

Steadfast Group Limited Environmental, Social and Governance (ESG) Policy

July 2024



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1. What ESG means to us - guiding principles

At Steadfast, our ESG approach is founded on the following guiding principles, being those that are the most material to our business and the most relevant to our stakeholders:

Operate conscientiously

- Complying with applicable legislation and codes of practice.
- Minimising the impact of climate change on our business activities, as well as those of our Network brokers and underwriting agencies.

A future for all

- Supporting the insurance industry by advocating for research, new products and initiatives that benefit our Network, their clients and our stakeholders.
- Assisting our Network in better understanding ESG principles and practices.
- Providing a collaborative and innovative work environment that allows everyone to succeed.

Our people and communities

- Ensuring that all staff are aware of our ESG policy and approach.
- Fostering a culture of involvement in ESG matters and issues.
- Offering opportunities for our people to develop and grow, both professionally and individually.
- Continuously championing diversity, equity and inclusion.

2. Our commitments

2.1. Overview

Recognising climate change as a global risk and material issue for our industry, we are dedicated to a long-term sustainable future for Steadfast, including our Network brokers and underwriting agencies.

We embed ESG elements into our business activities and stakeholder relationships. Whilst Steadfast does not consistently control or influence each subsidiary, associate, and Network broker, we intend to provide guidance and support across the Group on a range of potential ESG impacts.

The following outlines our ESG commitments.

2.2. Our commitment to the environment

- Improving our environmental performance by minimising the impact of our operations through emissions reduction.
- Expanding support to our Network brokers and underwriting agencies to help them reduce their carbon footprint.

2.3. Our commitment to our people

- Creating a safe, caring, inclusive and ethical culture for our people that enables them to thrive.
- Making a positive impact in our communities by helping businesses and communities to effectively identify, mitigate and manage risk.
- Supporting our Network brokers in meeting and exceeding the expectations of their clients and the broader communities they serve.

2.4. Our commitment to strong and effective governance

- Implementing robust corporate governance that is underpinned by our ethical and responsible culture.
- Acting as a good corporate citizen by focusing on doing the right thing and behaving responsibly.

2.5. Who this policy applies to

This policy applies to Steadfast Group Ltd and its Australian subsidiaries. Steadfast will encourage its associated companies to adopt this policy.

3. Environmental stewardship

- 3.1. **Overview:** Steadfast recognises that climate change continues to be a global risk and a material issue for the insurance industry, including insurers and customers, as well as the broader economy. As part of our commitment to environmental stewardship, we have set long-term and achievable goals aimed at enhancing our environmental performance and reducing our carbon footprint.
- 3.2. **Statement on climate change:** In the first phase of our carbon neutral transition plan, Steadfast aims for a reduction in the intensity of our scope 1 and 2 operating emissions, with a target for our Australian-controlled businesses to be carbon neutral by 2030. We strive to achieve this by:
- monitoring and managing our environmental performance with clear objectives for continuous improvement;
 - purchasing renewable electricity wherever feasible;
 - transitioning fleet cars to electric vehicles where feasible; and
 - continuing to improve our data collection processes to increase the amount of primary data collected to enable us to identify further emission reduction opportunities.

Additionally, we recognise the potential need to purchase carbon offsets to meet our targets.

- 3.3. **Engagement:** Given the nature of our business and our sphere of influence, we are committed to:
- educating and supporting our Network brokers and underwriting agencies on the risks and opportunities of climate change, encouraging them to reduce their carbon footprint; and
 - raising awareness and understanding of environmental issues with our employees, Network brokers and underwriting agencies.

