



The New India Assurance Company Ltd

Environment, Social and Governance (ESG)
Policy

Title: ESG Policy

Approved by: Board

Process Owner: ERM Department

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1] Introduction:

The New India Assurance Co. Ltd. (NIACL), established in 1919, is India's premier multinational general insurance company. Committed to making insurance easy to understand and accessible, NIACL offers a range of user-friendly digital platforms to facilitate insurance purchases and claims processing. With a nationwide office network, NIA ensures seamless accessibility for customers .

As per the guidelines of SEBI (LODR), 2015 along with the Companies Act, 2013 and IRDAI Act, 1999 requires a structured framework to assess, manage and report on the environmental, social and governance factors for long term business sustainability. In alignment with this directive, New India Assurance Co. Ltd. aims to develop a robust ESG framework that underscores its commitment to sustainable and responsible business practices.

By design, New India Assurance's ESG framework will integrate environmental stewardship, social responsibility, and strong governance into its core operations. This framework not only aims to minimize the company's environmental footprint but also seeks to enhance its social impact and ensure transparent and ethical governance. By actively engaging with stakeholders, including investors, customers, and the community, New India Assurance strives to create long-term value and contribute positively to society.

The company's ESG initiatives include reducing carbon emissions, promoting diversity and inclusion, and implementing rigorous governance standards. The Company's policy shall act as a guiding framework to manage the Company's environmental, social and governance impacts along with the risks as well as enable responsible financing oriented towards the long term value creation.

2] Objectives:

The objective of this Policy is to incorporate environmental, social and governance (ESG) considerations into operations and business and serve as a guiding document for the ESG initiatives and activities undertaken by the Company.

The company aims to integrate ESG into the basic structure of the company through following policies:

- **Transparency and Accountability:** Foster a culture of openness and responsibility.
- **Compliance:** Ensure adherence to all relevant laws and regulations.
- **Corporate Governance:** Implement a robust and effective governance system.
- **Awareness:** Educate about the social benefits of insurance policies.
- **Stakeholder Engagement:** Engage with stakeholders to manage their expectations and concerns.
- **Value Creation:** Make prudent investment decisions to support sustainable economic growth.
- **Work Environment:** Maintain a healthy, safe, and equitable workplace.
- **Social Welfare:** Contribute to social welfare activities.
- **Indirect Impact:** Recognize the indirect environmental impact on the insurance sector.
- **Paper Reduction:** Replace paper with digital solutions where possible.
- **Plastic Reduction:** Use fresh drinking water instead of packaged water.
- **Energy Conservation:** Install energy-efficient equipment and maximize renewable energy use.
- **Waste Management:** Dispose of all waste, including e-waste, scientifically.
- **Investments:** Analyse ESG risks and opportunities, engage with portfolio companies, and consider divestment from those not meeting ESG standards.
- **Corporate Practices:** Implement ESG considerations in operations, reduce carbon footprint, and promote diversity and inclusion.
- **Climate Risks:** Incorporate climate-related risks in underwriting and investment policies.
- **Sustainable Products:** Introduce sustainable insurance products.
- **Financial Inclusion:** Provide products and services that promote financial inclusion and economic productivity.
- **Renewable Energy:** Strengthen the renewable energy portfolio in alignment with national goals.

3] Scope and Availability:

The scope of application for the ESG Policy is broad and applies comprehensively across all operations and activities of the New India Assurance (NIACL). It governs the company's approach and actions concerning Environmental, Social, and Governance (ESG) factors, ensuring they are integrated into every facet of decision-making and strategic initiatives.

4] Approval and Review:

The Risk Management Committee of Board conducts an annual review and approves the ESG policy to verify the framework's continued effectiveness and alignment with vision. In addition, the Committee will review the Company's action plan on the various aspects of ESG, external reporting and stakeholder feedback.

5] ESG Policy Statement:

NIACL Vision

New India Assurance aspires to be a leading global insurance provider, committed to fostering sustainable development by offering innovative and inclusive insurance solutions that protect and empower communities, while promoting environmental stewardship and social responsibility.

