

Environment Social Governance(ESG) Guideline

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Recipients of Change Notification	
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Environment Social Governance

1 ESG Guideline -Background and Purpose

An ESG (Environment, Social, and Governance) guideline in Sasken serves as a comprehensive guide that outlines Sasken's approach to integrating ESG principles into its operations, decision-making processes, and overall business strategy. Having an ESG guideline is beneficial for Sasken for several reasons:

Strategic Alignment: An ESG guideline helps align Sasken's strategy with its commitment to sustainability, responsible business practices, and ethical conduct. It provides clarity on how ESG considerations are integrated into the overall mission and vision of Sasken Technologies Ltd

Guideline Framework: The guideline establishes a clear framework of policies and guidelines related to environmental impact, social responsibility, and corporate governance. It helps define the organization's stance on issues such as environmental conservation, human rights, diversity and inclusion, and ethical business conduct.

Risk Management: By explicitly addressing ESG risks and opportunities, the guideline assists in identifying, assessing, and managing potential impacts on the organization. It provides guidance on how to incorporate ESG factors into risk management processes to enhance resilience.

Compliance and Reporting: In Sasken ESG guideline it helps the organization stay in compliance with relevant regulations and standards. It provides a basis for reporting ESG performance to stakeholders, including investors, customers, and regulatory bodies, demonstrating transparency and accountability.

Stakeholder Engagement: The guideline outlines strategies for engaging with stakeholders on ESG issues. This includes communication plans, mechanisms for gathering stakeholder feedback, and ways to address concerns and expectations.

Employee Guidance: ESG guidelines can serve as a resource for employees, guiding them on the organization's values, expectations, and responsible business practices. This can contribute to a positive workplace culture and help employees understand their role in advancing ESG goals.

Training and Awareness: The guidelines can be used as a tool for educating employees about the importance of ESG and their role in implementing ESG practices. Training programs based on the guideline can raise awareness and build a culture of sustainability within the organization.

Continuous Improvement: ESG considerations are dynamic, and standards and expectations evolve over time. The guidelines will include mechanisms for continuous improvement, encouraging the organization to stay updated on emerging issues, set new targets, and refine its approach to ESG.

Benchmarking and Performance Measurement: The guideline will establish key performance indicators (KPIs) and metrics for tracking the organization's ESG performance. This allows for benchmarking against industry peers, setting goals for improvement, and demonstrating progress over time.

Investor and Customer Confidence: Having a well-documented ESG guideline can enhance confidence among investors and customers. It demonstrates that the organization takes ESG seriously, has a structured approach to managing related risks and opportunities, and is committed to ethical and sustainable practices. Infact it will help in addressing all the RFPs of customer (ESG component in RFP which has become a norm now. That is what we are trying to achieve by creating this Guideline.

The ESG guideline at Sasken stands as a comprehensive, singular point of reference, facilitating a clear understanding, learning, and adherence to ESG practices within the organization. It is a dynamic document, subject to regular updates in sync with evolving legal requirements, new insights, and any changes in the metrics we track. This ensures its continual relevance and alignment with the latest industry standards.



2 Importance of ESG

ESG stands for Environment, Social, and Governance, and it refers to a set of criteria that are used to assess a company's performance in these areas. The purpose of integrating ESG considerations into an organization is multifaceted and aligns with the broader goals of sustainability, responsible business practices, and long-term value creation. Here are some key reasons why we have adopted ESG principles:

Risk Management: ESG factors can be indicators of potential risks that may impact on a company's financial performance. By addressing environmental risks (such as climate change and resource scarcity), social risks (such as labor practices and community relations), and governance risks (such as business Risks, operational risks), Sasken plans to proactively manage and mitigate potential challenges.

Long-Term Value Creation: When we prioritize ESG factors, we are better positioned for long-term success. Sustainable practices and ethical business conduct can contribute to brand reputation, customer loyalty, and stakeholder trust, ultimately leading to improved financial performance and shareholder value over time.

Stakeholder Expectations: Investors, customers, employees, and other stakeholders are increasingly concerned about the impact of businesses on the world. Integrating ESG practices demonstrates a commitment to responsible business behavior, meeting societal expectations, and addressing the concerns of various stakeholders.

Access to Capital: Investors are placing greater emphasis on ESG performance when making investment decisions. Companies with strong ESG profiles may find it easier to attract investment and secure financing. Many investment funds and institutional investors incorporate ESG criteria into their decision-making processes. While this may not be the need of the hour, we find it apt to document this benefit too.

Regulatory Compliance: Governments and regulatory bodies are introducing more stringent environmental and social regulations. SEBI has mandated top 1000 companies by market cap to report on BRSR disclosure from FY 22 onwards. Adhering to ESG standards helps organizations stay in compliance with evolving legal requirements, reducing the risk of regulatory penalties and legal challenges.

Talent Attraction and Retention: Employees are increasingly looking to work for companies that align with their values. Adopting ESG principles can enhance a company's employer brand, making it more attractive to top talent. Moreover, a commitment to social responsibility can contribute to employee satisfaction and retention. At least in the west it is certainly happening.

Innovation and Efficiency: Embracing sustainability often drives innovation and efficiency improvements. Companies that invest in environmentally friendly technologies and processes can reduce costs, improve resource efficiency, and gain a competitive edge in the market.

Resilience in the Face of Disruptions: It is said that the companies that integrate ESG considerations into their business strategy are often better equipped to navigate and recover from disruptions, whether they be economic, environmental, or social. This resilience can contribute to the company's long-term viability.

In summary, integrating ESG principles into an organization is a strategic decision that goes beyond compliance and reflects a commitment to responsible and sustainable business practices. It can lead to a range of benefits, including improved financial performance, enhanced reputation, and a positive impact on various stakeholders.



3 Scope of our ESG Guideline

The "E" in ESG stands for **Environment**, and it refers to the environmental aspects of sustainability and responsible business practices. Environmental considerations within the ESG framework focus on Sasken's impact on the natural world and how we are managing and addressing environmental issues. Here are key aspects of the environmental component of ESG:

Climate Change and Carbon Footprint: Companies are increasingly evaluated based on their efforts to mitigate climate change. This includes measuring and disclosing their greenhouse gas emissions, setting targets to reduce carbon footprints, and adopting strategies to transition to a low-carbon economy.

Resource Use and Conservation: Organizations are assessed on how responsibly they use natural resources such as water, energy, and raw materials. Efforts to reduce resource consumption, increase efficiency, and promote conservation contribute positively to environmental sustainability.

Biodiversity and Conservation: ESG considers a company's impact on biodiversity and ecosystems. Companies are encouraged to adopt practices that protect and preserve biodiversity, particularly when operating in ecologically sensitive areas.

Waste Management: Proper waste management is crucial for environmental sustainability. Companies are expected to minimize waste generation, adopt recycling, and waste reduction initiatives, and responsibly dispose of hazardous materials.

Pollution and Emissions: Organizations are evaluated on their efforts to minimize air, water, and soil pollution. This includes adherence to environmental regulations, implementation of pollution control measures, and responsible handling of hazardous substances.

Renewable Energy and Clean Technologies: ESG criteria include a company's commitment to using renewable energy sources and adopting clean technologies. Investments in renewable energy projects, energy efficiency initiatives, and the use of sustainable technologies are viewed positively.

Environmental Compliance: Companies are expected to comply with environmental laws and regulations. Violations or non-compliance can pose financial and reputational risks, making adherence to environmental standards a critical aspect of ESG.



Environmental aspects at Sasken is depicted as above

Supply Chain Sustainability: ESG also considers the environmental impact of a company's supply chain. Organizations are encouraged to work with suppliers who prioritize sustainability and ethical environmental practices. In some sense called as Sustainable sourcing.

Environmental Reporting and Transparency: Transparency is key to ESG practices. Companies are expected to disclose relevant environmental data, performance metrics, and goals. This transparency helps stakeholders, including investors and customers, assess the company's environmental impact.



Innovation for Sustainability: ESG recognizes the importance of innovation in driving environmental sustainability. Companies that invest in research and development of environmentally friendly products, technologies, and business practices are often viewed positively.

In summary, the environmental component of ESG emphasizes the importance of corporate responsibility in managing and mitigating environmental risks. Companies are increasingly expected to integrate environmentally sustainable practices into their operations and demonstrate a commitment to addressing environmental challenges for the benefit of both the planet and long-term business viability.

The "S" in ESG stands for Social, and it encompasses the social or societal aspects of sustainability and responsible business practices. The social component of ESG focuses on how a company manages its relationships with various stakeholders, including employees, customers, communities, and broader society. Here are key aspects of the social component of ESG:

Human Rights and Labor Practices: Companies are evaluated based on their commitment to upholding human rights and fair labor practices throughout their operations and supply chains. This includes issues such as fair wages, safe working conditions, and the prohibition of children and forced labor.

Diversity and Inclusion: ESG considers a company's efforts to promote diversity and inclusion within its workforce. This involves creating an inclusive workplace culture, addressing gender and racial disparities, and ensuring equal opportunities for all employees.

Employee Well-Being: Organizations are assessed on how well they prioritize the well-being of their employees. This includes providing health and safety measures, promoting work-life balance, and offering employee benefits and support programs.

Community Engagement: Companies are expected to engage with and contribute positively to the communities in which they operate. This involves supporting local initiatives, investing in community development, and maintaining open lines of communication with local stakeholders.

Customer Satisfaction and Product Safety: ESG considers a company's commitment to customer satisfaction and the safety of its products. This includes ethical marketing practices, adherence to product safety standards, and responsiveness to customer concerns.

Social Governance
Consideration of people & relationships

- Human Rights and Labour Practices
- Diversity and Inclusion
- Employee Well Being
- Community engagement
- Customer Satisfaction and product safety
- Data Privacy and Cyber Security
- Ethical Business Conduct
- Supply Chain Responsibility
- Community Impact and CSR
- Health and Safety

Social governance at Sasken is as depicted above.

Data Privacy and Cybersecurity: With the increasing importance of digital technologies, ESG considers how companies handle data privacy and cybersecurity. Protecting customer and employee data is crucial for maintaining trust and ethical business practices.

Ethical Business Conduct: Companies are expected to operate with integrity and adhere to ethical business practices. This includes transparency in financial reporting, avoiding corruption and bribery, and maintaining high ethical standards in all business dealings.

Supply Chain Responsibility: ESG criteria extend to the social impact of a company's supply chain. Responsible sourcing, fair treatment of suppliers, and efforts to prevent negative social impacts throughout the supply chain are important considerations.



Community Impact and CSR: Companies are encouraged to make positive contributions to society through CSR and community impact initiatives. This involves supporting charitable causes, environmental conservation efforts, and other activities that benefit the broader community.

Health and Safety: ESG assesses how companies prioritize the health and safety of their employees and other stakeholders. This includes measures to prevent accidents, respond to emergencies, and create a safe working environment.

In summary, the social component of ESG emphasizes the importance of responsible and ethical business practices that consider the well-being of employees, the communities in which companies operate, and the broader societal impact of their activities. Companies that prioritize social sustainability are better positioned to build trust, enhance their reputation, and contribute positively to social development.

The "G" in ESG stands for Governance, and it focuses on the systems, structures, and processes by which an organization is directed, controlled, and operates. Good governance is crucial for ensuring ethical conduct, transparency, and accountability within a company. Here are key aspects of the governance component of ESG:

Board Structure and Independence: ESG evaluates the composition of the board of directors, emphasizing the importance of having a balanced, independent, and diverse board. Independent directors can contribute to better decision-making and reduce the potential for conflicts of interest.

