

Growing with purpose

Firstsource Environmental,
Social and Governance
report FY 2021-22



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Growing with Purpose

Firstsource is infusing sustainability into the core of its transformation journey to establish itself as a resilient and purpose-driven organization and create tangible impact for its stakeholders.

In these volatile and uncertain times, it is more important than ever to build a sustainable business that empowers not only our organization, but also our people, clients, communities and other stakeholders alike. In our quest to create Environmental, Social and Governance value, we recognize the importance of developing a purpose-driven culture, one that flows inside-out from our company.

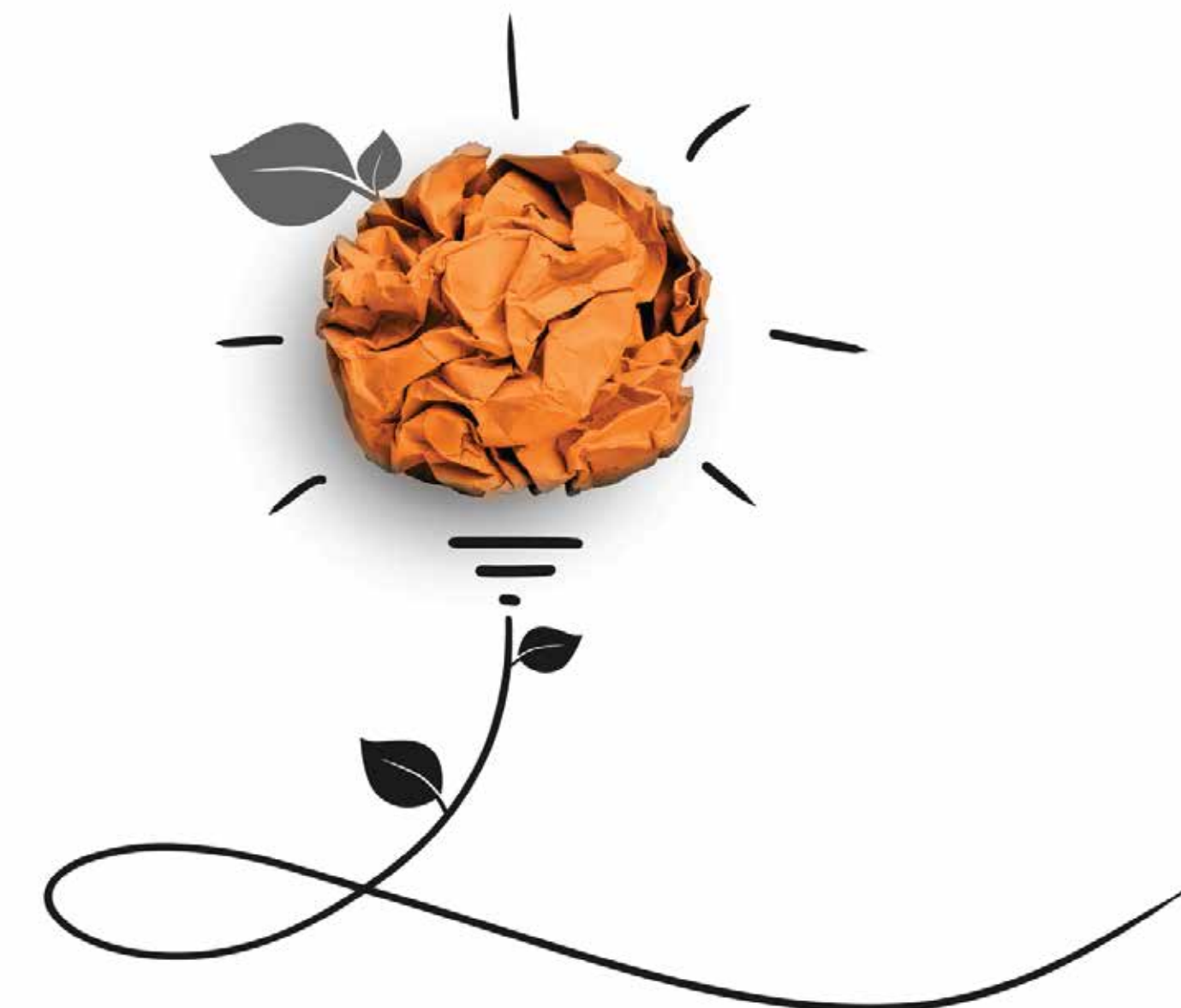
This starts with a people first approach. Internally, with putting people first, allowing Firstsourcers to reach their full potential by linking them to their role's mission,

upskilling them in new-age technologies, and focusing on their financial and physical well-being.

It then expands outward, strengthening our relationships with clients, partners, and community leaders, allowing us to recruit top people, drive development, and impact our communities through programs like Sustainable Sourcing. We co-innovate with our customers, complementing their existing strengths and redefining their operational models for ensuring maximum commercial impact, all guided by our 'Digital First, Digital Now' philosophy. For global enterprises, we create intelligent solutions drawn from human touch, driving agility, scalability, and sustainability. The pandemic has not only accelerated the shift towards digitization but also widened the digital divides. The shift brings serious externalities, including ratcheting up Climate Change. Our goal is to challenge the status quo by operating in a responsible, efficient and safe manner, while also

contributing to societal development.

We are exploring opportunities for integrating the material aspects of ESG into our business processes to transition into a leading, sustainable, and purpose-driven business.



Purpose-led strategy

As a purpose-led organization, we are dedicated 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 and our sharp focus on employee wellbeing, delivering community impact and mitigating our environment footprint.

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 GRI standards and scaling impact for our stakeholders, we are reprogramming our business to better deliver shared value.



About the Report

Approach to reporting

This is our first ESG Report which aims to provide consolidated and transparent disclosure of our performance on non-financial parameters. The report is published in accordance with the Global Reporting Initiative (GRI) standards Core option. Our contributions are also aligned with United Nations Sustainable Development Goals (UN SDGs) which are explained in this report. The sustainability report titled 'Growing with Purpose' showcases our steps toward ESG commitments and actions, and performance on various environmental, social and governance factors. The report provides a comprehensive overview of our approach to create long-term value for our employees, customers, investors, stakeholders and the broader society.

Scope and boundary of the report

The reporting boundary of our disclosures unless otherwise stated covers the entire operations of Firstsource. Our sustainability report pertains to the period from 1st April 2021 to 31st March 2022.

Methodology

To substantiate our disclosures in this sustainability report, we have compiled and analyzed relevant data. Our aim is to deliver information that is reliable and accurate. We have applied known methods and assumptions for computation of various environmental factors and have highlighted any significant limitations in the information wherever necessary.

Materiality

We have performed a detailed materiality assessment for the first time this year. As a part of the assessment, we engaged with all the stakeholders of Firstsource to determine the factors that impact our business and are relevant to our stakeholders. This assessment helps us to identify our material issues and frame our ESG strategy accordingly. *(Please refer Page no. 18 for details regarding Materiality Assessment)*



Firstsource at a Glance

Firstsource, a part of RP-Sanjiv Goenka Group has grown significantly since 2001. Anchored by our values, we are leading providers of domain-specific Business Process Management services in Banking and Financial service, Healthcare, Communication, Media and Technology and other diversified industries for more than 20 years. Powered by our 'Digital First, Digital Now' strategy, world-class solutions,

and talent, we deliver transformative business outcomes for our clients and frictionless experiences for their end customers. We run 43 delivery centers and partner with 150+ worldwide clients, including Fortune 500 and FTSE 100 companies, with a geographical footprint in four countries: US, UK, India and Philippines(PHP). Firstsource is a publicly traded company on Indian stock

exchange-BSE and NSE.

As a purpose driven organization, we are dedicated to making the world a better place through social impact and by working towards a sustainable future.

Our values REACCH act as our north star and help us meet the demands of our stakeholders for social responsibility.



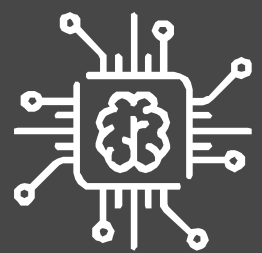
Services



**Digitally
Empowered
Contact Center**



**Intelligent
Backoffice**



**Platform,
Automation
and Analytics**



**Business
Technology
Services**

Service provided to - Business Verticals

Banking and Financial Services

- Asset Finance
- Credit Cards
- Mortgages
- Retail and SME Banking
- FinTech



Communications, Media and Technology

- Streaming Services
- Cable TV, Broadband and Telephony
- Customer Tech
- E-Commerce
- Shared Economy



Diversified Industries

- Utilities
- Government Entities



Healthcare

- Hospitals
- Health Plans
- Health Services
- Medical Devices

FY 21-22 Awards and Achievements

1. Positioned as 'Leader' in the Eligibility and Enrollment Services category and Ranked #1 in 2022 Best in KLAS® Software & Services Report
2. Ranked as 'Top Business Process Services (BPS) Provider in Everest Groups' 'BPS Top 50™' Report
3. Re-accredited with the 'Investors In People (IIP) Gold standard' for its UK operations
4. Included in 2022 Bloomberg Gender-Equality Index
5. Positioned as a 'Leader' in NelsonHall's 'Intelligent Automation in Banking NEAT 2021'
6. Positioned a 'Leader' in Payer Digital Transformation Services and a 'Rising Star' in Payer BPaaS Services in ISG Provider Lens™ 2021
7. Recognized as a 'Leader' by Everest Group in Healthcare Payer Operations PEAK Matrix® Assessment 2022
8. Emerged as a 'Leader' in Mortgage Operations PEAK Matrix® Assessment 2022 by Everest Group
9. Won the Gold Award in the Financial Services category at the 2022 UK Complaints Handling AwardsPositioned as 'Leader' in ISG Provider Lens™ quadrant report for Contact Center – Customer Experience Services for Europe
10. Positioned as 'Leader' in ISG Provider Lens™ quadrant report for Contact Center – Customer Experience Services for Europe





Dr. Sanjiv Goenka
Chairman

From the desk of our **Chairman**

We are infusing sustainability into the core of our transformation and creating tangible impact in the lives of our people, clients, shareholders, and the community alike. I am proud of what Firstsource is building. Leveraging a 'Digital First, Digital Now' strategy, driving constant innovation, and never losing sight of employee wellbeing has helped the company stay steadfast in delivering value. Delivering top-tier business performance while doing what's right for people, communities at large, and the planet continues to be a core principle by which we operate.

