyber Security Policy
- Dividend Distribution Policy
- Guidelines for dealings in securities by employees
- Insurance Awareness and Customer Education Policy
- Investment Policy
- AML / CFT policy
- Outsourcing Policy
- Policy on Related Party Transaction
- Policy for Protection of Policyholders' interests
- Record Retention and Archival Policy
- Remuneration policy
- Stewardship Policy
- Terms of Appointment of Independent Director
- Whistle Blower policy

Employee related polices:

- Code of Conduct
- Creche policy
- Employee Charter
- Employee Stock Option Scheme
- HR Policies, including:
 - ✓ Car policy
 - ✓ Travel Policy
 - ✓ Leave policy
 - ✓ Mobile reimbursement policy
- Prevention of sexual harassment at workplace
- Reward and Recognition Policy