Executive Compensation: Governance criteria include the alignment of executive compensation with the company's performance and long-term goals. Transparency in disclosing executive pay, as well as linking it to sustainable performance metrics, is an important aspect.

Shareholder Rights: Companies are assessed based on the rights and protections afforded to shareholders. Ensuring that shareholders can participate in key decisions and have access to relevant information is fundamental to good governance.

Code of Ethics and Conduct: A well-defined code of ethics and conduct is a key governance element. Companies are expected to establish and adhere to ethical standards, outlining acceptable behavior for employees, executives, and other stakeholders.

Anti-Corruption and Bribery Policies: ESG evaluates a company's commitment to preventing corruption and bribery. Having robust policies, training programs, and mechanisms to detect and address corrupt practices is essential for good governance.

Corporate Governance
Standards for running a company

- Board Composition
- Executive compensation
- Share-Holder Right
- Ethical Practices and Anti-Corruption Measures
- Anti-Corruption and Bribery Policies
- Risk Management
- Stakeholder engagement
- Sustainability Policies and Practices
- Transparency and Disclosure
- Fair competition and Antitrust policy
- Financial Responsibility (Accurate Records)
- Sustainability oversight
- Transparency and Disclosure
- Fair competition and Antitrust policy:
- Financial Responsibility (Accurate Records)
- Disclosure of information
- Export Control and Economic Sanction Compliance
- Counterfeit Parts or IP infringement
- Software Integrity:
- Whistleblower policies

Governance at Sasken is depicted as above.



Risk Management: Companies are expected to have effective risk management systems in place. This includes identifying and assessing risks, implementing strategies to mitigate them, and providing transparent disclosure about risk exposure.

Stakeholder Engagement: Governance involves engaging with various stakeholders, including shareholders, employees, customers, and the broader community. Companies are encouraged to maintain open lines of communication and consider the interests of all stakeholders in their decision-making processes.

Board Diversity: Governance criteria include promoting diversity within the board of directors, including diversity in terms of gender, race, and expertise. Diverse boards are seen as more reflective of a company's stakeholders and are associated with better decision-making.

Sustainability Oversight: The governance component of ESG considers how companies integrate sustainability considerations into their governance structures. This involves having dedicated committees or board members responsible for overseeing sustainability initiatives and performance.

Transparency and Disclosure: Transparency is a key aspect of governance. Companies are expected to provide clear and comprehensive disclosure about their financial performance, risk factors, and ESG practices, allowing stakeholders to make informed decisions.

In summary, the governance component of ESG focuses on the structures and practices that ensure a company is managed ethically, transparently, and with accountability to its various stakeholders. Strong governance contributes to the long-term success and sustainability of a company by promoting responsible decision-making and fostering trust among stakeholders.

4 ESG Reporting

The sustainable reporting landscape is rapidly changing at the global level. Considering the ever-increasing global challenges pertaining to environmental, social and governance dimensions, businesses in India too have found it to be in their interest to reorient their corporate purpose to extend beyond merely wealth creation into broader themes that its key stakeholders are concerned with.

Business Responsibility and Sustainability Reporting (BRSR) in India owes its origins to the 'Voluntary Guidelines on Corporate Social Responsibility'. These guidelines were formulated in 2009 by the Ministry of Corporate Affairs in India and can be considered the first step towards mainstreaming the concept of business responsibility in India.





Stakeholder concerns amidst increased focus on sustainability

The United Nations Human Rights Council (UNHRC) adopted the **United Nations Guiding Principles on Business and Human Rights (UNGPs)**⁵ in June 2011, which were endorsed by India. These principles were thereafter adopted by the Ministry of Corporate Affairs in India, to introduce the **'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs)** in July 2011. The objective of these guidelines at the time of their inception was to drive the process of educating businesses regarding what constitutes responsible business conduct. In the present world, sustainability is something that investors are demanding, customers are expecting, shareholders are relying on, and employees are valuing. Due to a change in consumer behavior and preferences, the demand for stringent regulations by investors for non- financial disclosures has increased globally.

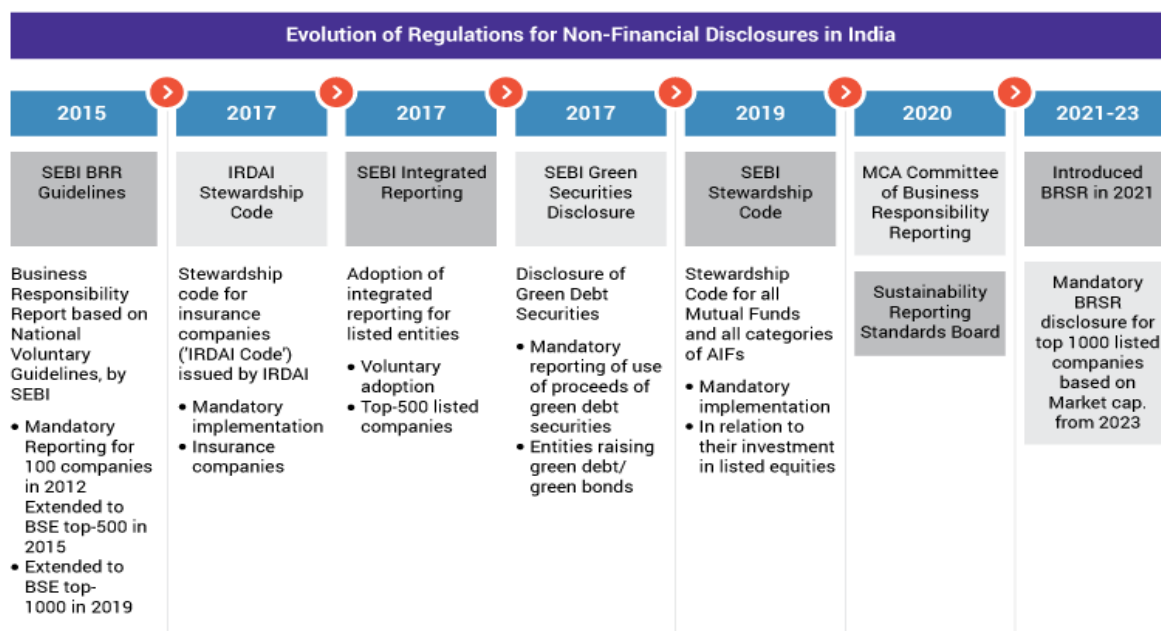
5 Evolution of ESG reporting in India

Non-financial reporting has gained traction across the world as more and more companies have started becoming conscious about the adverse effects of their operations on the environment and climate change. The emphasis on non-financial reporting has prompted a reorientation of business models towards a more sustainable approach. Several institutions such as the **Sustainability Accounting Standards Board (SASB)**, the **Global Reporting Initiative (GRI)**, and the **Task Force on Climate-related Financial Disclosures (TCFD)** started working to form standardized reporting formats for non-financial disclosures by companies. In the backdrop of increasing pressure from investors on companies for greater transparency and non-financial reporting, the **Securities and Exchange Board of India (SEBI)** introduced the requirement of **ESG reporting in India in 2012**. Their version of ESG reporting was termed the **Business Responsibility Report (BRR)** and it was mandated by SEBI that the top 100 listed companies in India by market capitalization needed to file a BRR. The purpose behind this disclosure was to enable businesses to engage and reach out to their stakeholders in a more engaging and meaningful manner. The BRR was intended to provide a push to businesses to go above and beyond regulatory financial compliance and incorporate reporting on social and environmental impacts as well.



Section 135 of the Companies Act 11 introduced in 2013, mandates companies to undertake Corporate Social Responsibility (CSR) initiatives with a clear preference for local communities and define rules concerning the governance, budgeting, and expenditure of CSR initiatives. At the global level, the UN General Assembly adopted the 2030 Agenda for Sustainable Development in 2015. Through this agenda, it established the seventeen Sustainable Development Goals and review mechanisms for tracking targets using indicators. To align the NVGs with the UN SDGs, the process of revision of the NVGs began in 2015. Due to the increased scrutiny on sustainable reporting at that time and increasing investor awareness, SEBI also increased the number of companies that were required to file for BRR, to the top 500 listed companies in India by market capitalization from FY 2015-2016 onwards. After numerous such revisions of the NVGs amidst rising global concerns about ESG reporting and sustainable development, the **National Guidelines on Responsible Business Conduct (NGRBC)** were released in 2019 as a revised form of the NVGs. These guidelines were intended to assist businesses to embrace the principle of responsible conduct going beyond the requirements of regulatory compliance. Soon after, SEBI mandated the top 1000 listed companies in the stock exchange by market capitalization to publish BRRs as a part of their annual report.

However, the disclosure mechanism emanating from the NVGs, namely, the Business Responsibility Report (BRR), needed to be modified to align it with NGRBC and encourage companies to take on leadership roles in practices and disclosures. Therefore, in May 2021, SEBI introduced a new ESG reporting structure titled '**Business Responsibility and Sustainability Reporting**' to make it mandatory for the top 1000 listed companies in the stock exchange (by market capitalization), to report their sustainability performance from FY 2022 - 2023 onwards and maintain transparency with their key stakeholders.



Timeline of evolution of non-financial disclosures



Reporting section	
Has Five Reporting Sections 1. General Information 2. Financial Details 3. Other Details 4. BR Information 5. Principle wise Performance	Has three Reporting Section 1. General Disclosures 2. Management and Processes 3. Principle wise Performance
Format	
Universal /Single Format 59 Questions	Essential indicators Leadership Indicators 140 Questions (about 2.5 times more) 98 Mandatory , 42 Leadership
Indicators	
Mostly Qualitative	Qualitative and Quantitative
Disclosures	
Annual Report	Annual Report and MCA21 Portal

5 Key Differences between BRR and BRSR

6 Structure and format of BRSR Report

The principal purpose of this reporting framework is to serve as an internal tool for businesses intending to align themselves with the NGRBC. The reporting structure is divided into three sections:

Section A: General disclosures

The objective of this section is to obtain basic information and details of the listed entity, which includes their products and services, operations, employees, transparency and disclosure requirements and compliances, subsidiary companies, holdings, and joint ventures, etc.

Section B: Management and process disclosures

In this section, the company is required to disclose information on policies and processes relating to the NGRBC principles concerning leadership, governance, and stakeholder engagement. Wherever relevant, companies have been asked to provide links to their websites where these policies are available. The information required in this section mainly involves questions related to oversight, governance, leadership issues and management processes.

Section C: Principle-wise performance disclosures

This section requires companies to demonstrate their intent and commitment to responsible business conduct through actions and outcomes. In that regard, companies need to report upon KPIs in accordance and alignment with the NGRBC's nine principles of responsible business conduct. Further, companies are required to report on two parameters for each principle, which are:

- **Essential indicators (mandatory)**

These are the indicators which the company mandatorily needs to report, which include environmental data such as energy, emissions, water, and waste; training conducted; community initiatives undertaken by the company and social impact created by the company.