With a commitment to giving back to society, we have invested Rs. 5.5 crores since 2021 impacting communities – be it directly through Firstsource CSR Projects or partnering external initiatives. Furthermore, a total of 1,593 employees championed the cause of volunteering for community initiatives, while 4,720 employees donated to CSR causes.

Partnerships with our customers are the foundation of our long-term engagements. By connecting them to a network of dominant industrial platforms, we help our customers better serve their clientele via the power of digital innovation. This year, we achieved a 95% client satisfaction rate.

I'm proud to report that our concerted efforts are paying off in significant ways. 25% of our current energy consumption is from renewable sources. As compared to 2021, we have reduced our GreenHouse Gas emissions by more than 14.68% in our UK operations and lowered our overall water consumption by nearly 14.49%. We are making great progress on the Inclusion and Diversity front as well. Women make up 44.35% of our global workforce while people who have voluntarily disclosed their disabilities account for nearly 7.16%. Our commitment to gender equality in the workplace, marketplace and communities is manifest in our signing of UN

From the desk of our **Chairman**

WEP. This rigorous attention earned us a spot on the 2022 Bloomberg Gender Equality Index.

We have a clear and disciplined approach to reducing carbon footprint, even while we continue to grow our capacity and improve transparency and accountability on all our sustainability efforts. To advance our ESG efforts, we are continuing to build a strong and inclusive culture.

Our purpose-driven approach is designed to deliver a positive impact on not only our business, but also the society and the environment. It helps embed ESG practices into our operations and strengthens our promise to be a responsible corporate citizen. Our commitment to a sustainable future is

manifested in our strong governance standards that ensure transparency and accountability. It is equally evident in the way we focus on employee wellbeing and customer centricity, delivering community impact, and reducing our ecological footprint

While we understand there is much work to do, we are committed to ensuring ESG remains central to our purpose as we move expeditiously towards achieving our ambitious goals and ensuring sustainable, long-term growth.

Through this report, you will see our investments are having real, tangible benefits and we look forward to transparently share our progress as we move ahead in this journey.





Vipul Khanna
MD and CEO

From the desk of our CEO

A life of balance is a good life. I believe the same applies to business as much. A conscious and continuous balance between driving profits and building communities is key to a sustainable business model, and intrinsic to how we work at Firstsource.

Our ESG priorities remain a foundational element of our long-term value creation. By making ESG a priority, we are reinforcing existing CSR programs and further strengthening them with high-impact sustainability initiatives.

The four major pillars of our efforts are constructive dialogue, well thought-out frameworks, high-impact programs, and transparent reporting – all of which help enhance the economic and social value of our business.

Our endeavors to become a sustainable organization have been amplified as we publish our first sustainability report. Embedding a mature purpose led ESG strategy, roadmap and incorporating ESG considerations into organizational thinking allows us to use our resources in the most effective manner. While ESG is a vast and growing field, our integrated approach has allowed us to make important headway across the board in our areas of focus.

We are conscious of the significance of operating in an environmentally responsible manner and have been exerting consistent effort to reduce our total footprint by cutting down on the amount of emissions. We have shifted our focus from utilizing conventional energy sources to renewable sources of energy. Compared to 2021, there was a substantial increase in renewable energy consumption of 210% for India operations. To cut down on the

From the desk of our CEO

amount of waste our business generates, efficient waste disposal methods have been implemented.

As a purpose-driven organization, we invest in our employees, provide upskilling opportunities, and cultivate an atmosphere that is empathic, safe, and compassionate so that they may realize their full potential. It is their fervor and ferocity that allows us to provide tremendous value for our clients.

To enable high potential talent who may not have access due to socioeconomic disadvantages, we partner with government, social organizations, and NGOs to action an impact sourcing program aimed to hire people from varied backgrounds – including rural youth,

transgender communities, people with disabilities, long term unemployed & poverty level individuals.

This past year, we took a major step forward in future-proofing our business. We integrated ESG risks – including employee safety and wellbeing, climate-related risks, inclusion and diversity (I&D), supplier management and customer expectations around ESG – into our enterprise risk management framework. This helps us better manage and mitigate ESG related risks. Our frameworks and initiatives are well aligned with GRI standards and United Nations Sustainable Development Goals (UN SDGs) and we plan to continue analyzing the impact of our operations across the value chain and step up our ESG reporting as we go along.

It's been a journey, reaching here, but we are only getting started.

My deep gratitude to our 24000+ people and their families. I couldn't be more appreciative of their dedication to help our clients realize their objectives in a dynamic world. I'm also deeply thankful to all our stakeholders who support us every step of the way and am confident that – together – we'll achieve much more in the years to come!

Engaging with stakeholders to understand perspectives on ESG



At Firstsource, we believe that long term sustainability and strong growth can be achieved by building healthy relationships. We cultivate synchronistic relationships with our internal and external stakeholders and recognize that maintaining open lines of communication for feedback and collaboration are important. Developing advocacy strategies is another important element of our stakeholder engagement system. We were able to verify the company's performance and develop fresh views as a result of the information we obtained. We recognize that each group of stakeholders has its own concerns. Meeting with each of our stakeholders regularly helps establish a better perspective on things that are important for them, enabling us to take a more mature approach to our strategic goals.

Materiality is partly determined by the organization's overarching goal, values, commitments, competitive strategy as well as the influence on its economic

performance. As we set ambitious goals to improve the condition of our planet and spur social progress, we are moving more towards an integrated, holistic approach to managing sustainability. In this regard as a purpose driven company, we prioritize to place equal emphasis on the demands of all stakeholders - employees, customers, vendors, shareholders and the communities in which we operate.

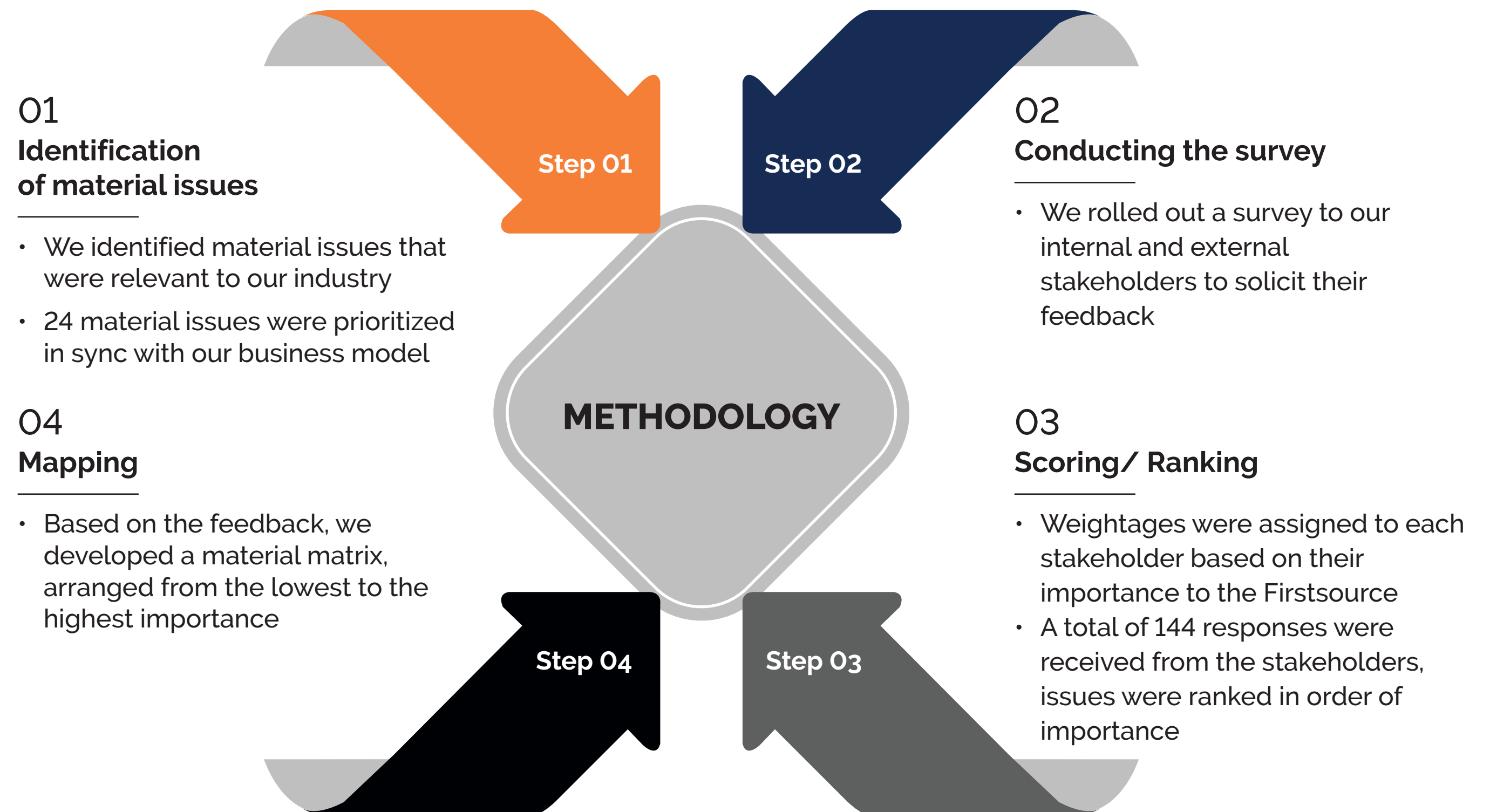
Stakeholder Group	Relevance to Firstsource	Modes of engagement	Frequency
Employees	They play a significant role in strengthening and growing a strong and versatile business. Their cumulative expertise and experience are important to the core operations, business innovation, design, and profitability	<ul style="list-style-type: none"> - Employee satisfaction surveys - Face-to-face meetings - Engagement sessions - HR sessions - Rewards and recognition - Team building workshops - Employee newsletters 	Continuous
Customers	Their decisions and choices have a significant impact on the company. It's critical to engage them on a regular basis and learn about their requirements, aspirations, and current trends.	<ul style="list-style-type: none"> - Customer engagement surveys - Quality Business Review 	Continuous
Shareholders /Investors	As the provider of capital, this group wields influence over our business operations as well as ESG related decisions.	<ul style="list-style-type: none"> - Annual general shareholders meeting - Financial information release - Media release - Investor calls and meetings 	Continuous

