

Environment Social Governance (ESG) Policy

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VERSION CONTROL

Version No:	Effective Date:	Changes
Version 1.0	1st July 2022	
Version 2.0	1st July 2024	Update on Materiality Assessment process

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A. Introduction

As a purpose-led organization, Firstsource is committed to making a meaningful and tangible difference in the lives of our people, clients, shareholders, and the community alike. Our commitment to a sustainable and equitable future is manifested in our strong governance standards, **a focus on employee wellbeing, delivering community impact and mitigating our environmental footprint.**

ESG at Firstsource is an integral part of our business and goes beyond economic, legal and regulatory moves. We are committed to build back better by advancing our societal impact. Our **'REACCH' values act as our north star**, guiding us in achieving our goals. **'Humaneness'**, one of the six pillars of our REACCH values, is rooted in the principles of sustainability. Through actions driven by our values, we aim to remain conscious of our social responsibility, including **caring for communities and acting in environmentally responsible ways.**

This ESG policy is designed to achieve specific goals and track crucial metrics to improve our performance. This includes minimizing our carbon footprint, helping our communities, and building inclusive and safe workplaces.

B. Purpose of the Policy

This ESG policy aims to help Firstsource go beyond responsibility to exploring value and opportunity. We believe that this Policy will help us achieve goals by:

- helping us identify “the Right Way” of doing business, ensuring our integrity and long-term returns
- helping our businesses navigate challenges of scarcity of resources, ever changing expectations of stakeholders and
- making our business sustainable in the long run

Firstsource acknowledges the risks arising out of global climate change and attempt to work towards reducing the carbon footprint of our operations.

C. Policy Coverage

All Firstsource employees, interns, contractors, contract employees, consultants, customers, vendors, and business partners across all geographies must become familiar and comply with this ESG Policy.

D. Vision

We have set a vision and ambition to craft a purpose led ESG strategy with clear goals and commitments. By enhancing transparency and disclosures, improving performance in alignment with leading ESG frameworks, and scaling impact for our stakeholders, we are reprogramming our business

to better deliver shared value. We are committed to build a better world by advancing social impact and a sustainable future.

E. ESG Governance

We at Firstsource, have strong corporate governance procedures that are extremely important to us, as they enable us to create long-term value for our stakeholders and help us identify, access, monitor and report on Environmental, Social and Governance (ESG) factors of the organization. Our **360-degree ESG governance** arrangement aims to gradually build awareness across the organization, encouraging teams to collaborate and identify opportunities within Firstsource and beyond.

ESG involvement is a collective responsibility within our organization. We acknowledge that genuine integration of ESG into our organizational goals requires a well-defined framework of roles and responsibilities which will ultimately report to the Board level Risk Management Committee.

Our comprehensive ESG governance arrangement aims to develop awareness through the organization, improving collaboration among teams, and identifying opportunities within Firstsource and in the broader context. In order to ensure effective supervision and responsibility for ESG matters, we have broadened the scope of the Board-level Risk Management Committee to encompass ESG responsibilities. The committee offers guidance and oversees Firstsource's ESG strategy, plans and performance. Additionally, it provides guidance to management in implementing initiatives that nurture integrated thinking within our organizational culture and promote the principle of "doing well by doing good."

F. Materiality assessment

We periodically conduct materiality assessments comprising of inputs from a broad range of internal and external stakeholders. We study the emerging regulations regarding materiality assessment and attempt to align our process to the methodologies, to the extent possible. The material topics and themes selected based on the assessments guide our accountability systems and target-setting processes. Additionally, we conduct a yearly review of these materiality topics to ensure their continued relevance and reflect any changes in our business or stakeholder concerns. Our materiality analysis is reviewed and signed off by the Managing Director.

Further, to future-proof our business we have conducted a review of our Enterprise Risk Management framework and functional risk registers. This review included a Materiality assessment integrated into company's ERM process, allowing us to identify and map ESG risks that may affect our business. We have updated our functional risk registers by mapping risk elements against ESG factors and incorporating emerging risks. We have started aligning with the double materiality principles to better understand the dual impact of these risks. These risks will be subsequently monitored in compliance with the recent amendments to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We are committed to continually improving our materiality assessment processes and reporting these efforts in our annual and ESG reports.

G. Our ESG Commitments

We are committed to conducting sustainable and responsible business. We do this by implementing

policies, practices, initiatives and interventions across material ESG aspects.