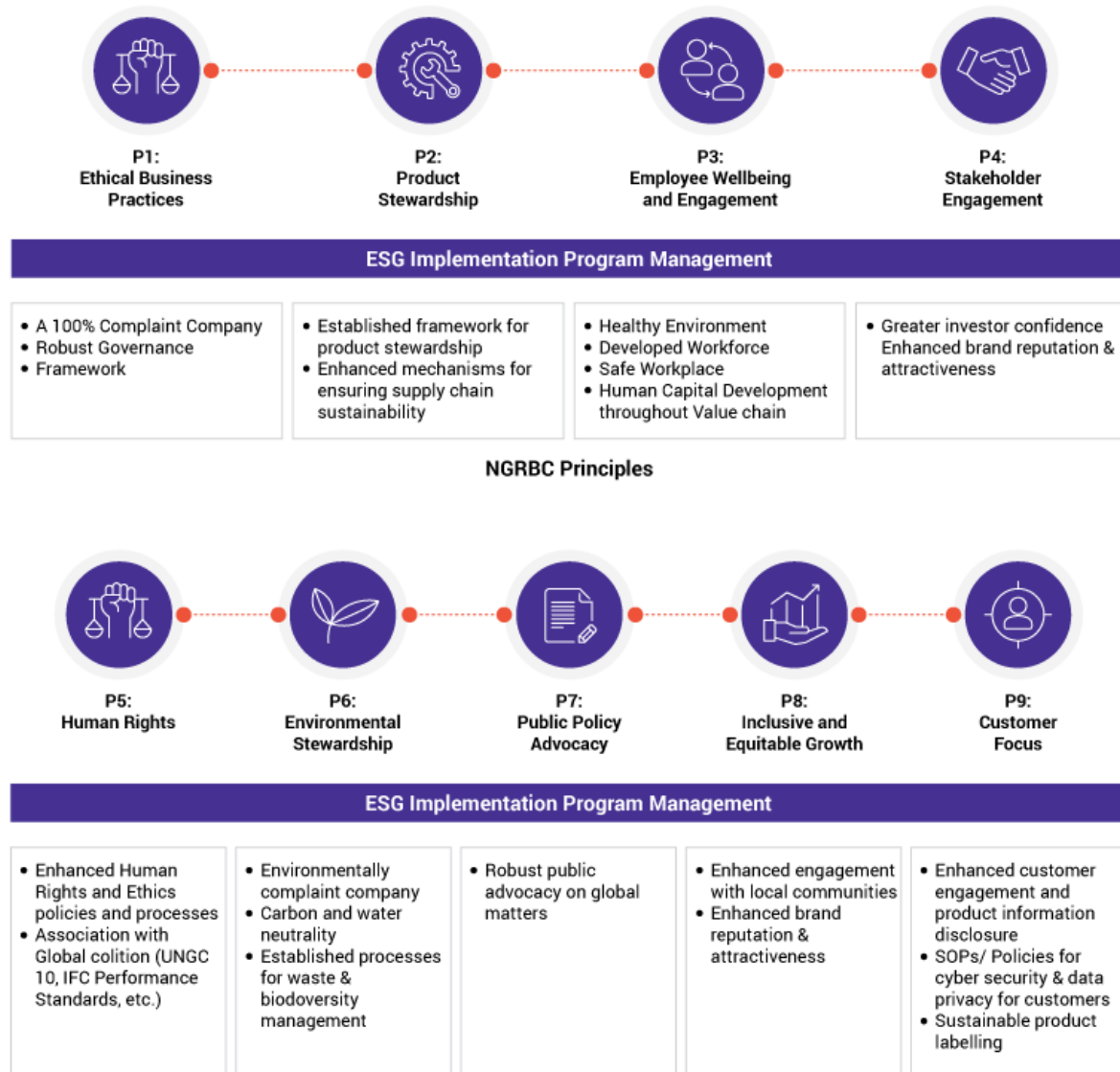
- **Leadership indicators (voluntary)**

These indicators are not mandatory to be reported by the company yet. However, there is a broader expectation that companies would be compliant with these indicators for improved transparency and greater accountability. This might include reporting on scope 3 emissions and breakdown of energy consumption, health, and safety assessment of value chain partners. The leadership indicators focus on providing a broader picture of the company's operations in terms of sustainability.



7 Governing principles of NGRBC

The 9 principles defined by NGRBC are given below:



Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable. The principle aims to adopt, implement, and make disclosures about company performance in a fair manner. The principle emphasizes the use of ethical business practices across the value chain of the company and is put into practice using the company governance structure by defining economic, social, and environmental responsibilities.

Key components of Principle 1

- Under this indicator, detailed disclosure on fines, penalties, punishments, awards, compounding fees, and settlement sums paid in proceedings by the entity or by directors or KMPs to the regulator during the fiscal year is to be reported.
- Disclosure of steps taken to establish or review internal controls and for handling corruption and bribery complaints like reports of an anti-corruption training sessions is provided.
- Report on conflict of interest and corrective actions at each reportable level; providing information on the number of complaints received regarding conflicts of interest involving the directors or KMPs.
- Description of the procedures used to manage conflicts of interest involving board members can be disclosed under this indicator.



Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe. The principle emphasizes that companies should put safety and resource efficiency first when designing and producing their goods. The goods must be produced in such a way that, from the time of their conception until their final disposal, they minimize and mitigate their negative effects on the environment and society while also adding value. This principle pushes organizations to comprehend all material sustainability challenges throughout the life cycle and value chain of their products.

Key components of Principle 2 are:

- Included in this indicator are - details of resource allocation by capital investments and the R&D budget to enhance the effects that a company's products have on society and the environment.
- Specification of strategy for calculating and reducing the company's products, if any unfavorable effects on the environment and society at large.
- Guidelines for sustainable sourcing by determining the sources of sustainable inputs and additionally report details of the products acquired sustainably and otherwise.
- Details of EPR applicable and waste collection that is submitted to the Pollution Control Board.
- Details of choosing the product line and level, up to which LCA will be undertaken is step one in the LCA process.
- Disclosure of the proportion of recycled input materials used in manufacturing including the quantity of reclaimed products and their packaging material used in the process as an input.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains. The principle encompasses all practices and policies that promote equity, dignity, and well-being for all workers who are involved in a company's value chain or within its own organization, without discrimination and in a way that respects diversity, as well as the provision of decent work for all of them. A worker's welfare and the welfare of his or her family are both mentioned in principle.

Key components of Principle 3 are:

- Included in this indicator are specifications of actions taken and policies framed to promote the health and welfare of workers and employees.
- Details of retirement benefits, for the present and prior fiscal year that are given to workers and/or employees for the current and the prior fiscal year.
- Disclosure of details to assure regarding the action taken by businesses for their offices and premises to make it accessible to workers and employees with disabilities.
- Information on the percentages of permanent employees who returned to the workplace and those who took parental leave.
- Details of training imparted to the employees and workers on health and safety measures and on skill upgradation
- Reporting on performance and career development reviews of employees and workers by establishing a process to receive and address grievances from permanent employees and other workers.
- Details of life insurance and compensatory package to permanent and contractual employees.
- Providing details of the number of employees/workers having suffered high-consequence work-related injury/ ill- health / fatalities, who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.
- Report on transition assistance program and its frequencies to facilitate continued employability by formulation of the program based on the requirements of the reporting entity.

Principle 4: Businesses should respect the interests of and be responsive to all their stakeholders. This principle acknowledges that businesses operate in an eco-system that includes some stakeholders, such as shareholders and investors, and that their activities have an impact on natural resources, habitats, communities, and the environment. The principle emphasizes that businesses have a responsibility to maximize the positive effects while minimizing and mitigating the negative effects of their products, operations, and practices on their stakeholders.

Key components of Principle 4 are:

- Details on identifying key stakeholders based on the total number of stakeholders identified and categorized as groups to identify priority of engagement.
- Report on understanding the level and scope of engagement required with each type of stakeholder and whether they to a vulnerable/marginalized group.



- Report on formulation of processes for consultation between stakeholders and the Board on economic, environmental, and social topics- and subsequent feedback that are received during the activity.
- Details of concerns of vulnerable/ marginalized group of stakeholders addressed by establishing the framework for utilizing the inputs collected during Guideline formulation and determining the arrangements required to address the worries of marginalized or vulnerable stakeholders.

Principle 5: Businesses should respect and promote human rights. The principle acknowledges that businesses operate in an ecosystem that includes some stakeholders, including shareholders and investors, and that these operations have an impact on the environment, natural resources, ecosystems, and communities. It emphasizes that businesses must maximize the positive effects of their operations, behaviors, and products on their stakeholders to minimize and manage the negative effects. These rights are viewed as being inherent, unalienable, interconnected, and indivisible.

Key components of Principle 5 are:

- Details of training on human rights issues and policies to the employees and stakeholders in the current and previous fiscal year.
- Details of minimum wage paid to employees and workers under the terms of the labor code. Information on the salaries, remuneration, and wages paid to directors, KMPs, employees, and workers. Calculation of the median salary, remuneration, and salary paid for reporting are also reported.
- Details of grievance mechanism for HR issues that is established internally to address complaints about human rights violations.
- Information on the percentage of the company's offices and factories that were evaluated for: sexual harassment, employment discrimination, forced or involuntary labor, child labor, wages, and other issues are reported as well.
- Disclosure of the corrective measures that have been taken or are being considered to address major risks or concerns identified by the assessments
- Details of Business Process Modification to address human rights grievances/ complaints including any alteration in business procedure as a remedial action.
- Details of human rights due diligence by defining the extent and use of such due diligence.
- Reports on evaluations of VCPs on the following topics: sexual harassment, workplace discrimination, child labor, forced labor/involuntary labor, wages, and other topics.

Principle 6: Businesses should respect and make efforts to protect and restore the environment. According to this principle, efforts should be made to address problems like pollution, biodiversity conservation, sustainable resource use, and climate change in a thorough and methodical manner. It also gives preference to environmental issues that are interconnected at the local, regional, and global levels. The guiding principle pushes businesses to implement environmental procedures and practices that reduce or eliminate the negative consequences of their activities across the value chain. Additionally, it persuades companies to act in accordance with the precautionary principle at all times.

Key components of Principle 6

- Details of energy consumption, GHG emission, water, air, waste, etc. by calculating the company's total energy consumption and total energy intensity for the current fiscal year and the prior fiscal year.
- Details of obtaining environmental approvals or permissions if the business has operations or offices in or close to environmentally sensitive areas.
- Report on environmental impact assessments of projects the company is working on based on the laws that are in effect during the current fiscal year.
- Details of energy consumed from Renewable Energy and non-renewable energy consume for the current fiscal year and the prior fiscal year.
- Details related to water discharged including information on the use, leakage, and treatment of water/other liquids.
- Details of water withdrawal, consumption, and discharge in areas of water stress (in kiloliters).
- Source-wise scope 3 emissions details in the format specified in guidelines given by BRSR.
- Details of evaluation of the company's value chain to identify the materials that can cause environmental harm.



- Disclosure on development of a framework to implement strategies to prevent or reduce the adverse effects in case of any disaster.

Principle 7: Businesses, when engaging in influencing public and regulatory Guideline, should do so in a manner that is responsible and transparent. This principle acknowledges that business functions are under national and international regulatory and Guideline frameworks that direct their growth and give distinct limits and bounds. The idea acknowledges that corporations can legitimately interact with governments to have their complaints heard or to have their opinions heard in the formulation of public Guideline. Additionally, public Guideline advocacy must advance the common good according to the law.

Key components of Principle 7

- Details of the chambers and associations with which to affiliate based on the industry in which the entity conducts business.
- Report on corrective actions taken in case of anti- competitive behavior.
- Details of public Guideline positions advocated by the entity by identifying the areas of improvement based on existing laws and guidelines.