Stakeholder Group	Relevance to Firstsource	Modes of engagement	Frequency
Suppliers/ Vendors	They are important to our business success as they provide us with materials and services we need to help our clients and their end customers succeed.	<ul style="list-style-type: none"> - Channel partner meetings - One-to-one meetings - Regular operational reviews 	Continuous
Community/ NGO	For the execution of CSR initiatives, we collaborate with NGOs. We believe that it is important to establish relationships with non-governmental organizations (NGOs) and communities in order to understand their needs and ambitions, to match our project plans appropriately.	<ul style="list-style-type: none"> - Project meetings - Community interactions with NGOs - Grievance mechanisms 	Continuous



Prioritizing what is most important

Stakeholder priorities are continuously shifting, and we must constantly evolve to meet their expectations. A detailed materiality evaluation assists us in identifying and prioritizing the issues that are most important to our company and stakeholders. Based on the assessment results, we tailor our efforts, seeking to solve the issues identified as being most important to our business. We assiduously foster long-term relationships with our internal and external stakeholders and we regularly contact them through surveys, in-person interactions, email/telephone exchanges and other modes

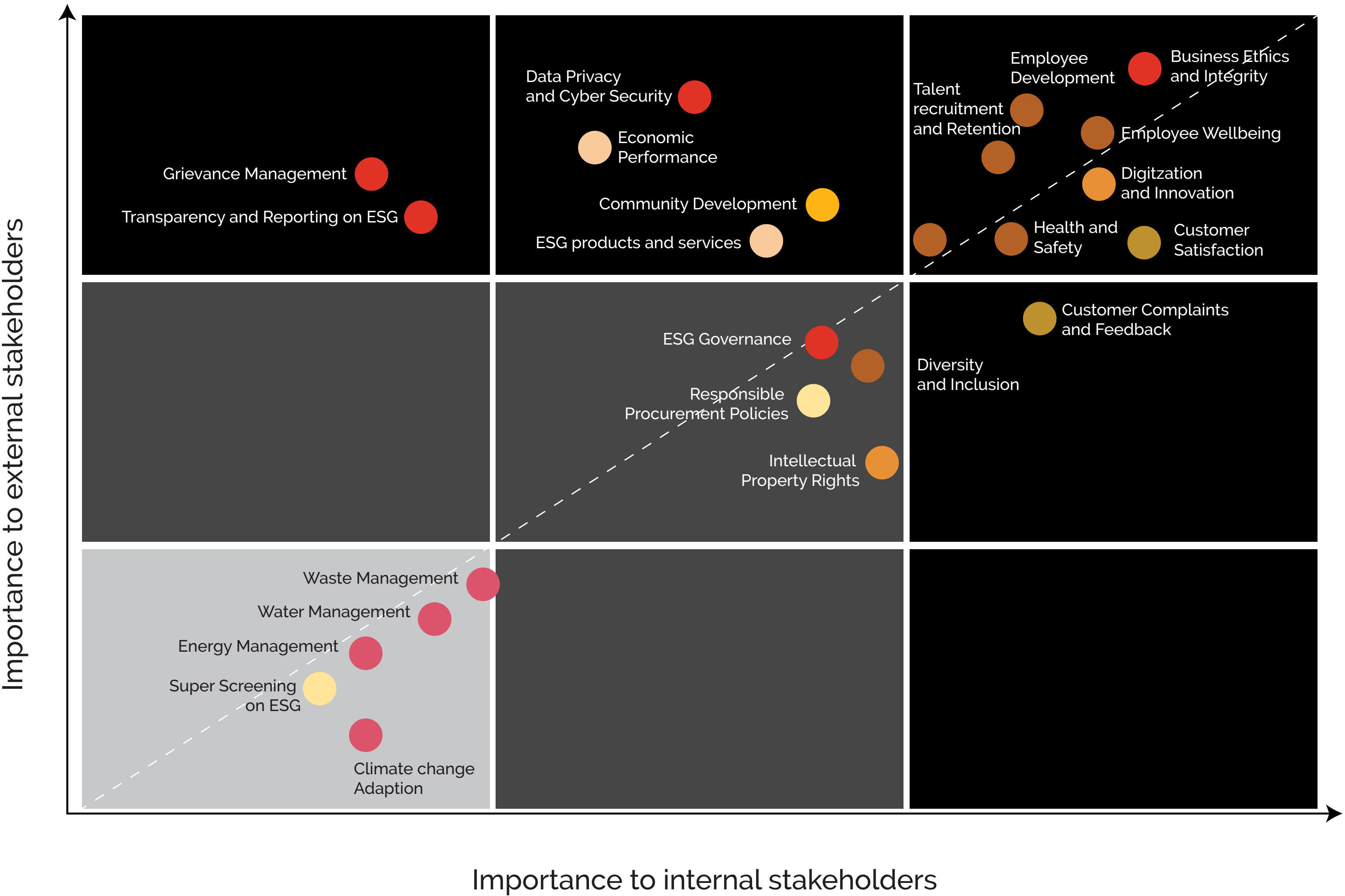


Firstsource has developed initiatives to identify and prioritize the Environmental, Social and Governance (ESG) issues that are pertinent to the sector and industry in which we operate. In FY 2021-22, we completed a comprehensive materiality review for the first time. In order to undertake a materiality assessment, we distributed a 'Materiality Survey questionnaire' to our stakeholders. The questionnaire included ESG-related material components that were referenced by international standards such as GRI, SASB and peers. We then mapped the various aspects on a scale ranging from "No Opinion" to "Extremely High.". Each stakeholder group was assigned a weightage based on how important they were to Firstsource. Taking into consideration the view of various stakeholders and business, a total of 40+ sustainability topics were evaluated for consideration at a strategic level and organized into the following eight broad themes.

Our material ESG themes



Material matrix chart



The results of the materiality assessment unveiled ESG topics that could potentially be hidden value creators and helped identify the key issues that our stakeholders believe as being important. Our ESG strategy and approach will be guided by the feedback received from this materiality assessment exercise.

We have further consolidated the list of material topics and prepared a strategy to disclose on 8 major material issues.