NIACL Mission

NIACL's mission is to deliver exceptional insurance services that safeguard the well-being of NIACL's customers, employees, and stakeholders. NIACL aims to drive positive social and environmental impact through ethical business practices, transparency, and a commitment to sustainability.

NIACL Values

- **Customer-Centricity:** NIACL prioritises its customers' needs, ensuring trust through transparency and honesty.
- **Innovation:** NIACL strives for excellence by continuously innovating to provide relevant and effective solutions.
- **Integrity:** NIACL conducts its business with the highest ethical standards, fostering trust and accountability.
- **Sustainability:** NIACL is dedicated to promoting environmental sustainability and social responsibility in all their operations.
- **Inclusivity:** NIACL respects and values diversity, ensuring equitable opportunities and growth for all.

Key Focus Areas for Sustainability

- **Ethical Governance:** Conduct business with ethics, transparency, and accountability.
- **Sustainable Products:** Provide safe and sustainable insurance products throughout their lifecycle.
- **Employee Well-being:** Promote the well-being of all employees, including those in their value chains.
- **Stakeholder Engagement:** Respect and respond to the interests of all stakeholders, especially the vulnerable and marginalized.
- **Human Rights:** Respect and promote human rights in all their operations.
- **Environmental Protection:** Make efforts to protect and restore the environment.
- **Responsible Advocacy:** Engage in public and regulatory policy in a responsible manner.
- **Inclusive Growth:** Support inclusive growth and equitable development.
- **Customer Responsibility:** Engage with and provide value to customers and consumers in a responsible manner.

Implementation through Business

Investments:

- **ESG Analysis:** Investments will be made by analysing potential risks and opportunities associated with ESG factors.
- **Engagement:** Engage with companies in the investment portfolio to promote positive ESG practices.
- **Divestment:** Consider divestment or exclusion from the investment portfolio for companies that fail to meet ESG standards.

Corporate Practices:

- **Internal Operations:** Implement ESG considerations in internal operations, including employee diversity and inclusion, ethical business practices, and environmental sustainability.
- **Carbon Footprint:** Strive to reduce the carbon footprint and support environmental sustainability initiatives.
- **Employee Well-being:** Prioritize the health and safety of employees and promote diversity and inclusion in the workplace.

Operations:

- **Climate Risks:** Incorporate climate-related risks in underwriting and investment policies to facilitate the transition towards a cleaner future.
- **Sustainable Products:** Introduce sustainable insurance products.
- **ESG Integration:** Integrate ESG criteria in business processes in alignment with the company's objectives.
- **Financial Inclusion:** Provide products and services that promote financial inclusion and boost economic productivity at the grassroots level.
- **Renewable Energy:** Strengthen the renewable energy portfolio in alignment with national goals and policies.

Responsible Investments

- Responsible investments for NIACL aim to align their financial objectives with broader ESG vision. NIACL recognizes the power of capital to drive change and influence corporate behaviour. Through their investment decisions, they actively seek opportunities that align with their sustainability goals and promote responsible business practices. By engaging with companies and encouraging them to adopt sustainable practices, NIACL aims to create a ripple effect that extends beyond their own operations.

ESG Highlights at NIACL

- **Diversity & Inclusion:** NIACL takes pride in its diverse and inclusive workforce, bringing together talented individuals from various backgrounds. NIACL is committed to recruiting, retaining, and developing specially abled talent, ensuring equal opportunities for all. Additionally, **31.05% of the workforce** comprises women, reflecting their dedication to gender parity and a balanced, inclusive work environment.
- **Board Diversity:** NIACL has 3 woman Directors (including 1-woman Independent Director) on the Board, demonstrating commitment to diversity and the value of varied perspectives in leadership.
- **CSR Initiatives by NIACL:** The New India Assurance (NIACL) focuses its Corporate Social Responsibility (CSR) activities on several key areas to benefit marginalized communities. These include promoting healthcare and preventive measures, eradicating poverty, hunger, and malnutrition,

and supporting clean energy, hygiene, sanitation, and safe drinking water initiatives. NIACL also emphasizes livelihood enhancement and employment generation for economically backward classes, including women, children, differently abled, and elderly persons. Additionally, the Company invests in education and skill development, environmental protection, cultural heritage preservation, and sports promotion. Their efforts extend to supporting armed forces veterans, rural development, slum area development, disaster management, and contributions to national relief funds and research projects. Through these initiatives, NIACL aims to foster sustainable development and improve the quality of life for disadvantaged populations.