Principle 8: Businesses should promote inclusive growth and equitable development. The principle highlights the national and development agenda in accordance with the goals and priorities of the government, while identifying the country's social and economic development difficulties. This is important in areas where social unrest and low human development are prevalent. In this development agenda, the principle underlined the importance of commercial, governmental, and civil society collaboration. This idea affirms the interdependence between economic success, inclusive growth, and equitable development.

Key components of Principle 8

- Details of SIA undertaken during land acquisition that includes disclosure of frequency of assessments and resulting corrective measures that were taken by the businesses if they were needed.
- Details on projects for which rehabilitation and resettlement are ongoing projects of the entity in an eco-sensitive area.
- Report on community grievance mechanism for resolution of local community complaints.
- Details of percentage and types the materials that should be purchased from MSMEs and small enterprises.
- Disclosure on identification of Beneficiaries of CSR Projects and the actions taken to mitigate negative social impacts to them.
- Details on ongoing CSR projects in aspirational districts and procurement from marginalized/vulnerable groups.
- Details of benefit and corrective action taken from intellectual properties owned based on conventional knowledge by entity.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner. The underlying tenet of the principle is that a company's main goal is to provide safe products and services to its customers, thereby generating value for both parties. In recognition of the fact that consumers have a wide range of options for the products and services they use, businesses work hard to offer their customers products that are secure, reasonably priced, simple to use, and safe to discard. Businesses, together with other important stakeholders, play a key role in reducing the negative impacts of excessive consumption of their products on society's general well-being.

- Details of the procedures for receiving and handling customer complaints and feedback.
- Details of instances of product recalls which were voluntary or compulsory.
- Report of attention on the cyber-related threat to data privacy by the employees and stakeholders.
- Details of number of consumer complaints received in the current fiscal year and previous fiscal year on advertising, data privacy, cyber security, provision of basic services, restrictive trade practices, unfair trade practices, and others.
- Disclosure about method and extent of product information on a product is required by local laws to consumers in case of discontinuation of product.



- Information of number and percentages of data breaches of customer information in identifiable categories

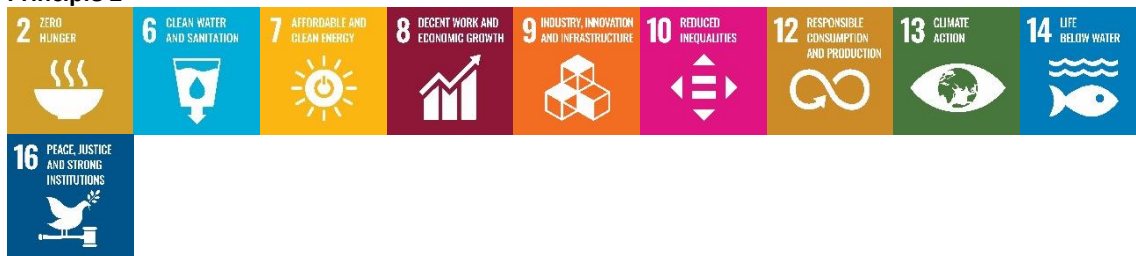
8 BRSR Alignment towards UN's 17 SDG's

BRSR incorporates several KPIs of the international frameworks to bring it on par with global ESG reporting trends including UN Sustainable development goals. The blocks given here depict alignment of BRSR principles with UN SDGs.

Principle 1



Principle 2



Principle 3



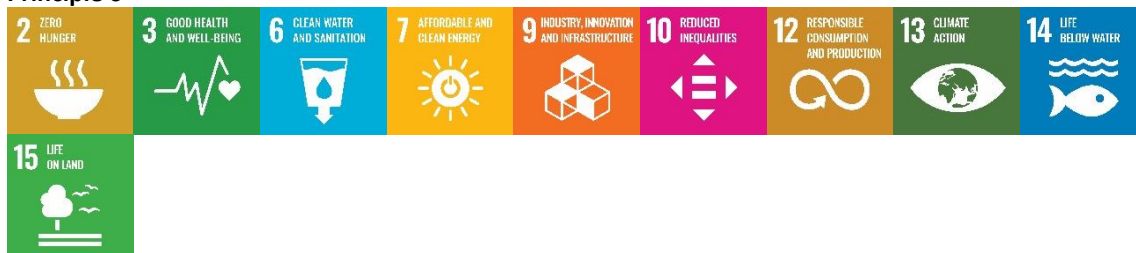
Principle 4



Principle 5



Principle 6



Principle 7





Principle 8



Principle 9



9 Impact of CSR on ESG

Corporate Social Responsibility (CSR) and Environment, Social, and Governance (ESG) reporting are closely related concepts that reflect a company's commitment to sustainability, ethical business practices, and responsible corporate citizenship. The impact of CSR on ESG reporting is significant and can be understood in several ways:

Enhanced Transparency and Disclosure:

CSR initiatives contribute to increased transparency in a company's operations. By voluntarily disclosing information about social and environmental impacts, companies can provide stakeholders with a more comprehensive view of their overall performance.

This transparency is a key component of ESG reporting, as it allows investors, customers, employees, and other stakeholders to make informed decisions based on a company's environmental, social, and governance practices.

Integration of Social and Environmental Metrics:

CSR activities often involve efforts to address social and environmental issues. ESG reporting incorporates these metrics to assess a company's impact on society and the environment.

CSR initiatives, such as sustainability programs, ethical sourcing, and community engagement, contribute directly to the environmental and social dimensions of ESG reporting.

Stakeholder Engagement:

CSR practices involve engaging with various stakeholders, including employees, customers, communities, and investors. This engagement fosters a better understanding of stakeholder concerns and expectations.

ESG reporting reflects a company's responsiveness to these stakeholder concerns, demonstrating a commitment to addressing material issues that may affect the company's long-term performance.

Risk Management:

CSR initiatives often include efforts to identify and mitigate social and environmental risks. Companies that integrate CSR into their business strategy are better equipped to manage and disclose these risks.

ESG reporting requires companies to assess and disclose risks related to environment, social, and governance factors. By addressing these risks through CSR practices, companies can enhance their ESG performance.

Competitive Advantage:

Companies that prioritize CSR and incorporate sustainability into their business models often gain a competitive advantage. This advantage can be reflected in ESG ratings and rankings, where companies with strong CSR practices are perceived more favorably by socially responsible investors.



Long-Term Value Creation:

CSR initiatives contribute to long-term value creation by addressing societal and environmental challenges. This aligns with the broader goals of sustainable and responsible business practices, which are fundamental to ESG reporting.

In summary, CSR has a positive impact on ESG reporting by promoting transparency, integrating social and environmental metrics, engaging stakeholders, managing risks, providing a competitive advantage, and contributing to long-term value creation. Companies that embrace CSR are more likely to align with ESG principles, enhancing their overall sustainability and responsible business profile.

10 ESG Policy at Sasken

Sasken is committed to conducting business responsibly and sustainably. As a leading Indian IT company, we recognize the importance of sustainability in our operations and supply chain. This Sustainability Policy outlines our commitment to minimizing our environmental impact, promoting social responsibility, and fostering economic sustainability in the IT industry.

Environmental Stewardship:

- **Energy Efficiency:** Sasken is committed to optimizing energy efficiency in its operations by implementing energy-saving technologies, practices, and equipment. We have the target to become 100% green energy organization by 2025
- **Waste Reduction:** Sasken strives to minimize waste generation and promote recycling initiatives. Employees are encouraged to reduce, reuse, and recycle materials, both in the workplace and in their daily activities.
- **Carbon Footprint:** Sasken aims to measure and reduce its carbon footprint through responsible travel practices, energy-efficient facilities, and support for carbon offset programs. Our goal is to become carbon Neutral by 2030.
- **Biodiversity and Natural Resources:** Sasken recognizes the importance of protecting biodiversity and ecosystems. We will work to minimize any indirect impacts through responsible sourcing, sustainable e-waste management, and partnerships with suppliers committed to environmentally responsible practices. Where feasible, Sasken will also support community initiatives that promote biodiversity conservation.

Social Responsibility:

- **Diversity and Inclusion:** Sasken is dedicated to enabling a diverse and inclusive workplace that values individuals of all backgrounds, cultures, and perspectives.
- **Employee Well-being:** Sasken is committed to providing a safe and healthy work environment. We support employee well-being through initiatives such as flexible work arrangements, wellness programs, and mental health support.
- **Community Engagement:** Sasken actively engages with local communities, supporting initiatives that contribute to social development, education, and empowerment.

Economic Sustainability:

- **Supply Chain Responsibility:** Sasken works with suppliers who adhere to ethical and sustainable business practices, promoting fair labor conditions, human rights, anti-bribery, responsible sourcing. All the suppliers have to adhere to Sasken Supplier-code-of-conduct
- **Innovation and Research:** Sasken invests in research and development to create sustainable IT solutions, promoting innovation that benefits both our clients and the environment.
- **Training and Development:** Sasken prioritizes the continuous learning and development of our employees, ensuring they stay informed about sustainability and best practices and industry trends.

Compliance and Reporting:

- Sasken commits to complying with all relevant environmental laws and regulations. We will regularly assess and report on our sustainability performance in our annual report which shall align with a global reporting standard (like GRI, SASB, or TCFD), seeking opportunities for improvement.

Continuous Improvement:



- Sasken is dedicated to a culture of continuous improvement. We will regularly review and update our sustainability goals and practices to align with emerging standards and stakeholder expectations.
- Sasken will communicate openly and transparently with our stakeholders about our sustainability initiatives, progress, and challenges.

Governance:

- The Sasken ESG Committee will oversee the implementation and effectiveness of this policy. The committee will report to the executive leadership team, ensuring sustainability is integrated into the company's overall strategy.

11 Sasken ESG, in detail: Environment

Sustainable resources management is a critical approach to ensure the responsible utilization and preservation of natural resources for current and future generations. In an era marked by environmental challenges and increasing demands on our planet's finite resources, the need for sustainable resource management has become paramount.

At its core, sustainable resources management revolves around the principles of conservation, efficiency, and equity. Conservation entails the wise use and protection of natural resources to prevent depletion and degradation. Efficiency involves optimizing resource utilization to minimize waste and environmental impact. Equity emphasizes fair distribution and access to resources, ensuring that the benefits derived from resource use are shared among diverse communities.

One of the primary challenges in sustainable resources management lies in striking a delicate balance between economic development and ecological preservation. Often, economic activities have historically taken precedence over environmental concerns, leading to overexploitation of resources and environmental degradation. Sustainable management seeks to reconcile these competing interests by promoting practices that support both economic growth and environmental health.

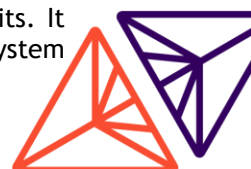
Effective sustainable resources management requires integrated planning and the formulation of comprehensive policies that consider social, economic, and environmental dimensions. Governments, businesses, and communities need to collaborate to develop strategies that foster sustainable resource use. This involves implementing regulations, incentives, and educational programs that encourage responsible practices across industries.

The energy sector plays a pivotal role in sustainable resources management. Transitioning from fossil fuels to renewable energy sources is a key component of this paradigm. Wind, solar, hydro, and geothermal energy offer cleaner alternatives that reduce dependence on finite resources and minimize environmental impact. The adoption of renewable energy technologies contributes to mitigating climate change and ensures a more sustainable energy future.