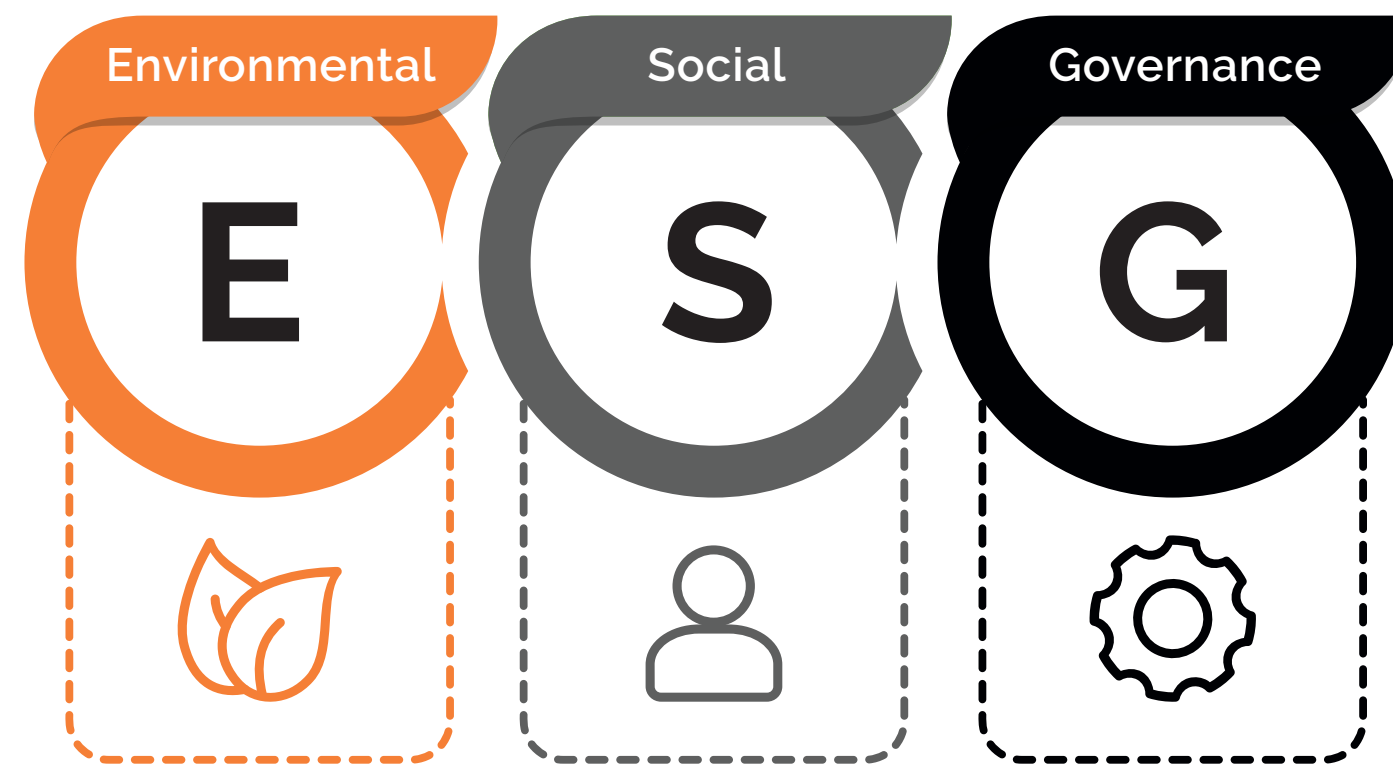
Economic Performance

Despite the pandemic induced setbacks, we had a successful fiscal year 2021-22. Through our re-engineered solutions, we have contributed to the economy in partnership with our stakeholders and value chain partners. The table highlights the financial performance of Firstsource over the last three years.



Economic Value creation	In Millions INR		
	FY 2021-22	FY 2020-21	FY 2019-20
Economic Value generated (a)	59,211.53	50,779.80	40,986.14
Revenue	59,211.53	50,779.80	40,986.14
Economic Value distributed (b)	53,112.08	45,616.71	31,497.36
Operating costs	10,145.38	8,065.47	6,961.93
Employee wages and benefits	39,467.57	34,672.28	27,735.33
Payments to providers of capital	2,383.96	2,037.69	3,762.03
Payments to government by government	1,059.34	801.12	630.91
Community investments	55.83	40.15	41.19
Economic Value retained (a-b)	6,099.45	5,163.09	9,488.78

Integrating ESG within Enterprise Risk Management



ESG risks have consistently featured amongst the top business risks identified by the World Economic Forum (WEF) in The Global Risk Report published annually. In its 2022 report, eight of the top ten severe risks are environmental or societal. These include the failure to act on climate change, erosion of social cohesion, natural resource scarcity, biodiversity loss, human environmental damage, livelihood crises and infectious diseases. Moreover, as we transition to a low

carbon economy, the economy is undergoing dynamic structural changes while customer expectations continue to evolve and societal and regulatory scrutiny increases. All of these factors in turn result in a highly uncertain risk landscape.

At Firstsource, the responsibility for identifying, assessing, managing and reporting risks and opportunities primarily rests with business managers. They are best positioned to identify the opportunities and risks they face, and evaluate and manage them on a day to day basis. The Risk Management Committee provides oversight and reports to the Board of Directors/Audit Committee which has the sole responsibility for overseeing all risks.

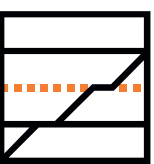
To future-proof our business, we conducted a review of our Enterprise Risk Management framework and functional risk register, and in the process of integrating material ESG risks that might affect our business. Some of the risk themes considered include climate-related risks, employee safety and

wellbeing, diversity and inclusion, responsible supplier management and customer expectations on ESG.

We updated our functional risk registers by mapping risk elements against ESG factors and incorporating emerging risks that we will subsequently monitor in compliance with the recent amendments to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Integrating ESG within our Enterprise Risk Management, will improve risk awareness across Firstsource, ensuring that we remain vigilant in a riskier world. The management of key risks is essential to achieving our organizational strategy, growth and profitability.

As we continue to watch emerging, cross-cutting, interdependent and long-term ESG risks, our Risk Management Committee will regularly review the risk profile of the business and take necessary actions to manage and mitigate ESG risks.

FY 2022 Highlights



Conducted a diagnostic review and benchmarking exercise of our existing policies and processes, identifying opportunities to further deepen ESG within our strategy, operating model and culture.



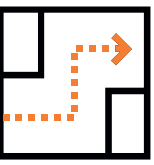
Assessed materiality of industry specific ESG themes and consulted 140+ internal and external stakeholders to identify our priorities.



Drafted an **overarching ESG Policy**, applicable to all our entities.



Integrated ESG within our Enterprise Risk Management framework by mapping potential risks, assessing the impact of emerging ESG risks on the business, and identifying mitigation strategies.



Developing a pathway towards ESG leadership by **crafting granular action plans and functional roadmaps**.

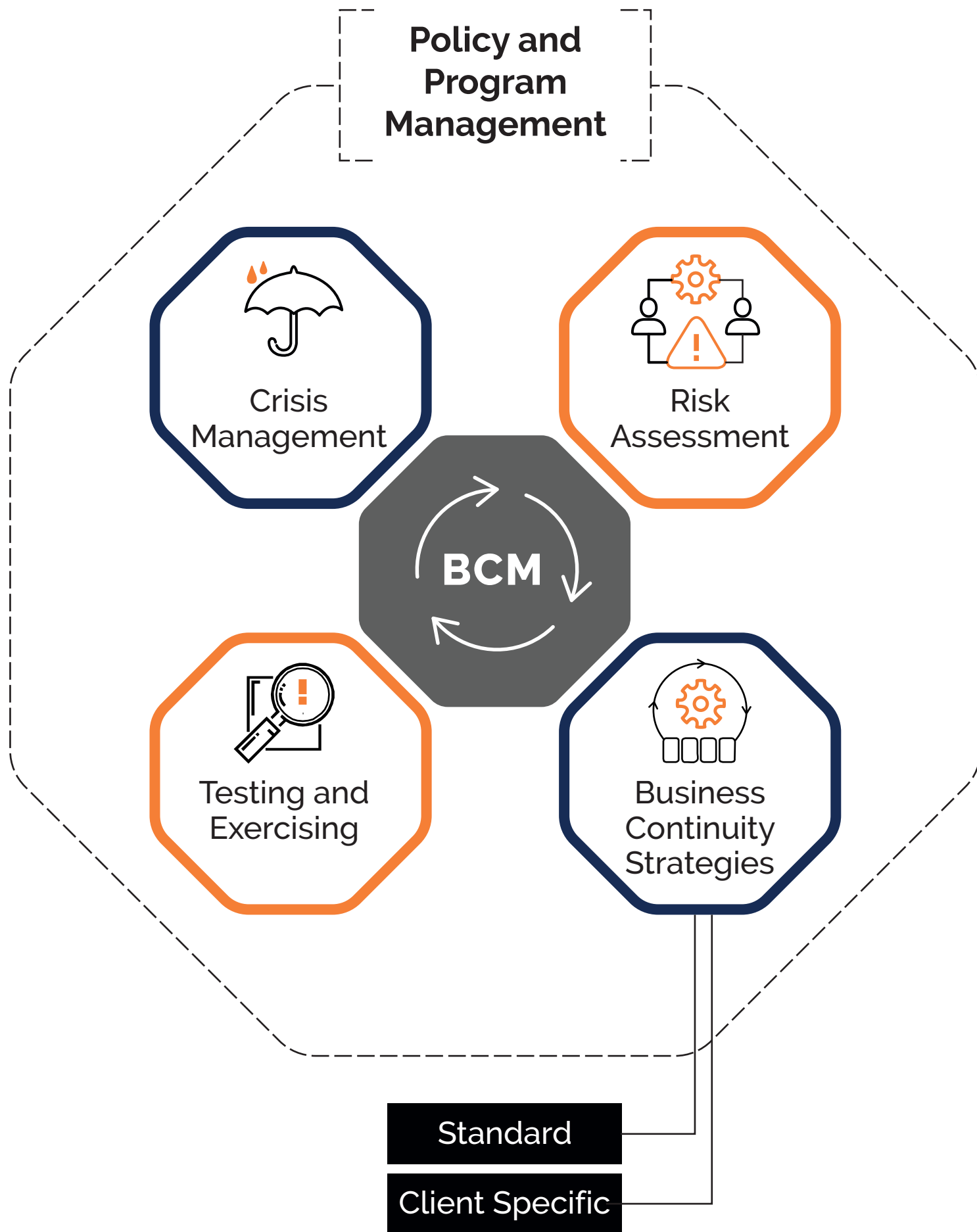
Business Continuity Plan

Firstsource has a robust strategy and externally accredited approach to maintain operational resilience, with suitable controls and processes in place for Business Continuity Planning and Disaster Recovery. Our Business Continuity Planning and Disaster Recovery solutions have been developed in accordance with industry standards ISO 27001 and 22301, and best practices from Good Practice Guidelines by BCI. To address business disruptions such as political, economic, social, technological, environmental, and legal issues, Firstsource has implemented the following business continuity strategies.