- **Wellbeing:** Employee well-being is of utmost importance at NIACL, and it is ensured that they receive the benefits they deserve. This includes coverage for group medical and accident insurance. Furthermore, NIACL provides maternity benefits in line with the Maternity Benefit Act and paternity benefits in lieu of leave entitlements.
- **Complaints and Grievances:** NIACL has established a comprehensive grievance redressal system for stakeholders. Customers can report grievances through designated customer service officers at all operating offices. They will be addressed promptly and empathetically. Additionally, customers will be educated on the Grievance Redressal Mechanism, including the option to escalate concerns through the Ombudsman system.

6] Stakeholder identification and engagement

Stakeholder Group	Mode of Engagement	Value Delivery
Customers	<ul style="list-style-type: none"> - Direct Contact, Email - Newspaper, Advertisement - Websites etc. 	<ul style="list-style-type: none"> - Health and Well-Being - Innovation and Digitalisation - Data Privacy and Security - Customer Relationship Management - Transparency
Shareholders & Investors	<ul style="list-style-type: none"> - Quarterly financial statements - Investor presentations - Annual General Meeting - Annual Report - Press conference and media releases - Announcement through stock exchanges 	<ul style="list-style-type: none"> - Financials - Responsible Investment - Enterprise Risk Management
KMPs & Employees	<ul style="list-style-type: none"> - Direct Contact, Email - SMS, Calls, Surveys - Website 	<ul style="list-style-type: none"> - Effective performance management and recognition - Career growth - Diverse, inclusive and enabling work culture - Work-life balance - Fair Workplace - Occupational Health, Safety and Well-being - Fair Pay - Talent Attraction and Retention
Government & Regulator	<ul style="list-style-type: none"> - Directives and circulars - Meetings/discussions - Press releases - Written communication - Presentations - Workshops - Submission of reports and returns - Workshop by regulators 	<ul style="list-style-type: none"> - Being a “Public Sector Undertaking” whereby, majority shares are held by the Central Government, frequent communication with the same is required - Compliances

7] Environmental key focus areas

Environmental stewardship is a cornerstone of their strategy. NIACL recognizes the urgent need to protect and preserve the planet's natural resources. Through responsible management practices, they aim to minimize their ecological footprint and promote sustainable practices throughout their supply chain. By doing so, NIACL not only contributes to the well-being of the environment but also enhance the resilience of their business in the face of evolving regulatory and market demands.

- **Sustainable Products:** NIACL is dedicated to developing sustainable products and services that meet the evolving needs of their customers while minimizing their impact on the environment. By investing in research and development, they strive to create innovative solutions that enable their customers to achieve their goals while reducing their carbon footprint. They believe that by offering sustainable alternatives, they can drive positive change and contribute to a more sustainable future.
- **Reduction of Carbon Footprint:** New India is making progress in reducing its carbon footprint by adopting sustainable practices and initiatives such as green energy solutions and digital processes.

8] Social key focus areas

New India is committed to enhance the well-being of its employees, community, and general insurance beneficiaries. NIACL is committed to implementing a comprehensive approach that not only meets the needs of their stakeholders but also aligns with its core values. By integrating sustainability into every aspect of their operations, NIACL strives to create long-term value for its shareholders, employees, customers, and the communities in which NIACL operates.

Employees

At NIACL, human capital is recognised as the most valuable asset. The policy underscores NIACL's commitment to fostering a workplace that prioritizes employee well-being, professional development, and holistic growth.

NIACL is dedicated to maintaining an **inclusive and diverse** workforce, recognizing that such an environment enhances collaboration, innovation, and morale. The company actively invests in skill development through structured training programs, mentorship, and performance appraisals, ensuring clear career progression opportunities.