Addressing the issue of waste is integral to sustainable resources management. Embracing a circular economy model involves minimizing waste, recycling materials, and reusing products to extend their lifecycle. By reducing the generation of waste and promoting responsible disposal practices, societies can decrease their environmental footprint and contribute to the sustainability of resources.

Sustainable resources management necessitates active participation from communities and individuals. Education plays a crucial role in creating awareness about the importance of sustainable practices and their impact on the environment. Empowered communities can contribute to sustainable resource management by making informed choices, adopting eco-friendly lifestyles, and advocating for responsible policies.

The adoption of sustainable resource management practices brings about a myriad of benefits. It enhances environmental resilience, promotes biodiversity conservation, and safeguards ecosystem



services that are vital for human well-being. Additionally, sustainable practices can lead to economic stability by reducing resource volatility, enhancing energy security, and fostering innovation in green technologies.

At Sasken, we have considered these inputs thoroughly to formulate our environmental sustainability Guideline. The details of our approach and Guideline regarding environment sustainability are outlined below:

Land, Forest, and Water Rights.

While by the nature of work and segment Sasken is in, this Guideline may not be applicable to Sasken. However, in the event of its possibility, Sasken will ensure and commit following:

Recognition of Indigenous and Local Communities: Sasken acknowledges the rights of indigenous and local communities to own, use, and manage their traditional lands, forests, and water resources.

- Free, Prior, and Informed Consent (FPIC): Sasken commits to obtaining FPIC from affected communities before initiating any project or activity that may impact their land, forest, or water rights.
- Responsible Resource Management: Sasken will implement sustainable and environmentally responsible practices when managing land, forest, and water resources, minimizing negative impacts on communities and ecosystems.
- Prevention of Forced Eviction: Legal Compliance: Sasken will comply with all relevant national and international laws and standards related to land, forest, and water rights, ensuring that our activities do not lead to forced eviction.
- Due Diligence: Prior to the commencement of any project, Sasken will conduct thorough assessments to identify and mitigate potential risks of forced eviction. This includes engaging with affected communities and conducting social impact assessments.
- Alternative Solutions: In cases where displacement is unavoidable, Sasken will work collaboratively with affected communities to identify and implement fair and equitable alternatives, ensuring that the affected individuals and communities are consulted throughout the process.
- Compensation and Resettlement: If forced eviction becomes necessary, Sasken will provide fair and just compensation to affected individuals and communities. Resettlement plans will be developed in consultation with the affected parties, ensuring their well-being and livelihoods are safeguarded.
- Monitoring and Reporting: Sasken has a well-established monitoring mechanism to assess the impact of its activities on land, forest, and water rights, and to ensure compliance with this Guideline.
- Transparent Reporting: Sasken is committed to transparently reporting on its initiatives and impacts related to land, forest, and water rights. This includes engaging with stakeholders and providing regular updates through appropriate channels.
- Training and Capacity Building: Sasken will invest in training programs to enhance its knowledge in the area of Land water rights so that the laws can be adhered to its fullest and at the same time knowledge can be passed on to the employees.

Energy Efficiency or Management practices in Sasken

Improving energy efficiency is crucial for reducing operational costs, minimizing environmental impact, and meeting sustainability goals. At Sasken we are ensuring that we consume energy in a responsible and sensible manner. Toward this we have taken many steps within our permissible limits.

At Sasken we have established clear and measurable energy reduction goals for the organization. We have taken various steps to ensure our power usage is optimized. Some of these measures are.

- Replacing traditional lighting with energy-efficient LED lights.
- Implemented occupancy sensors and timers to control lighting in unoccupied areas.
- Optimize Air Conditioning (HVAC) Systems.
- Regularly maintaining and tuning HVAC systems to ensure optimal performance.



- Investing in energy-efficient appliances and equipment, such as Energy Star-rated devices.
- Upgrading outdated machinery with newer, more efficient models.
- Improving Insulation and Sealing leaks if any
- Sealing any gaps or leaks in windows, doors, and walls to prevent energy wastage.
- Implemented water recycling and reuse systems.
- Optimize data center operations for energy efficiency.
- Consolidated servers, using virtualization, and implement energy-efficient cooling solutions.
- Reducing waste generation through proper disposal practices.
- Implemented recycling programs for paper, plastics, and other materials.
- Using E-cars for Employee shuttle. STACK monitoring and maintenance of Diesel Generator ensuring optimal performance.
- Benchmarking our organization's energy performance against industry standards.
- Creating awareness among employees about the importance of energy efficiency.
- Encouraging the culture of energy conservation through awareness programs and regular communications.
- Various Metrics which are monitored on a regular basis and reviewed regularly.

Renewable Energy Usage in Sasken:

- At Sasken we procure Energy from GRID, which operates on Thermal /Fossil fuel. However, we offset the GRID power by Pumping back 80% of the energy consumed by procuring WIND energy from established Wind Turbines. Various factors have gone into choosing Wind energy as a renewable energy source.
- Wind power is a clean source of energy that produces no air or water pollution and generates no greenhouse gas emissions during operation.
- Using wind energy for electricity generation helps reduce the dependence on fossil fuels, thereby lowering greenhouse gas emissions and mitigating climate change.
- Intermittency: Wind is not constant, and its availability can vary. This intermittency can be challenging for maintaining a consistent power supply. Energy storage technologies and a well-designed power grid are essential to address this issue.
- Since we are procuring wind energy from established wind turbines the cost of power purchase is also low

Water Quality, Consumption and Management.

Water, a vital resource for life, plays a crucial role in various aspects of our business operations. As businesses strive for sustainability and responsible resource management, addressing water quality, consumption, and management becomes paramount.

Ensuring the quality of water used within corporate facilities is essential for both environmental responsibility and employee well-being. Contaminated water poses risks to health, can harm ecosystems, and may lead to regulatory non-compliance. At Sasken we have invested in water quality testing, treatment systems, and regular monitoring to guarantee that the water utilized in their operations meets or exceeds regulatory standards.

- Optimizing water consumption is a critical aspect of our corporate responsibility and efficiency. We have adopted various strategies to minimize water usage, such as implementing water-efficient technologies, conducting regular audits to identify leaks, and promoting water conservation practices among employees. Employing sewage treatment plants to pull out nearly 500 KL / month of recycled water for non-potable purposes are helping us to contribute to sustainable water consumption. This effort of ours was implemented in 2001 and ever since then all our non-potable usage on the campus is from recycled sources. So also, our initiative on Rainwater recharging pits is an important step towards water conservation. We recharge app.8000KL water every year.
- When we stop using plastic water bottles, we are also halting the need for production, packaging, and transportation for delivery, all of which take great amounts of energy and resources. Call it a ripple effect! On the surface, it may seem like a small effort, but enough



of these types of initiatives can create meaningful change hence we never use bottled (plastic) water in Sasken.

- Incorporating water management into Sasken's CSR initiatives not only demonstrates our environmental commitment but also fosters positive relationships with stakeholders. Transparent reporting on water usage, conservation efforts, and initiatives forms an integral part of our BRSR reporting.
- Sasken always stays abreast of water-related regulations and ensures compliance with local, regional, and international standards. Wherever applicable Sasken Participates in industry initiatives to align its practices with evolving water management requirements.

Air Quality

Air quality is a critical aspect of a Sasken environment, directly influencing the health, productivity, and overall well-being of our employees. Poor air quality can lead to a range of health issues, decrease employee performance, and even affect our reputation. Recognizing the significance of air quality in the corporate setting, Sasken has prioritized measures to ensure a healthy and conducive atmosphere for their workforce.

Factors Influencing Air Quality in Corporate Environments and our approach:

- Proper ventilation for good air quality at all our offices. Well-designed HVAC systems are helping us to regulate temperature and humidity while ensuring the continuous flow of fresh air. Regular maintenance and upgrades are taken care of to avoid the accumulation of any pollutants.
- Indoor pollutants such as volatile organic compounds (VOCs), particulate matter, and airborne pathogens can significantly impact air quality. Common sources include office furniture, cleaning products, and inadequate ventilation. We have ensured deploying of low-emission materials and implemented effective air filtration systems to mitigate these concerns.
- Proper space planning helps minimize congestion and allows for efficient airflow.
- Offices are surrounded by Plants and trees (where possible) ensuring good air quality.

Decarbonization

For our business, Decarbonization involves adopting sustainable practices to minimize the carbon footprint associated with software development processes. Here are some key strategies we have adopted at Sasken for decarbonization in a software development organization:

- Energy-efficient infrastructure: energy-efficient servers and data centers, utilizing 80% renewable energy sources.
- Hybrid working to reduce the need for commuting, which contributes to carbon emissions.
- Virtualization and containerization: virtualization and containerization technologies to maximize resource utilization and reduce the number of physical servers needed. We have reduced the usage of 236 servers to 34 servers by this approach.
- Raising awareness among employees about the environmental impact.
- Ensuring the supply chain also follows sustainability practices.
- Using E-cars for employee transportation

Biodiversity, Land use and Deforestation:



Biodiversity encompasses the staggering array of species, ecosystems, and genetic diversity on Earth. It provides numerous ecosystem services, such as pollination, water purification, and climate regulation, which are vital for human well-being. The intricate web of life, from microorganisms to large mammals, contributes to the resilience and adaptability of ecosystems, making them better equipped to withstand environmental changes.

Human activities have transformed landscapes for various purposes, including agriculture, urbanization, and infrastructure development. While these activities are essential for human progress, they often result in alterations to natural habitats, leading to a reduction in biodiversity. Intensive agricultural practices, for instance, may involve the clearing of vast tracts of land, affecting the native flora and fauna.

Deforestation, the widespread removal of forests, is a significant driver of biodiversity loss and environmental degradation. The conversion of forests into agricultural land, logging, and infrastructure development contribute to habitat destruction, fragmentation, and degradation. This disrupts the intricate relationships between species and can lead to the decline or extinction of numerous plants and animals. Moreover, deforestation contributes to climate change by releasing stored carbon into the atmosphere.

To overcome the adverse impact of Biodiversity, land use and deforestation, Sasken adopts responsible business practices and integrating sustainability into its operations. Several practices in Sasken are captured here.

- Encourage the use of public transportation, carpooling.
- Using EV vehicles for employee shuttle services
- Using EV vehicles to take employees to the Airport.
- Using Economy class for travel
- Sasken is Assessing the impact of remote work to reduce the environmental impact of commuting. Today our offices work in Hybrid model.
- Minimize paper usage by adopting digital documentation and communication systems.
- Encouraging Partners and employees to opt for electronic transactions and communications.
- Collaborating with suppliers who follow sustainable and environmentally friendly practices.
- Setting criteria to suppliers to adhere to biodiversity conservation and anti-deforestation measures.
- Implementing energy-efficient technologies and practices in data centers and IT infrastructure.
- Educating employees on environmental sustainability and biodiversity conservation.
- Encouraging employees to participate in volunteer programs focused on environmental initiatives, such as tree planting or habitat restoration.
- Carrying out seed ball making exercise and placing seed balls in the barren places where afforestation is planned.
- Conducting tree planting drives.

Waste Management:

Waste management has become a critical aspect of Sasken's sustainability roadmap as we recognize the environmental, social, and economic impacts of improper waste disposal. Adopting effective waste management practices is not only our responsibility but also an opportunity for us to demonstrate our commitment to environmental stewardship and social responsibility.