Center Level BCP Solutions include actions to identify risks and threats such as medical emergencies, technology failures, and potential Denial of Service. In the event of a crisis, each facility is equipped with a forum - Crisis Management Steering Committee (CMSC).

Inbuilt Business Continuity Solutions include multi-city operations and work from home solutions.

Client Specific Solutions are offered to clients who require operational continuity even during Denial of Premises situations.



Environmental Stewardship

As a company, we are committed to delivering shared value for our clients, our communities, and the environment. Our strategy is centered on environmental conservation and assisting our clients on their path toward sustainability.



Our Contribution towards SDGs

The Sustainable Development Goals (SDGs) are a set of global initiatives orchestrated by the United Nations to enhance economic growth and environmental stability. As a purpose led organization, we are energized by the desire to make a difference and therefore, we recognize the need to accelerate our commitments towards the environment.

Guided by SDG 7 (affordable and clean energy) we are dedicated to extensively utilize renewable energy in our business operations. Consistent with SDG 12 (responsible consumption and production) and SDG 13 (climate action), we are constantly on the lookout to minimize our carbon footprint, increase green energy initiatives and take steps on responsible waste management.



SDG 7

Affordable and clean energy



SDG 12

Responsible consumption and production



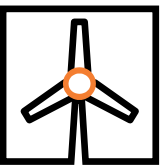
SDG 13

Climate action

Key Environment Highlights



210% increase in Renewable Energy consumption compared to 2021 (India operations)



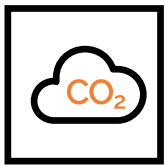
14.29% renewable energy mix



14.48% reduction in water consumption compared to 2021



100% responsible disposal of electronic waste (India operations)



16.42% reduction in Scope 3 emission compared to 2021 (UK operations)



Most Firstsource offices are **Green Building Certified**

Managing Our Carbon Footprint

Energy Management

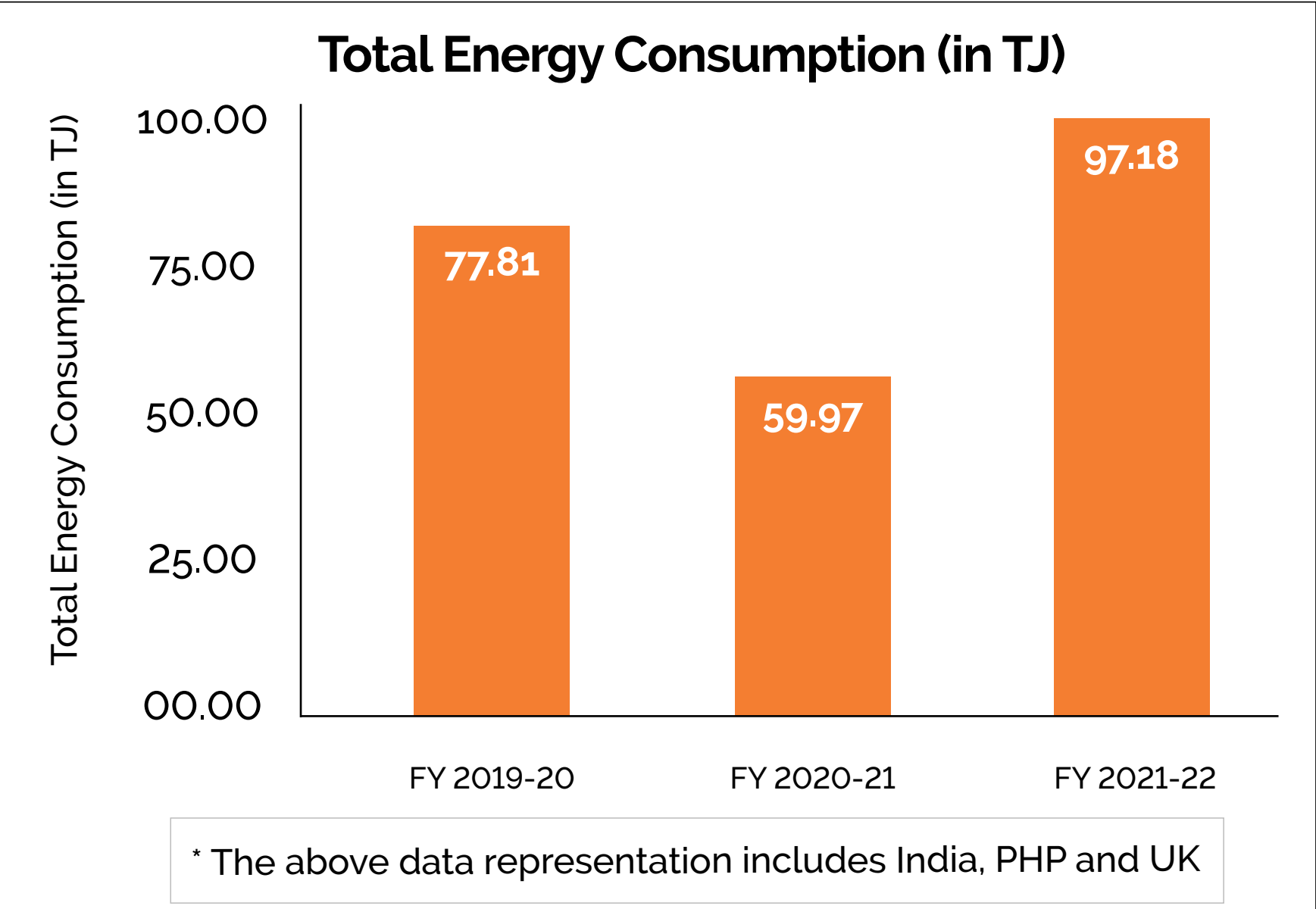
Our organization places a high premium on maximizing resource efficiency while simultaneously minimizing our impact on the surrounding ecosystem. We recognize the need to accelerate our commitments towards climate change through phasing out GHG emissions, investing in energy efficient technologies, migrating towards greener

solutions efficient water and waste management practices. Our goal is to significantly reduce our direct carbon emissions by 2030. Amongst the most important projects are those involving the use of energy efficient data centers, refurbished IT systems and furnishings, the installation of sensor-based low-energy LED lighting and elimination of paper from the workplace.

We are striving to integrate our environmental goals into our business practices and understanding our strengths and weaknesses through platforms such as CDP disclosures. All our measures are helping us strengthen our ESG commitments and build a foundation for establishing a sustainable business in these changing times.

We have an **Energy Management Plan** aimed at identifying energy saving opportunities, integrating renewable energy, where feasible and installing energy efficient hardware.

	FY 2019-20	FY 2020-21	FY 2021-22
Fuels: Diesel and Gasoline (in GJ)	5,990.93	4,671.72	20,267.38
Renewable Electricity (In GJ)	6,192.81	5,579.19	12,824.42
Grid Electricity (in GJ)	65,625.18	49,718.86	64,088.88
Total Energy Consumption (in GJ)	77,808.92	59,969.77	97,180.68



Our actions to mitigate climate change

include switching to LED lighting systems with motion sensors at our workstations, raising the ambient air conditioner temperature by 1 degree celcius to reduce power consumption, rationalizing the use of chiller compressors and migrating to paperless processes. Our **UK facilities purchase renewable power** from solar and wind parks. In order to reduce emissions associated with commuting, We have converted our fleet from conventional vehicles to electric vehicles in Bangalore and Mumbai , and we intend to progressively increase our electric vehicle fleet across all firstsource locations in India

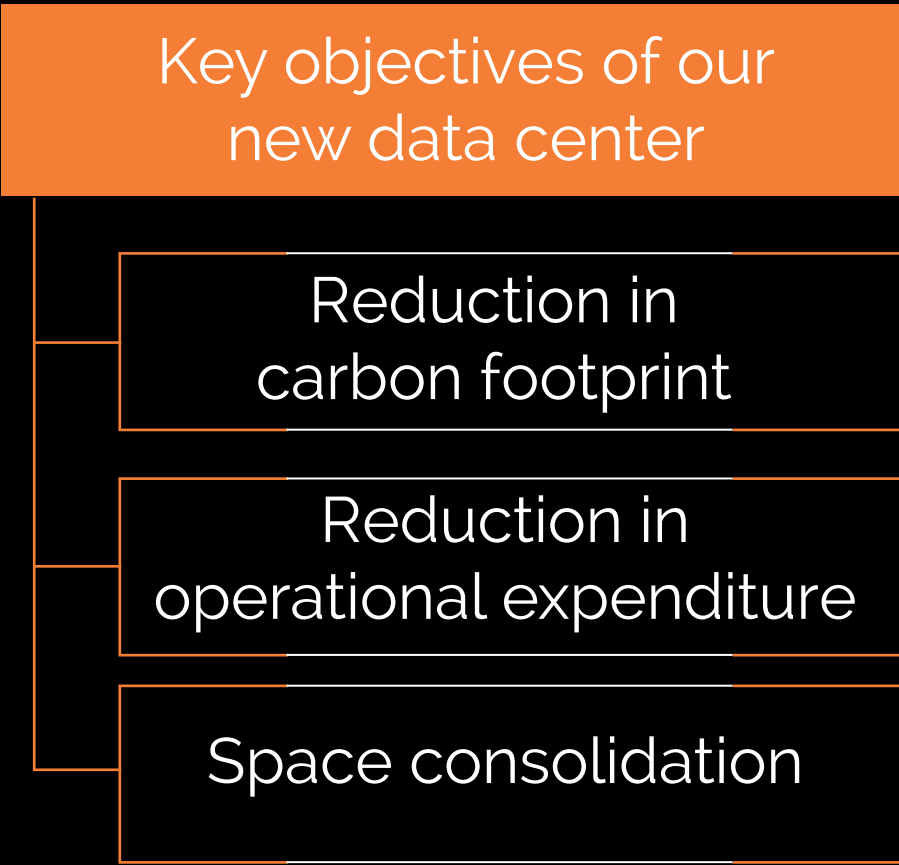
Firstsource UK has developed a GHG management handbook, which provides guidance on identifying emission sources, protocols on measuring direct, indirect value chain emissions, and implementing control measures. Drawing upon the UK team's experience in measuring and managing emissions, we plan to develop a uniform framework for carbon emissions management across our global facilities.