NIACL's compensation and benefits framework are designed to be transparent and equitable, complemented by additional employee-centric benefits. Open communication channels, employee engagement initiatives, and formal recognition programs further reinforce a culture of commitment and excellence.

Customer Centricity

At NIACL, their customer-centric approach underscores their dedication to delivering exceptional service and value to their customers. They continuously strive to enhance customer experience through streamlined operations, innovative product offerings, and cutting-edge digital technologies.

NIACL's commitment to operational efficiency has enabled them to optimize processes, ensuring a seamless and hassle-free experience for their customers. By introducing relevant products and embracing digital advancements, they cater to evolving customer needs while providing greater control, flexibility, and personalized solutions.

Through these strategic initiatives, they have fostered higher customer satisfaction and strengthened trust in their services. Moving forward, NIACL remains committed to continuous improvement, innovation, and digital transformation to exceed customer expectations and reinforce their leadership in the industry.

Community

At NIACL, they recognize broader responsibility to society beyond their core business functions. Their Corporate Social Responsibility (CSR) policy reflects a strong commitment to sustainable development, social equity, and environmental stewardship. The primary objective of this policy is to drive meaningful and lasting impact through initiatives that address community needs, enhance quality of life, and support the economic well-being of marginalized communities.

NIACL's CSR efforts focus on improving education and skill development for the underprivileged, fostering child development, and enhancing rural education and vocational training to empower communities and promote sustainable economic growth.

For more details on their CSR policy and past initiatives, please visit their website at:

[CSR policy bilingual.pdf](#)

9] Governance key focus areas

Corporate Governance

At NIACL, rigorous governance practices are implemented to ensure transparency and accountability in all operations which lays a strong foundation of dedication to ethical behaviour, strategic guidance and long-term growth.

Governance Structure

To enable effective implementation of their ESG vision, NIACL has a 3-tier ESG Governance Structure. The Risk Management Committee shall assist the Board and the Company in fulfilling the ambitions committed in the ESG vision of the company.



Board Committee

To enable effective implementation of their ESG vision, they have a 3-tier ESG Governance Structure The Risk Management Committee at the board level that shall assist the Board and the Company in fulfilling the ambitions committed in the ESG vision of the company.

Objectives and responsibilities of the ESG Committee:

- To integrate ESG in the company's primary goals and assist in supporting compliance with regulatory requirements and drive sustainability initiatives
- To set up frameworks to review ESG metrics, track progress and report on outcomes (such as GHG emissions, diversity metrics, etc.).
- To facilitate review, finalisation and refreshing of key policies, as and when required
To formulate and recommend to the Board for its approval and implementation, the plan for Business Responsibility and Sustainability (BRSR) and undertake regular assessment of the Company's readiness to meet BRSR Core requirements and ensure alignment with regulatory and stakeholder expectations.

Composition and attendance of the ESG Committee:

The committee upholds robust governance by ensuring independence, guaranteeing that all decisions are free from external influence. Consisting of at least 3 members, the committee meets a minimum of 2 times annually, promoting a consistent and focused approach to its responsibilities. With an expectation of 100% attendance at each meeting, the members demonstrate their commitment to active participation and diligent oversight, reinforcing the integrity and effectiveness of the committee's work.

The members of the Committee shall be:

- 1) Chief Risk Officer (CRO)
- 2) GM – ERM
- 3) DGM/CM – ERM
- 4) Compliance Officer
- 5) Appointed Actuary

Risk Management Framework

At NIACL, effective risk management is a key priority to safeguard operations and enhance business resilience. Through comprehensive risk identification, assessment, and mitigation, they ensure resource efficiency, business continuity, and long-term sustainability. Their risk management approach includes the following key components:

- **Risk Identification:** Proactively identifying and evaluating financial, operational, and strategic risks that may impact business objectives, addressing potential vulnerabilities.
- **Risk Assessment:** Comprehensive risk assessments help them prioritize and quantify risks based on their likelihood and impact, ensuring efficient resource allocation and mitigation.
- **Monitoring and Control:** Continuous monitoring and regular audits enable them to assess the effectiveness of mitigation measures, allowing for timely strategy adjustments.
- **Risk Culture:** They foster a culture of risk awareness, promoting accountability and ownership across all levels of the organization.
- **Governance and Compliance:** NIACL's risk management framework aligns with regulatory requirements and best practices, reinforcing transparency and trust with stakeholders.