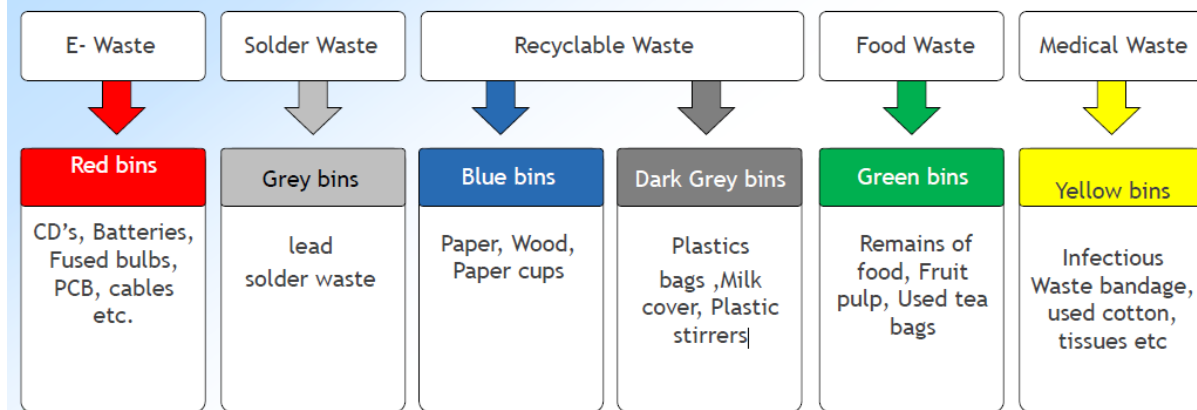
Source Reduction and Waste Minimization:

- While our Waste management process was in place ever since 2002, the first and foremost strategy is to we adopted was reduction and waste minimization. We have implemented robust measures to reduce the generation of waste at the source by optimizing processes, improving efficiency, and adopting thought process that whatever waste can it be recycled. can it be upscaled? By this approach we are not only minimizing waste generation but also reducing their environmental footprint.
- We have established comprehensive recycling in our management practice. Waste is segregated as



- Wet Waste-Typically food waste
- Dry Waste-Typically Paper, wood etc.
- E-Waste-Electronic Waste, electrical waste, cables, wires, disks, computers etc.
- Hazardous waste- Used Oils, Oil-soaked cottons, batteries, paint cans etc.
- Sanitary waste
- Medical waste-Cottons, syringes, medicines etc.
- Sewage waste
- Garden Waste

Waste is segregated at source using various Bins as given below:



- This includes providing easily accessible recycling bins at common areas , educating employees about proper waste segregation, and partnering Kadhi Gram Udyog for recycle all the Materials such as paper, cardboard, Tissue Papers generated in the organization, partnering with eco-karigari to upscale the plastic waste, Organic wet waste composter to ensure wet waste is composted organically. Plastics, Glass and metals are recycled, diverting them from landfills and promoting a circular economy.
- Oil-Soaked cotton waste and used Oils from generators are collected in the waste yard. The same is disposed through a Govt authorized vendor. Cotton waste is incinerated (by authorized vendor) and used oils are regenerated wherever possible as per the pollution control board norms.
- US FDA certified Vendor is chosen to supply the collection boxes to collect Sanitary waste. Unit is collected by the trained staff and the boxes are collected in the specially designed bags, which are sealed during transportation. Waste collected is handed over to an authorized incinerator to incinerate the waste as recommend by Pollution control board.
- Medical waste is segregated in 4 different bins inside the medical Centre at Sasken. Four bins are a) needles and sharp objects b) infectious waste c) gloves, aprons, masks d) hazardous waste like medicines etc. vendor collects this waste in 4 separate bags which are sealed for transportation and then disposes it as per pollution control boards norms.
- We have a robust Guideline for the responsible disposal of obsolete electronic equipment, collaborating with certified e-waste recyclers ensuring that hazardous materials are handled safely, and valuable components are recovered for reuse. We have a practice of extending the life of used computers, by refurbishing them and donating them to remote underprivileged schools to ensure that the life of the device is extended at least by 2 more years instead of making it e-waste. This has found a significant traction and benefit with remote schools who could not afford to have computer labs in their schools.
- We have also introduced a Wet Waste Composter for disposing of food waste (wet waste) generated in the cafeteria in an eco-friendly waste management practice. Composting not



only reduces the amount of waste going to landfills but also produces manure which we are using for gardening purposes .

- We conduct training programs and awareness campaigns to empower employees and support staffs to adopt sustainable practices in their daily activities.
- We also track and review Waste Generation Metric which is valuable for identifying areas of improvement and setting realistic waste reduction targets. Continuous monitoring and reporting on waste management performance is an inherent practice in Sasken.
- As a commitment to business, we have obtained ISO 14001 for environmental management and practice the same in letter and spirit.

Noise Management in Sasken

Noise management has become a critical aspect of creating a conducive work environment for employees. In the fast-paced and dynamic world of business, where focus and concentration are paramount, excessive noise can significantly impact productivity, job satisfaction, and overall well-being.

Noise sources in the office environment is identified (E.g.: While powering on DG, AHU Noise, Exhaust Noise, Chiller plant noise, construction work noise)

- Noise level is defined in the work area.
- Soundproof curtains and acoustic panels are used in conference rooms and work areas to minimize disruptive noises. Soundproofing materials in walls, ceilings, and floors are used to reduce sound transmission between rooms or from external sources.
- Noise-canceling headphones are used while working in DG area where the noise level is High.
- Noisy activities are planned and scheduled.
- Noise monitoring tools to regularly used to assess and track noise levels.
- No noise work will be carried out in the campus after 6 Pm, which can create Noise beyond the defined decibel level.
- Landscaping features like trees or shrubs are planted which act as natural sound barriers, especially in outdoor environments.
- Regular maintenance of machinery and equipment to ensure they operate quietly.
- Legal compliance with local noise regulations and standards are measured /tracked and maintained.

Positive Soil Quality and Health:

- Adopting eco-friendly and sustainable practices within their operations, such as using renewable energy sources and minimizing electronic waste, contributes to overall environmental health, including soil quality.
- We engage in CSR activities. Investing in projects related to afforestation.
- We encourage remote work and virtual collaboration tools, which can reduce the need for extensive office spaces and transportation, lowering their carbon footprint and minimizing the environmental impact on surrounding areas, including soil.
- Involvement in local communities (especially schools) in our annual seed ball making exercise is leading to projects that enhance environmental sustainability. On an average we spread 5000 seed balls every year in the area which needs afforestation
- We have developed an organic farm of 3.5 Acres on the campus.
- Companies can run awareness programs for employees about environmental conservation, sustainable living, and the importance of soil health. This can lead to a positive ripple effect as individuals adopt environmentally friendly practices in their personal lives.



- We invest in carbon offset programs /initiatives to neutralize their carbon emissions. These programs often involve activities like reforestation, which directly impact soil health.
- Through our CSR we are participating with educational institutions and NGOs to promote environmental education

Ethical Treatment of Animals:

- While animals are not used in our operation, we are committed to animal welfare and acknowledge the ethical considerations related to how animals are treated. Hence, as an organization we are very clear that we will never harm animals and also ensure that we engage with vendors who abide by this.
- We are not in the business of Testing /using /exhibiting any Animal r animal related products.
- We have gone to the extent of using Plant fiber (Banana fiber) to create our corporate diaries without using any animal leather.
- All the laptop bags are made of cotton material and not any animal leather.

Sustainable environment KPI and Metrics

The Data collected using Sustainability Assessment allows the Sasken Environment management system (EMS) team to identify various environmental footprints & Impacts. It also helps to put controls to mitigate the significant impacts to meet the organizational environmental objectives. Collected data helps to derive below mention sustainability measurements.

- Carbon footprint measurement - Scope 1, 2 & 3
- Water footprint measurement
- Legal and Regulatory requirements compliance /Score cards
- Effective Waste Diversion & disposal measures
- Donation /recycle of non-usable items analysis and positive impact on environment created, thereupon.
- Air quality measurement
- Natural resources consumption pattern & actions to reduce the losses.
- Identify natural resources depletion activities and opportunities to implement green projects.

The above identified measurement has been considered from the following identified environmental impacts to comprehensively capture the aspects associated with the organization's activities.

The nine Environmental Impacts considered are as follows.

1. Natural Resource Depletion (NRD)
2. Natural Resource Depletion (Power)
3. Impact on Human
4. Land Contamination
5. Potentially hazardous condition to Flora & Fauna.
6. Air pollution
7. Sound/Noise Pollution
8. Water Pollution
9. Health and safety of occupants and vendors working at sites.

Data collection Methodology: We monitor various sustainability aspects, including:

- Employee travel and transportation usage, encompassing air, road, and rail.
- Hotel accommodation practices.
- Daily waste logs, covering both general waste and hazardous/electronic waste, along with disposal details.
- Details of incoming and outgoing material transport, as well as purchase records.



- Electricity and diesel consumption, distinguishing between renewable and conventional power sources.
- Data related to air-conditioning, electrical equipment usage, and maintenance.
- Employee personal vehicle usage records.
- Donations of items such as paper, plastic, computers, and other relevant materials.
- Addressing concerns and suggestions from interested parties and stakeholders when necessary.

The EMS Lead with support from Domain owners' team carry out the data analysis & data analysis and derives results to further work on Risk & Opportunity from the results evident form matrix analysis.

Further, The Aspect and Impact assessment / review is carried out in-line with such results and accordingly impact ratings get modified. GQSEIT team & domain OWNERS team gets notified on the impact ratings with respect to each of these factors.

Impact Mitigation Planning and approach

Post getting results from Sustainability matrix, Impact mitigation planning is carried out.

- Identify the vital few impacts from the rest.
- Analyze impacts for causes
- Implement actions to mitigate the impact (EMP)
- Legal and other requirements are treated with priority, irrespective of low or high ratings.

Mitigating impacts involve prioritization, assessment, and implementation of suitable controls to reduce their adverse effects. Achieving complete elimination of all impacts is typically impractical or nearly impossible. In Environmental Management Systems (EMS), collaboration with process owners is key, as it helps identify and implement the most effective controls to minimize adverse impacts to an acceptable level. Additionally, Green Projects are strategically planned and executed on an annual basis to maintain the impact level at a minimum, and in NIL in Some cases.

Evaluation and Continuous Improvement

- The PROCESS OWNERS team will examine the impact reduction controls associated with Aspect-Impacts relevant to their respective areas of responsibility. For example, the IT PROCESS OWNERS SPOC will focus on IT-specific AIs while providing input on AIs from other departments as applicable. This evaluation aims to gauge the enhancement in the performance of Environmental Characteristics.
- Periodically, the EMS Lead will communicate the outcomes of the impact assessment to the Head of FMS. The remaining impact, following the implementation of new or improved controls, is referred to as the residual impact. It is important to note that achieving a completely impact-free system is impractical, and not all controls can eliminate or reduce the impact to zero. In cases where the impact remains unacceptable, the impact management cycle should be reiterated to identify ways to reduce the residual impact to an acceptable level.
- Local regulatory requirements and region-specific issues may introduce new environmental challenges. Additionally, equipment wears and tears, as well as personnel changes, can reintroduce previously mitigated impacts. Therefore, a regular evaluation and assessment of aspects and impacts are essential for sustained and continuous improvement.



- Every six months, the EMS Lead, with support from the PROCESS OWNERS team, will conduct a comprehensive evaluation of all activities, including those added in the past year. This evaluation aims to:
 - Identify new significant aspects/impacts.
 - Assess risks arising from significant aspects and establish treatment plans.
 - Develop new Environmental Management Plans (EMPs)
 - Continuously enhance environmental performance across Sasken facilities.
 - The impact assessment process shall be repeated twice a year while activities pertaining to EMS are carried out frequently.