Case Study - Sustainability in Cloud

To build a sustainable business for our customers, we have designed data centers that provide efficient, resilient service to our customers while minimizing our environmental footprint.

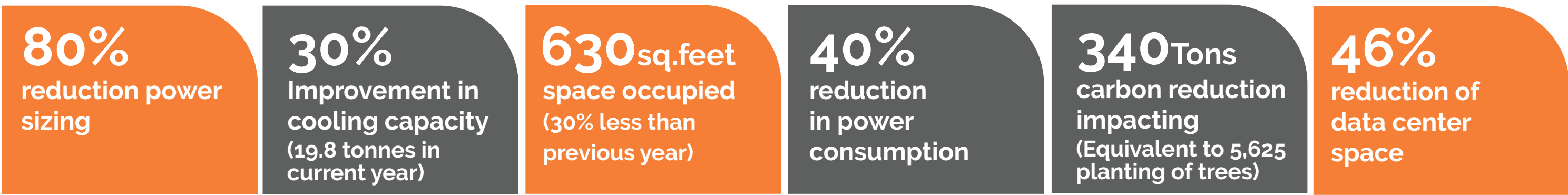
We have put a strong emphasis on efficiency throughout every area of our infrastructure, from the design of our new data center and hardware to modeling the performance of our operations. We are on a path to power our operations with renewable energy with the greatest extent possible across Firstsource. Our initiatives pertaining to sustainable practices include focus on green data centers, reassessment of infra on sizing of power and cooling, moving towards paperless workplaces etc.



We have developed a long term vision to decarbonize our business. We place a high priority on resource efficiency and reducing our environmental impact. For this, we started with identifying our major emission sources. We have created a framework to decarbonize our data centers and in this regard we initiated a pilot project in one of our largest data center. The results were encouraging , where we were able to reduce power, air conditioning tonnage, rack size and reduction of real estate space and made it more energy efficient.

We hope to significantly reduce our direct carbon emissions and enhance our renewable energy portfolio by investing in green energy.

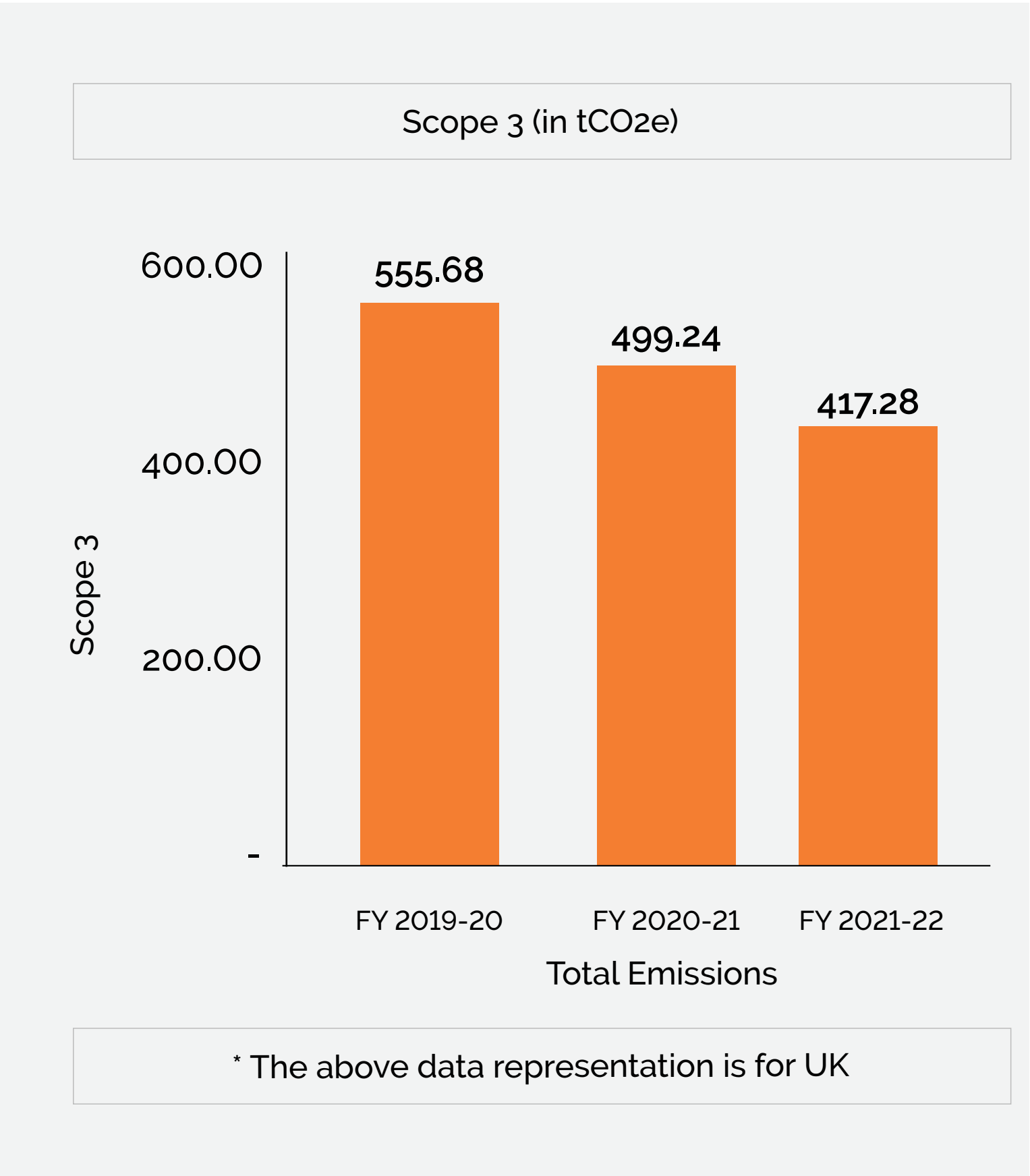
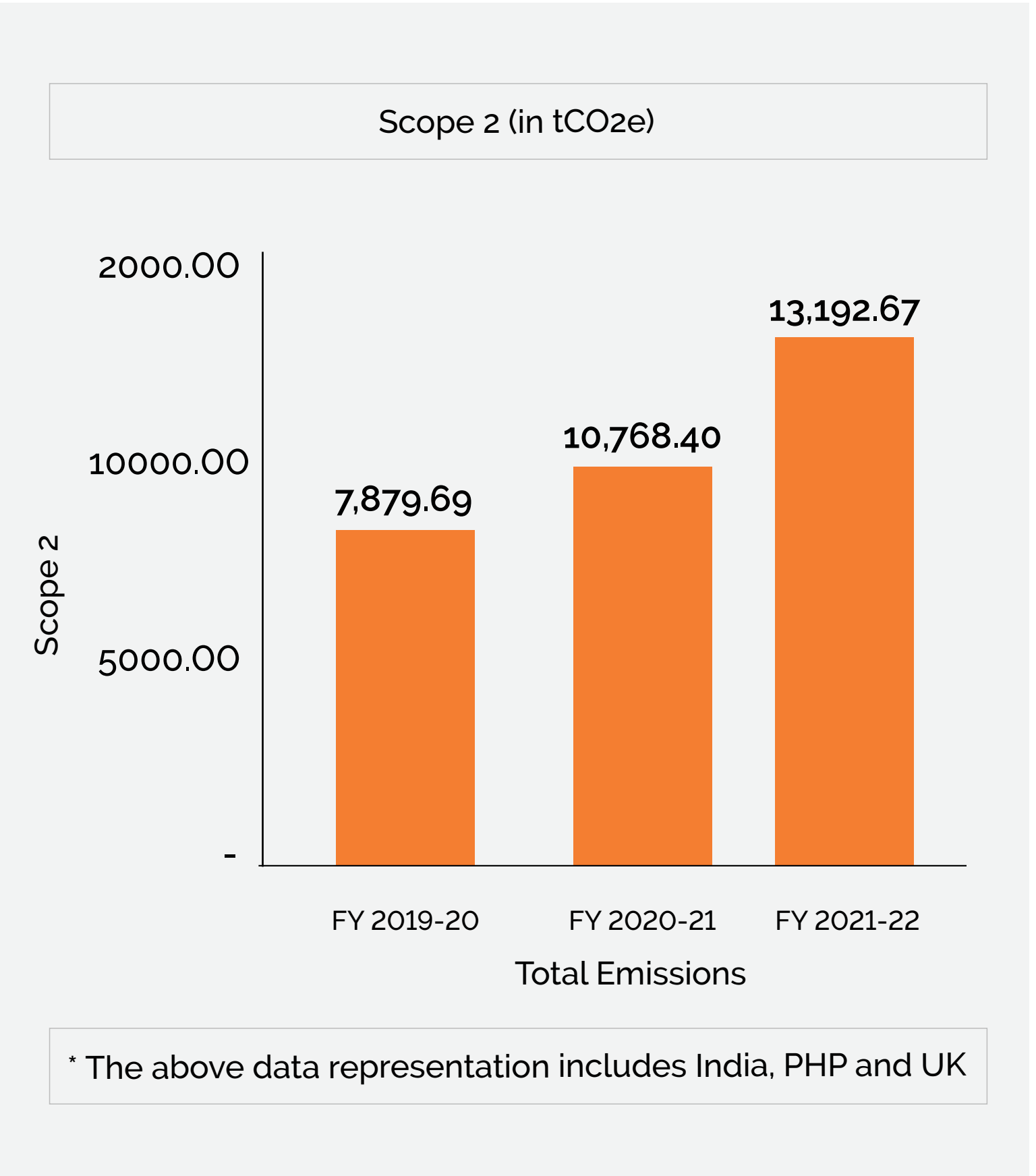
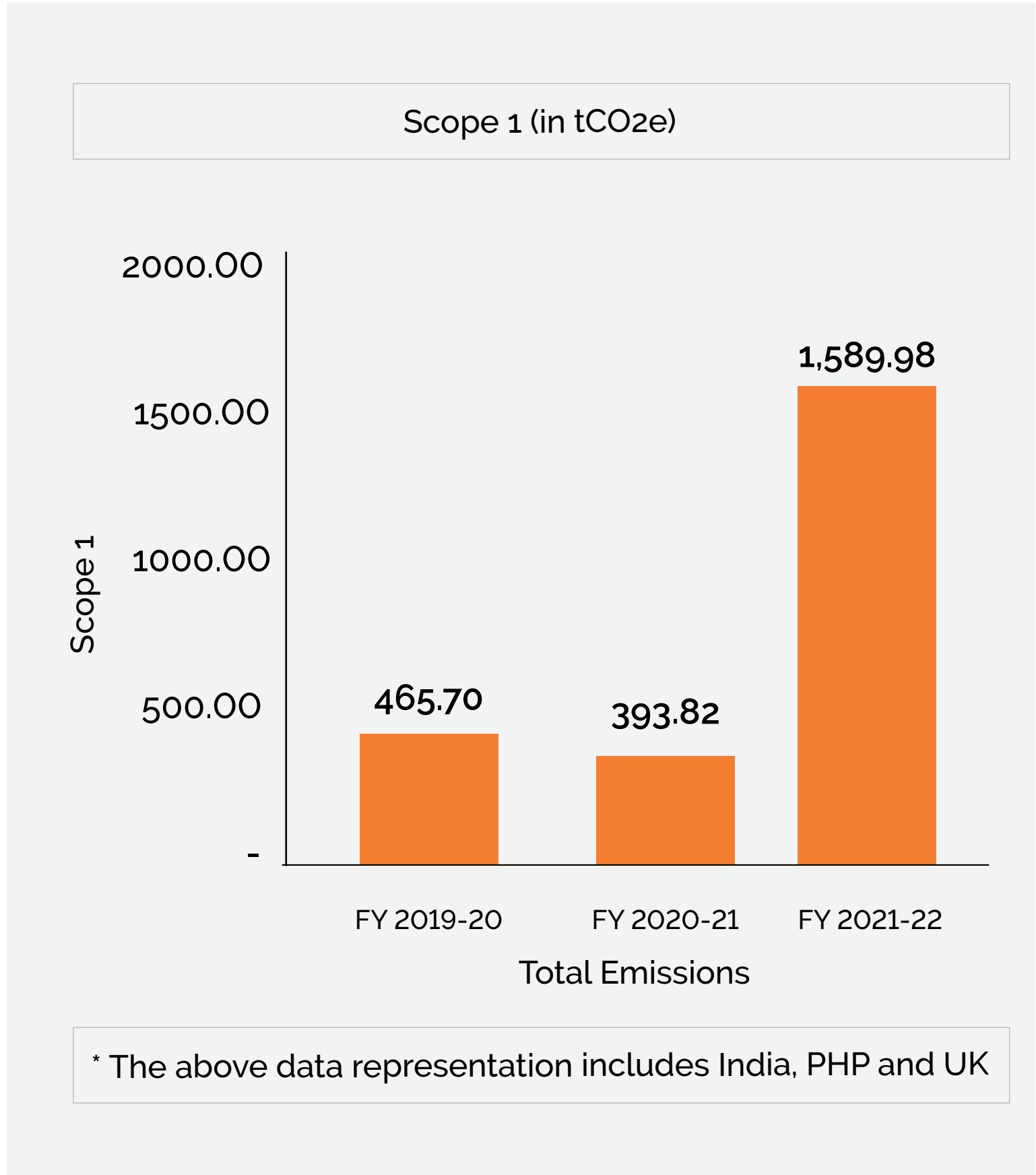
Some of the major highlights of the project are:



Our other accomplishments that occurred as a result of the new Data Center Migration project execution includes:

- Zero Downtime, high Client satisfaction and highest rating by all stakeholders
- Zero Escalation from clients and zero impact on services
- Reduction in space, racks, powerload, heat load, cooling load and carbon footprint
- New Integrated IOT based Monitoring Set-up in Data Center
- Power sizing reduced due to better calculation of load at rack level
- New Sensors added for future AI Integration

Emissions Management



Phasing out Ozone Depleting Substances

Firstsource is moving towards phasing out greenhouse gases. This shift towards non ozone impacting gases began 10-12 years ago. Since then, the air conditioning standards have been improved significantly in all our offices across geographies. A crucial step in this direction is the use of R-134 refrigerant gas and restriction on using ozone depleting gasses in the HVAC systems across offices.

Eco-consciousness

Through our digital solutions and services, which enhance productivity, process efficiency, and resource conservation, we investigate avenues for collaboration and contribution to climate solutions. Though our operating effects on the environment are minimal, we constantly explore opportunities to reduce our footprint, while supporting environmental concerns via employee volunteering programs and CSR initiatives.

Never before has the need to act on climate change been so urgent. Failure to act now might result in adverse consequences that disrupt companies and supply systems. We are dedicated to contributing to the solution and engaging with our stakeholders on climate and nature-friendly measures.

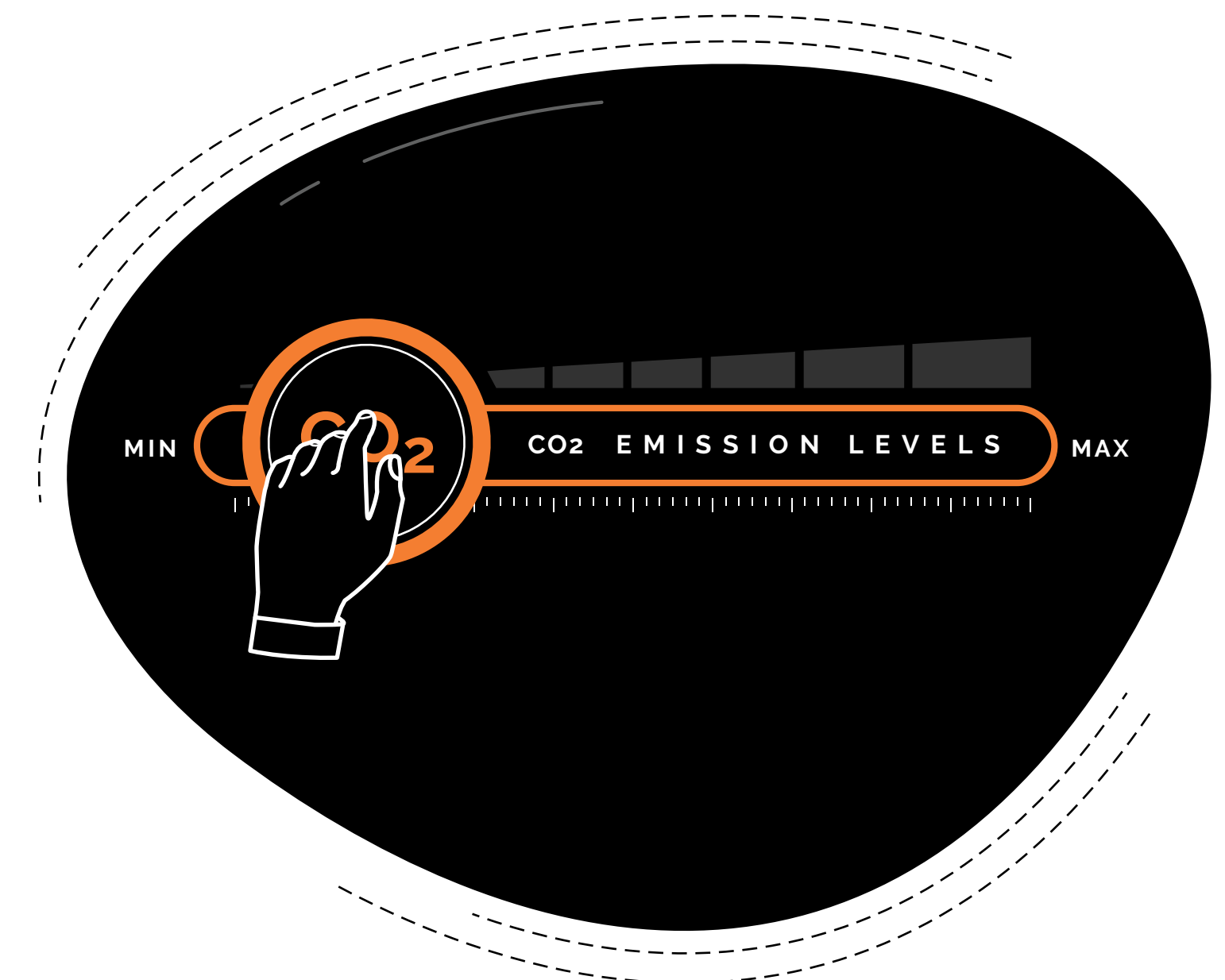
As an environmentally conscientious company, we use a standardized framework to manage our environmental impact. Our Global Environment and Energy Management Policy, incorporated under the QOHSEE framework, includes provisions for measuring and monitoring direct and indirect carbon emissions, enhancing energy efficiency, improving waste management, and water conservation across all our offices and facilities. All our UK centers are ISO 14001:2015 and ISO 50001:2018 certified, and our largest centers in India are ISO 45001:2018 & ISO 14001:2015 certified.