4. Social responsibility

- 4.1. **Overview:** A deep commitment to social responsibility is core to Steadfast as a company. We believe people are at the heart of our business and take pride in our work culture. We are committed to being an employer of choice for our workforce and a valued service provider to our Network brokers, underwriting agencies and complementary businesses, as well as a valued partner in our communities.
- 4.2. **Employer of choice:** Steadfast is dedicated to being an employer of choice and we continuously enhance our practices to achieve this goal. We are proud to be an endorsed employer by WORK180 and were named as a top 101 Employer of Choice for all females in Australia. In addition, we are a certified Family Flexible employer by Families at Work & UNICEF. Steadfast also is an active member of the Champions of Change Coalition for the Insurance sector, which focuses on the advancement of gender equality.
- 4.3. **Culture, engagement and growth:** It is important to us to create a safe, caring, inclusive and ethical culture for our people to foster growth and development. We are committed to fostering employee engagement and strengthening relationships through a variety of initiatives, such as our intranet platform, quarterly off-site meetings, learning and development programs, career advancement opportunities and involvement in community events and social activities. Our engagement is assessed through our annual employee engagement survey, which gauges the emotional connection our people have with Steadfast.
- 4.4. **Health and safety:** We prioritise the health and safety of our employees. We are committed to high standards of health and safety, providing free annual health checks and organising a variety of health seminars for our employees.
- 4.5. **Diversity and inclusion:** We embrace and value diversity in all its forms, including gender, age, ethnicity, sexual orientation, physical ability, neurodiversity and cultural background. Equal opportunity is central to our recruitment process, aimed at fostering a community of diverse talent. We are dedicated to maintaining a positive workplace free from discrimination and harassment. We champion pay equity and mutual respect, promoting an environment of fairness and equality.
- 4.6. **Strengthening our communities:** We aim to make a positive impact through our long-standing practice of meaningful charitable support. The Steadfast Foundation facilitates grants and contributions to charities that help people to overcome adversity. We offer our employees a paid day off to volunteer at a registered charity of their choice. Additionally, we continue to support Aboriginal & Torres Strait Islander peoples through our Indigenous talent program sponsorship and RAP commitments.
- 4.7. **Cyber security:** Cyber security is paramount within our data driven organisation. Steadfast has developed a Cybersecurity Governance Framework to maintain a consistent and robust approach. We continuously enhance cybersecurity measures to comply with regulations and educate our employees on best practices. In the event of a breach, we will notify, and support affected parties, reinforcing our dedication to maintaining stakeholder trust and digital security.
- 4.8. **Data governance:** At Steadfast, ensuring the confidentiality of data is one of our highest priorities and we continue to improve our information management processes

including finalising the Information Classification and Handling Policies, and the Record Retention Policy. We also provide our employees with ongoing data literacy education.

- 4.9. **Artificial intelligence:** We recognise the potential impact artificial intelligence (AI) can have and Steadfast is in the early stages of exploring the responsible use of AI. As we expand our activities in this area, governance of AI adoption and its associated risks across Steadfast's majority owned subsidiaries will be reported to the Group Board starting in FY25. Education of our group staff, subsidiaries and distribution network is ongoing and comprises webinars, white papers and working groups. We are committed to improving our practices as we continue to evaluate the risks and opportunities presented by AI.

5. Governance

- 5.1. **Overview:** We believe that good governance is essential to creating and preserving value for our shareholders and stakeholders. Our approach to corporate governance aligns with applicable laws, ASX listing rules, and our core values.
- 5.2. **Holding ourselves accountable:**
- **Corporate governance:** As outlined annually in our Corporate Governance Statement, our Board is committed to applying sound governance principles across its operations and the activities of its four committees: Audit & Risk, Nomination, Remuneration & Performance and People, Culture & Governance. We prioritise Board independence and diversity in skills, experience and gender. Guided by the ASX Corporate Governance Principles and Recommendations, the Board exercises its responsibilities to serve the best interests of the company.
 - **Transparency:** We hold ourselves publicly accountable to our ESG commitments by publishing information about our ESG performance in our Annual Report.
- 5.3. **Doing what is right:**
- **Ethics:** Our directors and employees, including senior management, adhere to high moral and ethical standards, outlined in our Code of Conduct. We are dedicated to ensuring a fair workplace and maintaining ethical relationships with our business partners. Our policies strictly protect against unlawful discrimination and harassment. Additionally, our Whistleblower Policy encourages open and honest communication to address and resolve issues promptly.
 - **Human Rights:** Our Modern Slavery Policy reflects our longstanding commitment to upholding basic rights and human dignity within our workplace and beyond. We consider human rights to be fundamental component of our business operations.

6. Definitions

Environmental risks encompass the potential consequences to a listed entity if its activities impact the natural environment or if its activities are affected by changes in the natural environment. This includes risks associated with pollution, environmental degradation, increasing carbon levels in the atmosphere and threats to biodiversity or cultural heritage. It also covers risks related to climate change, reduced air quality and water scarcity.

Governance risk considers the potential consequences relating to the adequacy of a listed entity's governance structures, internal processes, people or systems. This includes failing to prevent inappropriate, unethical or unlawful behaviour. Governance risk may also include financial and reputational risks.

Social risks refer to the potential consequences to a listed entity if its activities affect human society or if its activities are affected by changes in human society. This includes risks associated with modern slavery, human conflict, crime or corruption, mistreatment of employees, customers or suppliers, and harm to local communities. It also covers risks related to data protection failures, inappropriate application of artificial intelligence, large scale migration, pandemics and shortages of food, water or shelter.

7. Review and publication of this policy and our progress

This policy will be available on Steadfast's website, with key elements included in our Corporate Governance Statement available on our website.

We will report on our measurable objectives and progress towards achieving our sustainability goals in Steadfast's annual report.

The Board will review this policy and its implementation annually. The Board may, at its discretion, adjust or exclude a specific requirement of this policy as needed, either generally or on a case-by-case basis. This policy may be amended, discontinued or replaced, by resolution of the Board.

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