12 Sasken ESG Guideline, in detail: Social

Equal Opportunity Employer

The doctrine of the Guideline is respecting each other through creating an equal opportunity workplace free of discrimination and harassment. We do not discriminate or allow harassment based on race, color, religion, disability, gender, national origin, sexual orientation, gender identity, gender expression, age, genetic information, military status, or any other legally protected status.

Harassment Free Workplace

We are committed to providing a work environment free from harassment. Company Guideline prohibits sexual harassment and harassment based on pregnancy, childbirth or related medical conditions, race, religious creed, color, national origin or ancestry, physical or mental disability, medical condition, marital status, age, sexual orientation, or any other type of harassment protected by federal, state, or local law or ordinance or regulation.

Workplace Diversity

We value and advance the diversity and inclusion of the people with whom we work and are committed to fostering, cultivating, and preserving a culture of diversity, equity, and inclusion. Our human capital is the most asset we have. We embrace and encourage our employees' differences in age, color, disability, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, socio-economic status, veteran status, and other characteristics that make our employees unique. We aim to create an inclusive workplace and leverage the power of diversity for sustainable competitive advantage, where employees from different backgrounds can have the opportunity to participate, develop and contribute freely and equitably.

Minority Rights

Sasken is committed to fostering an inclusive and diverse workplace that respects and promotes the rights of all individuals, regardless of their minority status. This Minority Rights Guidelines document outlines the principles and practices that guide our organization in creating an environment where every employee feels valued, respected, and included.

Sasken provides equal opportunities for career development and advancement to all employees, irrespective of their minority status. The organization will ensure that recruitment, promotion, and training processes are fair, unbiased, and based on merit.

Discrimination based on race, ethnicity, religion, gender, sexual orientation, disability, or any other minority status will not be tolerated. Employees found engaging in discriminatory behavior will be subject to disciplinary action, up to and including termination.

Sasken is committed to maintaining a workplace free from all forms of harassment, including but not limited to verbal, physical, or visual harassment. Harassment based on minority status will be treated with utmost seriousness, and prompt action will be taken to address and resolve such issues.



All employees, including managers and executives, will undergo regular diversity and inclusion training to foster awareness, understanding, and sensitivity towards minority rights. This training will aim to build a culture of respect and appreciation for diversity within the organization.

Sasken recognizes the importance of affirmative action to promote diversity and inclusion. The organization will proactively implement measures to ensure fair representation of minorities in various levels and departments, especially in leadership roles.

All individuals at Sasken can submit their grievances through a designated platform, and these concerns will be promptly addressed in accordance with the grievance redressal process.

The organization is committed to accommodating employees' religious practices to an extent feasible. Sasken has established a confidential and accessible reporting mechanism for employees to report any instances of discrimination, harassment, or unfair treatment related to minority rights. The organization pledges to investigate all reported incidents promptly and take appropriate action.

Sasken never makes any discrimination towards minority-owned businesses and suppliers. These Minority Rights Guidelines will be regularly reviewed and updated to ensure their effectiveness and relevance in creating an inclusive and diverse workplace.

Freedom of Expression & Association

We recognize the employees' right to assemble, communicate and join association of their choice in matters related to their employment within the purview of the policies and procedures of the Company. We respect that employees have the right to seek labor representation, join unions, and bargain collectively in many places in which we operate. Wherever applicable.

Abolition of Forced Labor

We prohibit all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, modern forms of slavery and any other form of human trafficking.

We do not conduct business with any third parties who engage in human trafficking or forced labor. We are against any form of coerced or prison labor, use of physical punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control.

Women's Right:

Sasken is committed to providing equal opportunities to all employees, regardless of gender. All recruitment, promotion, and training opportunities will be based on merit and competence.

- Discrimination based on gender, including but not limited to hiring, promotion, compensation, and work assignments, is strictly prohibited.
- Any form of harassment, including sexual harassment, will not be tolerated. Employees are encouraged to report any incidents promptly to the POSH committee, and Sasken will take immediate action to address and resolve such matters.
- Sasken recognizes the importance of work-life balance. Flexible work hours, remote work options, and other flexible arrangements will be considered to support employees, especially women, in balancing professional and personal responsibilities.
- Sasken adheres to statutory provisions related to maternity leave. Additionally, the company encourages a supportive environment for both men and women and offers paternity leave to fathers for the well-being of their families.
- Sasken is committed to providing equal opportunities for career development and advancement. Training and mentorship programs will be implemented to help women employees enhance their skills and progress in their careers.
- Regular awareness and training programs will be conducted to foster a gender-sensitive workplace. These programs will cover topics such as unconscious bias, diversity and inclusion, and respectful communication.



- Sasken is dedicated to maintaining a safe and inclusive workplace. Employees are encouraged to report any concerns related to safety, harassment, or discrimination, and the company will take appropriate action to address and resolve such issues.
- While all the women staff must leave the premise before 7PM, in the event of unavoidable delay, Sasken will ensure that the women staff is dropped till home providing Security escort ensuring the safety of women employees.
- Sasken is committed to ensuring pay equity among employees.
- Sasken respects the confidentiality and privacy of its employees. All information related to personal matters, including but not limited to maternity and health issues, will be treated with the utmost confidentiality.
- Sasken has established a robust grievance redressal mechanism for addressing any concerns related to women's rights. Employees are encouraged to use this mechanism for prompt and fair resolution.

Abolition of Child Labor

Child labor is strictly prohibited. We are against the exploitation of children (any person below the age of 18 years) through any form of work that deprives them of their childhood, interferes with their ability to attend regular school, and is mentally, physically, socially, or morally harmful.

Health, Workplace Safety and Environment

By integrating health, safety, and environmental considerations into all aspects of our business, we protect our people and the environment, achieve sustainable growth and accelerated productivity, drive compliance with all applicable regulations, and develop the technologies that expand the sustainable capacity of our world.

And we are committed to demonstrating a high standard of environmental protection and the provision of a safe and healthy workplace. We have in place various practices, policies, and financial & non-financial measures to ensure a safe and healthy workforce.

Ethical Hiring:

Sasken is committed to providing equal employment opportunities to all candidates, regardless of race, gender, religion, caste, disability, or any other protected characteristic.

- Policies are implemented to prevent discrimination and ensure that all hiring decisions are based on merit and job-related criteria.
- Provides timely and constructive feedback to unsuccessful candidates, promoting transparency in the decision-making process.
- Job descriptions focus on the essential qualifications and skills required for the position, avoiding language or requirements that may be exclusionary or discriminatory.
- Interview panels that are diverse and representative of different backgrounds within the company.
- Regular training sessions for interviewers to raise awareness about unconscious biases and teach them how to conduct fair and objective interviews.
- Various recruitment channels are utilized to attract a diverse pool of candidates. This may include job portals, social media, community outreach programs, and partnerships with educational institutions.
- The hiring process is accessible to candidates with disabilities. This includes accessible job postings, interview accommodations, and accessible office facilities.
- Candidates' information is handled securely. Clearly communicate how candidate data will be used and stored.
- Policies are in place to prevent favoritism or bias in hiring decisions, particularly when it comes to relationships within the company.



- Fair and transparent compensation practices, ensuring that salary offers are based on job responsibilities, skills, and experience rather than gender, ethnicity, or other irrelevant factors.
- Regular reviews and updating of the hiring processes to identify and eliminate any potential biases.
- Hiring is compliant with local and national labor laws and ensures that all hiring practices comply with these regulations.

Living Wages

Sasken pays all workers at least the minimum wage required by applicable laws and regulations and provides all legally mandated benefits and ensures that all the employees can maintain a standard of living. The Company complies with all applicable maximum working hours laws and regulations and workers are compensated for overtime hours at or above the rate required by applicable laws and regulations.

Anti-Bribery and Anti-Corruption

Our Anti-Bribery & Anti-Corruption (ABAC) Guideline sets out our position on bribery and corruption in detail. The ABAC Guideline and processes are reviewed by the Audit Committee of the Board and Management at regular intervals. We have adopted a whistle-blower mechanism for reporting concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics.

Data Privacy

Sasken is committed to protecting the data privacy of employees (including ex-employees and retirees), customers and suppliers. Our current data protection and privacy framework includes multi-layer password protected authentication systems, automatic tools and tracking mechanisms, audits and information sharing on a need-to-know basis. We do not disclose information to third parties without the explicit consent of our stakeholders, unless required by law to do so.

Violations

Sasken will take appropriate action against employees, agents, customers, and suppliers who violate this Guideline. Sasken employees who violate this Guideline may be subject to disciplinary action up to and including termination of employment, and Suppliers who fail to comply with the Supplier Code of Business Conduct may be subject to termination.

Due Diligence, Audit, and monitoring

We recognize that human rights due diligence is a continuous process, and we have policies, processes, training, and other monitoring systems in place in furtherance of this commitment.

Standard Working Hours:

Sasken adheres to standard working hours as defined by applicable labor laws and regulations in their respective regions. Standard working hours typically range from [9AM] to [6PM], with [Monday to Saturday].

- Sasken complies with overtime regulations and provide adequate compensation and rest periods to their employees in accordance with local law if it is applicable. AS of now this law is not applicable for the segment we are doing business in.
- Sasken provides employees with appropriate breaks and rest periods during the working day, in compliance with local labor laws.
- Sasken acknowledges that certain business circumstances may require flexibility in working hours. Accordingly, the work is carried out.
- Sasken complies with all applicable labor laws, including those related to working hours, breaks, and rest periods, in the jurisdictions where they operate.
- Sasken continuously assesses and improves working conditions, including working hours, with the goal of fostering a positive and sustainable work environment.
- Sasken respects the right of their employees to freely associate, organize, and join trade unions or other representative bodies of their choosing, in accordance with local laws and regulations, if applicable.
- No employee shall face discrimination, harassment, or retaliation for exercising their right to freedom of association.



- Sasken encourages engaging in good faith negotiations with recognized workers' representatives to establish fair terms and conditions of employment wherever the law of the land directs so.
- Sasken respects and recognizes the collective bargaining rights of workers, as per applicable laws and regulations. wherever the law of the land directs so.
- Sasken shall comply with the local and national laws related to freedom of association and collective bargaining. wherever the law of the land directs so.
- Sasken shall always stay informed about changes in legislation that may affect these rights.
- Sasken shall communicate the principles of freedom of association and collective bargaining to its employees in a clear and accessible manner. wherever the law of the land directs so.
- Regular training programs on these rights shall be provided to management and workers to ensure understanding and compliance.
- Sasken promptly reports any concerns or violations related to freedom of association and collective bargaining. wherever the law of the land directs so.
- Sasken continuously improves its practices related to freedom of association and collective bargaining, seeking feedback from workers and stakeholders.
- Anyone can inquiries or seek guidance on this Guideline through esg@sasken.com

Use of Private or Public Security Forces

- Sasken employs private security personnel through a reputable Security Agency to safeguard their employees, facilities, assets, and operations 24/7. The selection of this agency is based on their company performance, adherence to laws and rules, and compliance standards.
- The recruitment and training of these forces prioritize the concept of providing security while respecting human rights. Our policies ensure that security measures are implemented responsibly, with responses proportionate to the level of threat.
- The management of security services at Sasken is overseen by the Sasken Representative or Security-in-charge, acting as a liaison between security forces and incidents. This individual embodies Sasken's ESG practices and ethics, providing consultation to the security forces. Proactive communication, community engagement, and grievance resolution are integral, often involving collaboration between security and community relations departments.
- Gender considerations are a priority, with Lady Security Staff deployed to prevent discrimination. Sasken ensures rigorous selection, training, adherence to rules of conduct, and ongoing supervision for each security staff member. No weapons are used for guarding premises; instead, security relies on CCTV, access control, light torches, public address megaphones, and fire suppression solutions in case of emergencies.
- If security incidents have to be escalated to public authority, the protocol is to escalate them to public security officers, commonly referred to as POLICE forces. Public security personnel are requested to exercise appropriate restraint when addressing situations involving Sasken, its employees, and communities.

