

AFFLE (INDIA) LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY

1. BACKGROUND

Securities and Exchange Board of India (SEBI) vide Circular dated May 10, 2021 has replaced the Business Responsibility Reporting and has introduced new reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR). The BRSR is intended towards having quantitative and standardized disclosures on ESG parameters to enable comparability across companies, sectors and time.

2. PURPOSE

This Policy is based on principles laid down in the National Guidelines on Responsible Business Conduct (NGRBC) published by the Ministry of Corporate Affairs. The NGRBC has been designed to assist businesses to perform above and beyond the requirements of regulatory compliance.

The Policy is designed to ensure a unified and common approach across Affle and shall be applicable to all the employees, Directors and all the foreign subsidiaries to the extent as required under laws of the country of their operation.

3. IMPLEMENTATION OF THE POLICY

The Business Responsibility Reporting Committee constituted by the Board of Directors of the Company at its meeting held on February 3, 2020 was responsible for the implementation of the Policy. The Business Responsibility Reporting Committee was dismantled and the ESG Committee was constituted on August 7, 2021. The ESG Committee shall be responsible for implementation / updating the policy. The Committee may take support of such functional heads and internal and external experts, which it may deem fit, for the effective implementation of the Policy.

4. POLICY

The Company believes that the business excellence can be achieved only by doing business on sound sustainability principles that address the dimension of good governance as well as environmental and social responsibility. The Company's Business practices would therefore be governed by the following nine principles as laid down in National Guidelines on Responsible Business Conduct (NGRBC).

Principle 1: Integrity, Ethics, Transparency and Accountability

- i. The Company shall develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
- ii. The Company shall communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
- iii. The Company shall put in place appropriate structures, policies and procedures to address conflicts of interest involving its members, employees and business partners.
- iv. The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
- v. The Company shall truthfully discharge their responsibility on financial and other mandatory disclosures.
- vi. The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

Principle 2: Sustainable Products and Services

- i. The Company shall assure safety and optimal resource use over the life- cycle of the product - from design to disposal - and ensure that everyone connected with it- designers, producers, customers and recyclers are aware of their responsibilities.
- ii. In designing the product, the Company shall ensure that the technologies required to produce it are resource efficient and sustainable.
- iii. The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
- iv. The Company shall recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property.
- v. The Company shall recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.

Principle 3: Employee Wellbeing

- i. The Company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
- ii. The Company shall provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- iii. The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- iv. The Company shall take cognizance of the work-life balance of its employees, especially that of women.
- v. The Company shall provide facilities for the wellbeing of its employees including those with special needs.
- vi. The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.
- vii. The Company shall ensure continuous skill and competence upgrading of all employees

by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.

- viii. The Company shall promote employee morale and career development through enlightened human resource interventions.
- ix. The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Stakeholders Engagement

- i. The Company shall systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
- ii. The Company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
- iii. The Company shall give special attention to stakeholders in areas that are underdeveloped.
- iv. The Company shall resolve differences with stakeholders in a just, fair and equitable manner

Principle 5: Respect and protection of Human Rights

- i. The Company shall understand the human rights content of the Constitution of India, national laws and policies.
- ii. The Company shall appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
- iii. The Company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- iv. The Company shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
- v. The Company shall, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- vi. The Company shall not be complicit with human rights abuses by a third party.

Principle 6: Reducing Environmental Impact

Though the very nature of the businesses of the Company has limited impact on environment, the Company shall continuously aim to reduce even the limited impact on the environment by identifying ways to optimise resource consumption in its operations.

Principle 7: Responsible Policy Advocacy

- i. The Company, while pursuing policy advocacy, shall preserve and expand public good and shall not advocate any policy changes to benefit the Company or select few alone.
- ii. To the extent possible, Company shall utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy

advocacy.

Principle 8: Inclusive Growth and Equitable development

- i. The Company shall understand their impact on social and economic development and respond through appropriate action to minimise the negative impacts.
- ii. The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.
- iii. The Company shall make efforts to complement and support the development priorities at local and national levels and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
- iv. The Company shall be sensitive to the local concerns while operating in regions that are underdeveloped.

Principle 9: Providing value to Consumer

- i. The Company, while serving the needs of their customers, shall take into account the overall well-being of the customers and that of society.
- ii. The Company shall ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
- iii. The Company should manage consumer data in a way that does not infringe upon their right to privacy.
- iv. The Company shall promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
- v. The Company shall exercise due care and caution while providing services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- vi. The Company shall provide adequate grievance handling mechanisms to address customer concerns and feedback.

5. DISCLOSURES

The Business Responsibility and Sustainability Policy shall be disclosed on the website of the Company [i.e. at www.affle.com](http://www.affle.com)

6. POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authorities. The Committee may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Business Responsibility and Sustainability Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

Version Control

Version	Date	Description	Description of changes
1.0	May 30, 2020	Business Responsibility Policy	Adoption of new policy
2.0	March 31, 2023	Business Responsibility and Sustainability Policy	Policy nomenclature updated. To make the policy in line with the National Guidelines on Responsible Business Conduct (NGRBC) & SEBI Circulars on Business Responsibility and Sustainability Reporting, the Business Responsibility Policy is updated to Business Responsibility and Sustainability Policy