By embedding risk management into their operations, NIACL remains committed to proactive risk mitigation and sustainable business growth.

Climate Risk Management Framework

New India Assurance, as a responsible insurer, recognizes the potential impact of climate-related risks on its business, policyholders, and the broader economy. While a dedicated Climate Risk Management Framework is under development, NIA integrates climate-related considerations into its underwriting and investment decision-making processes.

Key focus areas include:

- **Assessing Climate-Related Risks:** Identifying potential financial and operational risks arising from climate change, such as extreme weather events and regulatory shifts.
- **Sustainable Underwriting Practices:** Encouraging risk mitigation strategies through appropriate pricing and policy structuring.
- **Responsible Investments:** Exploring opportunities to support green infrastructure, renewable energy, and climate-resilient projects within our investment portfolio.
- **Stakeholder Engagement:** Collaborating with regulators, industry bodies, and customers to promote climate awareness and adaptation strategies.

New India Assurance remains committed to refine its approach in alignment with emerging industry standards and best practices.

Business Continuity

NIACL has a comprehensive Business Continuity Management (BCM) policy and a robust BCM plan designed to protect operations against unforeseen events and uncertainties. The BCM policy provides comprehensive guidelines for recovering and restoring information, resuming operations, and maintaining business continuity during various incidents that may negatively impact NIACL's operations.

NIACL's Business Continuity Management (BCM) framework includes the following key components:

- **Risk Assessment:** NIACL proactively identifies and assesses potential operational risks, including natural disasters, technological failures, and human-related disruptions, to mitigate their impact.
- **Strategic Planning:** Robust crisis management plans are in place to sustain critical operations, ensuring resource allocation and recovery strategies that maintain business continuity.
- **Technology and Infrastructure:** NIACL has invested in resilient IT recovery tools and infrastructure to safeguard critical systems and data, enabling swift restoration of operations.
- **Communication Plans:** Clear and structured communication strategies ensure timely and accurate information dissemination to all stakeholders during disruptions.
- **Continuous Improvement:** Their BCM policy is regularly reviewed and updated to address emerging risks and evolving business environments, strengthening their ability to respond effectively.

By prioritizing business continuity, NIACL remains dedicated to protecting operations, maintaining stakeholder confidence, and delivering uninterrupted services, even in the face of unforeseen challenges.

The New India Assurance's Business Continuity Management (BCM) framework ensures resilience against operational disruptions. It includes risk assessments, crisis response planning, IT recovery tools, and stakeholder communication protocols to maintain seamless operations.

10] Monitoring and Reporting:

New India Assurance is committed to transparency and accountability in its ESG practices. They will regularly report on their ESG practices and progress towards their ESG goals to their clients, stakeholders, and the wider public. This includes transparent reporting on their investment portfolios ESG performance, their internal ESG practices, and their engagement with clients and stakeholders on ESG issues.

Through these efforts, New India Assurance demonstrates its dedication to being a responsible corporate citizen and leading the way in sustainable insurance practices.

Compliance and an independent monitoring will be ensured by NIACL's ESG Board Committee, annually. This will also be in line with their ESG Policy.

11] Implemented ESG polices at NIACL:

- Anti- Money Laundering Policy
- Board Familiarization Programme
- CSR Policy
- Data Privacy Policy
- POSH Policy
- Code of conduct for Directors/Senior Management
- Code of Practices and Procedures for Fair Disclosure of UPSI
- Compliance Rights
- Conduct, Discipline & Appeal Rules

- Corporate Anti-Fraud Policy
- Protection of Policyholders Interests
- Policy on Determination of Material Subsidiaries
- Related Party Transaction Policy
- Stewardship Policy
- Whistle Blower Policy