13 Sasken ESG Guideline, in detail: Governance

Board Composition: The composition of a company's board of directors is a crucial aspect of governance. A diverse and independent board is often seen as a positive indicator. Independence ensures that the board can effectively oversee management without undue influence, while diversity brings a range of perspectives to decision-making. The Sasken Board comprises nine members, six of whom serve as independent directors inclusive of one Lady Independent board of directors.

Executive Compensation: Governance considerations include the structure of executive compensation. Fair and transparent compensation policies, tied to performance metrics that align with long-term sustainability goals, are viewed favorably.

Shareholder Rights: Governance practices also involve ensuring that shareholders have the necessary rights and protections. This includes the ability to vote on key decisions, access relevant information, and voice concerns through mechanisms like shareholder resolutions.



Ethical Practices and Anti-Corruption Measures: Sasken has a strong governance framework and practice, emphasizing ethical behavior and has measures in place to prevent corruption. Transparency in financial reporting and adherence to anti-corruption laws contribute to our positive governance rating.

Risk Management: Effective governance involves, inter alia, the implementation of robust risk management practices. At Sasken, we have established an organizational-level Risk Management Team led by the Chief Risk Officer, with oversight by the Risk management Committee of the Board (“RMC”). This team is tasked with identifying risks across various functions of the business and reporting them to the RMC. The team continuously reviews current business risks, assesses their scores, prioritizes them, outlines implemented mitigation steps, and presents the information to the RMC. These risks span from cyber risks to risks associated with the company's business and vision/mission and can be any factor that may impede Sasken's business operations and growth. This ongoing process includes continuous year-round reviews, with periodic assessments to monitor reductions in risk scores or the addition of new risks.

Stakeholder Engagement: Sasken engages with a wide range of stakeholders, including employees, customers, suppliers, and local communities. We have a meaningful stakeholder engagement, ensuring that various perspectives are considered in decision-making.

Sustainability Policies and Practices: Governance practices extend to a company's commitment to sustainability. This involves setting and implementing policies that address environmental and social impacts, aligning business strategies with long-term sustainability goals. This can be found elsewhere in this document.

Transparency and Disclosure: Transparent communication about a company's governance practices, as well as its environmental and social performance, is a key element. Companies that disclose relevant information enable stakeholders to make informed decisions and hold the company accountable.

Fair competition and Antitrust Guideline: Sasken places significant importance on ethical business practices, as outlined in our Antitrust and Fair Competition Guideline. Our commitment revolves around enabling fair competition, preventing anti-competitive behavior, and safeguarding the interests of both customers and businesses.

Sasken is unwavering in its dedication to conducting business in compliance with all relevant antitrust laws, ensuring a level playing field in the market. We maintain a zero-tolerance approach towards any unfair competition or deceptive practices. Clear guidance on antitrust and competition laws is provided to our employees, who are expected to uphold our values of integrity, fairness, and professionalism in all business dealings.

While our primary focus is on customized software development, Sasken recognizes the need for specific guidance in the areas of antitrust and competition, even if the Guideline may not be directly applicable. We remain committed to adhering to ethical standards and guidelines in these aspects of our business operations.

Financial Responsibility (Accurate Records): Sasken undergoes quarterly audits of its accounts prior to the release of quarterly results, adhering to regulatory requirements for the stock exchange where its shares are traded. While there is an option to submit unaudited financial results, Sasken proactively chooses to have the financial statements audited, a practice upheld much before the company's shares were listed. This underscores Sasken's commitment to the highest governance standards. The audited financials are accessible to all stakeholders, and notably, there has never been a need to revise the financial statements due to errors or misstatements, affirming the accuracy of Sasken's financial records.

Disclosure of information: Our financial statements have consistently adhered to the highest standards of disclosure, surpassing the regulatory requirements by providing abundant and comprehensive information. Notably, neither regulators nor shareholders have raised concerns about



insufficient disclosure, ensuring a clear comprehension of the financial statements. Moreover, should any investor or shareholder seek additional data during member meetings, we are committed to promptly addressing their requests to enhance overall clarity.

Export Control and Economic Sanction Compliance: We are not subject to economic sanctions. Sasken adheres to a system mandated by the applicable law in India, ensuring that all exports from the country undergo oversight and supervision by authorized government bodies such as the Software Technology Park of India (STPI) or Development Commissioner, Special Economic Zone (SEZ). These entities are responsible for certifying the invoices issued to overseas customers. Additionally, the invoices must be cross verified with the inward remittances received from customers.

Once the invoices and matching inward remittance details are submitted to the Reserve Bank of India through Authorized Dealers (AD), which are licensed commercial banks in India, the information is uploaded into the Export Data Processing and Monitoring System portal by the AD. This completes the accounting cycle for the valid consideration received for exports, as mandated by the Foreign Exchange Management Act, and effectively eliminates any concerns related to money laundering.

Sasken has consistently and diligently followed these procedures, and to the best of our knowledge, we have remained fully compliant with these regulatory requirements.

Counterfeit Parts or IP infringement: A counterfeit parts Guideline or IP Guideline is essential to ensure the integrity, security, and reliability of the software products. While the term "counterfeit parts" is more commonly associated with hardware, in the context of software development we at Sasken consider this as unauthorized or tampered software components, libraries, or modules or "IP-infringement "

For all the Software used for business purpose Sasken has a clearly defined Guideline where all the procurement and deployment of Software will be routed through the IT team. No end user will have the right to install any software and it will be done only by IT against the valid purchase. All the Licenses are managed centrally and monitored centrally through "Manage Engine" software. Once the user exits the license is taken back and allocated to another requester. Licenses are tracked in the Register and declared every year to the Audit committee. Every year Software licenses are commercially renewal for the purpose of utilization.

Software Integrity: As far as the software developed by Sasken, strict controls on the source code repositories to prevent unauthorized access and modifications or infringing anyone's IP. Version control systems to track changes and ensure that only authorized personnel have written access.

Robust code review process in place to ensure that all code changes are thoroughly examined by multiple team members. Regular code audits are done to identify and rectify any potential security vulnerabilities or unauthorized modifications. Secure test and build processes in place to minimize the risk of introducing counterfeit parts during the software development life cycle. Strict access controls are in place to limit access to sensitive development environments and code repositories.

Regular review and access permissions are provided on the basis principle of the least privilege. Due Diligence are done when selecting and using third-party libraries, frameworks, or tools. Reputable sources are selected and regularly checked for updates and security patches.

Approved vendors are empaneled. Regular training sessions are provided for employees to raise awareness about the importance of IP protection. The development team is guided to coding practices and the potential risks associated with using unauthorized or tampered software components.

Incident Response Plan in place to ensure any incident toward IP violation can be reported.

Whistle Blower: Sasken has implemented the Whistle blower Guideline, which is governed by the top management. Anyone can write to whistleblower@sasken.com, if they feel there is need to make an



anonymous complaint. Whistleblowers may raise concerns about a variety of issues, including financial fraud, corruption, environmental violations, workplace discrimination, and safety hazards. The nature of the concern can vary widely depending on the industry and the specific circumstances. Once a whistleblower report is received, the governing committee conducts a thorough investigation. This involves examining the evidence, interviewing relevant parties, and taking appropriate action if wrongdoing is substantiated.

All the complaints are treated in a fair manner and resolved in the best possible way. For more details, please refer to Sasken Whistle blower Policy.

Protection Laws: whistleblowers are protected from any retaliation.

Reporting Mechanisms: At Sasken we have implemented POSH committee (Prevention of Sexual harassment) where any issues related to Sexual harassment, irrespective of gender can be registered with utmost confidence. For furthermore details, please refer to Prevention of Sexual Harassment Guideline published under Sasken SMS.

-----DISCLAIMER-----

This ESG guideline should be consulted in tandem with the policies, processes, and guidelines accessible on the Sasken intranet. While serving as a guiding influence in Guideline and process formulation, this guideline will be subject to ongoing enhancements as required. This will be the sole repository for such information, showcasing Sasken's dedication to ESG excellence. We are optimistic that every Sasken customer and stakeholder will acknowledge our organization as a frontrunner in the ESG domain, advancing swiftly.

For further information please reach out to prakriti@sasken.com & esg@sasken.com

14 Acronym

- **ESG** : Environmental , Social Governance
- **BRSR** : Business Responsibility and Sustainability Reporting (BRSR)
- **NVG**: National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business
- **BRR**: Business responsibility reporting
- **BRSR**: Business Responsibility and Sustainability Reporting
- **NGRBC**: The National Guidelines on Responsible Business Conduct
- **MCA**: Ministry Of Corporate Affairs
- **IRDAI**: Insurance Regulatory and Development Authority of India
- **GREEN DEBT SECURITIES /GREEN BONDS**: Green bonds are debt instruments used to finance green projects that deliver environmental benefits. A green bond is differentiated from a regular bond on the basis of its purpose. The purpose of green bond is to finance or re-finance "green" projects, assets, or business activities.
- **UN SDG** : United nation Sustainable development Goals
- **GHG** : Greenhouse gases in the earth's atmosphere that trap heat (methane (CH₄), carbon dioxide (CO₂), chlorofluorocarbons (CFCs), nitrous oxide (N₂O), and carbon tetrachloride (CCl₄))
- **SCOPE 1**: Direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles)
- **SCOPE 2**: Indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the facility where they are generated, they are accounted for in an organization's GHG inventory because they are a result of the organization's energy use.
- **SCOPE 3**: Emissions are the result of activities from assets not owned or controlled by the reporting organization, but that the organization indirectly affects in its value chain. Scope 3 emissions include all sources not within an organization's scope 1 and 2 boundary.



- **SASB:** Sustainability Accounting Standards Board
- **GRI:** the Global Reporting Initiative
- **TCFD:** Task Force on Climate-related Financial Disclosures
- **SEBI:** The Securities and Exchange Board of India
- **CSR :** Corporate Social Responsibility

15 References source for creating this Guideline for Sasken.

While the practices and Guideline part of this document is exclusively that of Sasken, the Regulatory compliance, laws are referred from the below article /notification.

- <https://www.undp.org>
- <https://www.sasb.org/>
- [GRI - Home \(globalreporting.org\)](https://www.globalreporting.org/)
- Sustainability practitioner course by Capt Tapas Mujumdar -reference materials.
- https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf Page 13
- https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf Page 14
- https://www.mca.gov.in/Ministry/pdf/NationalGuideline_15032019.pdf Page 16
- <https://corporatefinanceinstitute.com/resources/esg/esg-environmental-social-governance/>
- <https://www.msci.com/esg-101-what-is-esg>
- [What are the best practices for aligning business reports with the UN Sustainable Development Goals? \(AI Powered \)](#)

