



# **Environmental, Social, and Governance Policy (ESG POLICY)**

## ESG Policy - Summary

The ESG Policy is intended to ensure that the group adopts responsible business practices in line with its social, environmental, governance and economic responsibilities.

1. **Introduction:** ESG is a framework used to assess an organization's business practices and performance on various sustainability and ethical issues.
2. **Objective:** The objective of the ESG policy is to bring leading practice in integrating ESG risks into HNBA's and HNBGI's day-to-day operations.
3. **ESG Principles:** HNBA Group is committed to systematically embed ESG consideration in all aspects of its business operations which form a basis of our ESG activities i.e., Integrity, ethics & Transparency, Safe & sustainable services, the well-being of employees, Respect & promote human rights etc.
4. **ESG Strategies:** ESG strategies address Environmental, Social and Governance aspects across all our business operations i.e., Minimizing the impact of a company on nature, Contribution of a company to fairness in society, Processes for decision-making/reporting & ethical behavior.
5. **ESG Governance, Structure, Roles & Responsibilities:** Our Board is entrusted with the responsibility of oversight on ESG into our operations and our investing activities in line with the projects to develop the socio-economic system.
6. **ESG Measurements and Targets:** Verifying and assuring the data of ESG KPIs will increase the confidence of our investors, financial institutions and partners, customers and is an essential compliance process in Due diligence, Risk management, Risk evaluation.
7. **Communication & Disclosures:** Communication of ESG initiatives will be made through Integrated reports to internal and external Stakeholders.
8. **Review and approval of the Policy:** This policy is reviewed at least annually or as and when required. The recommended changes would be placed and discussed at ESG Steering Committee meetings and will be recommended to the Board of Directors for approval.

In view of above, this summary outlines a comprehensive framework used to assess HNBA Group's business practices and performance on various sustainability and ethical aspects while providing way to measure business risks and opportunities in those areas.

[1]

This policy is relevant to both HNB Assurance PLC and HNB General Insurance Ltd.