1. Environmental

Our organization places a high premium on resource efficiency and decreasing our environmental footprint. We continue to implement policies and encourage initiatives to further reduce our environmental footprint through several measures. We focus on:

- Optimizing electricity, energy & water resources to reduce carbon and water footprints and minimize waste
- Adopt clean and renewable sources of energy
- Develop the ability to measure and reduce our Greenhouse Gas emissions by working with our suppliers, encouraging our employees to commit to public transportation and to reduce employee travel
- Promote the use of Electric Vehicles and carpooling
- Ensure appropriate access to safe water, sanitation, and hygiene for all employees in our premises
- Segregating waste into appropriate groups and managing waste responsibly
- Eliminating single-use plastic and complying with applicable statutory and regulatory requirements
- Ensuring e-waste is not disposed off in landfills, but rather recycled or handed over to authorized personnel
- Periodically monitor Environmental performance against set targets
- Encourage employees, to adopt sustainability practices and co-create sustainable solutions to solve social and environmental issues
- Explore opportunities to collaborate and contribute to climate solutions through our digital products and services, which help improve productivity, process efficiencies and conserve resources.

2. Social

Inclusion, diversity, and equality are becoming increasingly essential issues in how firms run and produce competitive advantage, with these areas drawing increased attention from a variety of stakeholders. Doing the right thing for our people energizes and empowers employees to make a positive difference in the communities where they live and work.

‘Humaneness’, one of the six pillars of our REACCH values, is rooted in the principles of sustainability. Through actions driven by our values, we aim to remain conscious of our social responsibility, be fair, respectful, transparent, care for communities and act responsibly towards the environment. We are convinced that advancing our people’s interests and developing our communities are inexplicably linked.

To achieve positive outcomes, we are focused on:

- Creating a diverse and inclusive workplace to bring out the best in our biggest asset, our people
- Creating a systematic framework that gives staff members at all levels access to a range of training and development opportunities. Creating interactive, digital, and selfdirected training material will help to create learning delivery methods that are future-proof. These programs are designed to provide multi-dimensional support to our employees that transcends beyond their role in the organization.
- Continue to provide healthy workspaces for our employees through sustainable renovations, construction, operations and certification whenever possible
- Focus on health and safety management practices within the organization

- Promoting sustainability training for employees and suppliers
- Impact Sourcing in order to improve access to work for socioeconomically disadvantaged people
- Creating Corporate Social Responsibility (CSR) programmes that promote environment, gender equality, education, healthcare, the arts & Crafts, and sports
- Promoting and safeguarding human rights and implementing ethical practices at the workplace

3. Governance

We strongly believe that doing business “the Right Way” should be our top priority. We aim to uphold the highest standards of ethical conduct and ensure that it is not compromised. We promote transparency and reduce risk by adopting globally benchmarked policies, such as:

<ul style="list-style-type: none"> ● Anti-Harassment & Non-Discrimination Policy – US ● Anti-Slavery & Human Trafficking Statement ● Anti-Bribery and Gifts & Entertainment Policy ● Archival Policy - IN ● Bank Secrecy Act and Anti Money Laundering Policy – US ● Board Diversity –IN ● Bullying and Harassments Policy - UK ● Business conduct & Ethics Policy – UK ● Code of Conduct for Executive Directors and Senior Management –IN ● Code of Conduct for Non-Executive & Independent Directors –IN ● CSR Policy ● Diversity & Equal Opportunities Policy - UK ● Dividend Distribution Policy –IN ● Equal-Opportunity-Policy-for-Differently-abled-Persons - IN ● Financial Crime Policy ● Gender Pay Report ● Global Anti-Fraud Policy ● Global BCMS Policy ● Global BCMS Manual ● Global Corporate Privacy Policy ● Global Cyber Security Policy 	<ul style="list-style-type: none"> ● Global Inclusion & Diversity Policy ● Global Policy Administration & Facilities ● Global Policy Physical Security Safety ● Global Quality Health, Safety, Environment & Energy Management Policy ● Global Tax Strategy ● Global Waste Policy ● Global Website Privacy Policy ● Global Whistleblowing Policy ● Human-Rights-and-Equal-Opportunities-Policy - IN ● Incident management Policy ● Material Subsidiary Policy –IN ● Policy for determination of Materiality of Events or Information –IN ● Policy on familiarisation of Independent Directors –IN ● Prevention of Sexual Harassment – POSH - IN ● Prevention of Sexual Harassment – POSH - Philippines ● Related Party Transactions Policy –IN ● Remuneration Policy for Non-executive Directors –IN ● Supplier Code of Conduct ● Sustainable Supply Chain Policy ● Workplace Bullying Policy – US ● Vulnerability Policies and Procedures – UK
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<ul style="list-style-type: none">● Global Enterprise Risk Management Policy● Global Ethics Policy● Global Grievance Redressal Policy● Global Human Rights Policy	
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As a cross-cutting focus area, we must ensure compliance with the regulations across E, S and G in the regions that we operate in.

H. Review and Contact

This ESG policy shall be reviewed to ensure its continued applicability and relevance to our operations and evolving stakeholder expectations. This exercise shall be conducted once a year or as and when there are changes. As we move ahead in our journey, we are committed to transparently showcasing our contributions and reporting our progress in an annual ESG report, which is available on our website.

I. When in doubt, please consult

If in doubt as to what might constitute a breach of this Policy, then please contact the ESG Team at, ESG@firstsource.com