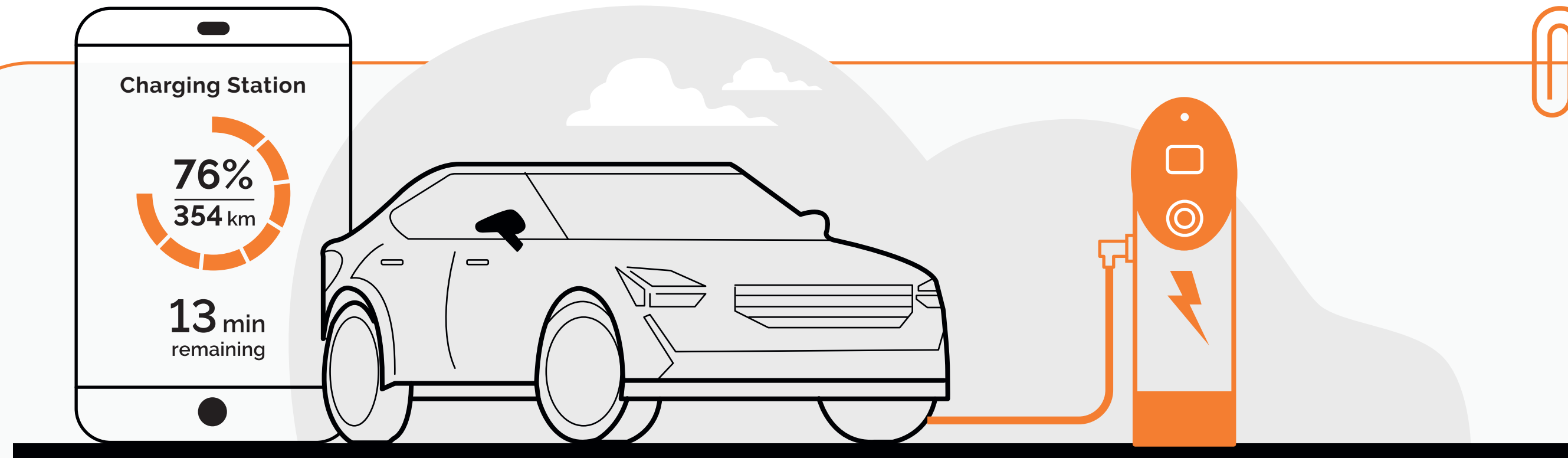
With an enhanced emphasis and understanding of climate-related risks, we continue to analyze possible effects on our operations and value chain and plan to upgrade our disclosures in accordance with the recommendations of the Taskforce on

Climate-related Financial Disclosures (TCFD). We intend to participate in CDP Climate, the biggest data gathering and evaluation program focusing on climate change and will undertake a readiness assessment in FY23.

CDP Score Report 2021

We have been participating in the CDP program, reporting GHG emissions from our UK sites for the last five years. We will begin reporting across all geographies in FY23.





Electric Vehicle Project Plan

Firstsource has launched an electric vehicle project as a part of its commitment to reducing carbon footprint and improving sustainability. Currently, we have deployed electric vehicles for our India operations.

Strategy for Adopting Electric Vehicles- Bangalore

We are in process of initiating discussions with our landlords on the installation of charging stations on Firstsource property, after which we anticipate expanding our EV fleet. These EVs will have a capacity of around 120 kilometers per charge. The expected recharge time for the EVs is around two hours.



Green Energy initiatives Across the Globe

Firstsource is working towards switching to green initiatives and reducing its carbon footprint across geographies.

The centers that previously used traditional light bulbs have now switched to 2x2 lights with reduced power. We are also planning a number of initiatives to minimize total energy usage for cooling.

To alleviate server crowding, we established a space management program. We moved to the cloud and are now working to make our operations more energy efficient by reducing server load, resulting in greater server efficiency and lower energy consumption. We are currently exploring the possibility of replacing UPS with a Unity Power Factor UPS to boost the efficiency

and capacity of the UPS.

We are doubling down on automation to improve energy efficiency.



210%

Increase in Renewable Energy
(India Operations)



Few centers in UK run

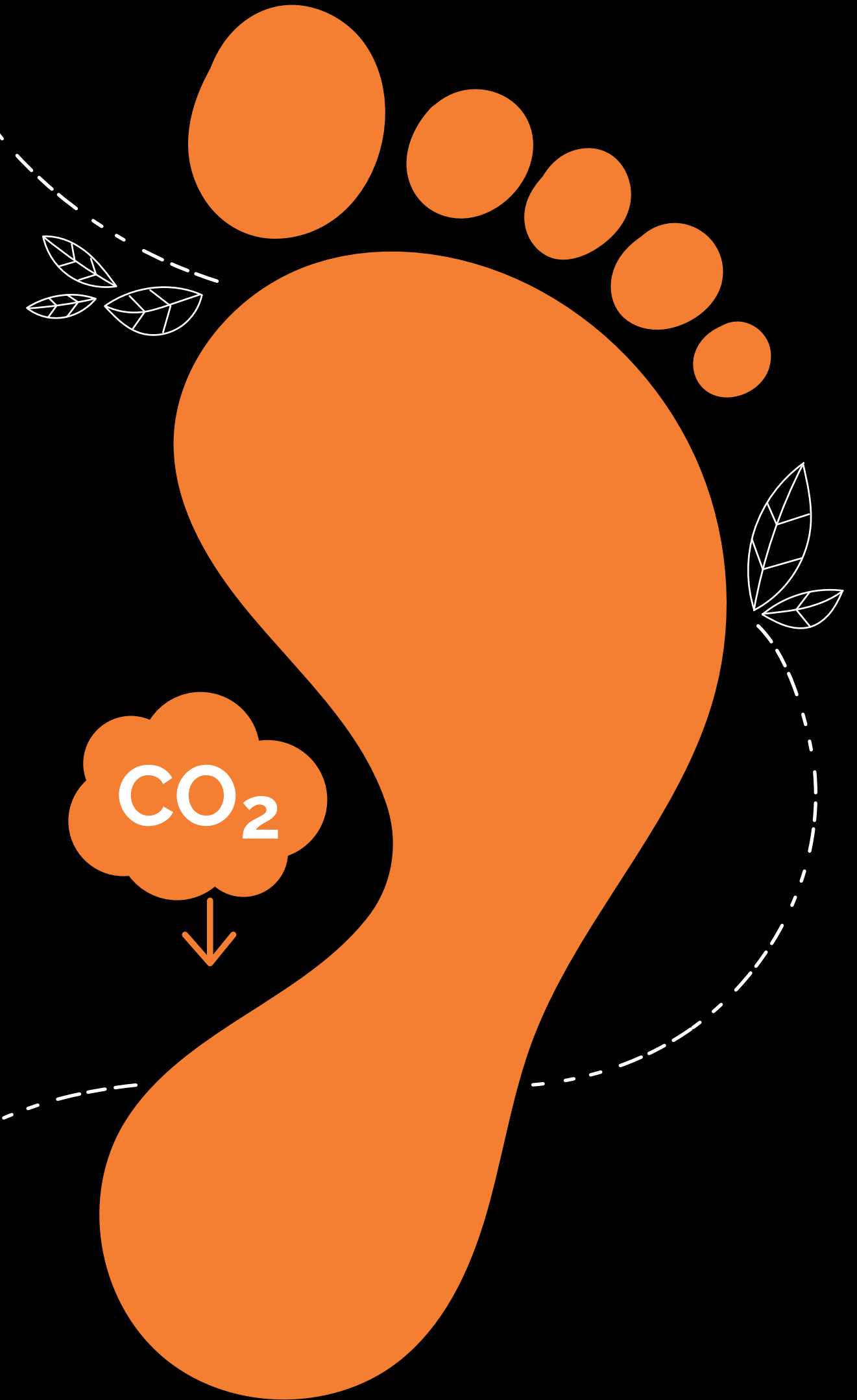
100%

on Green Energy



14.29%

Energy Comprises
Renewable Energy



Promoting Sustainable Choices Via #FirstEnvironment Campaign

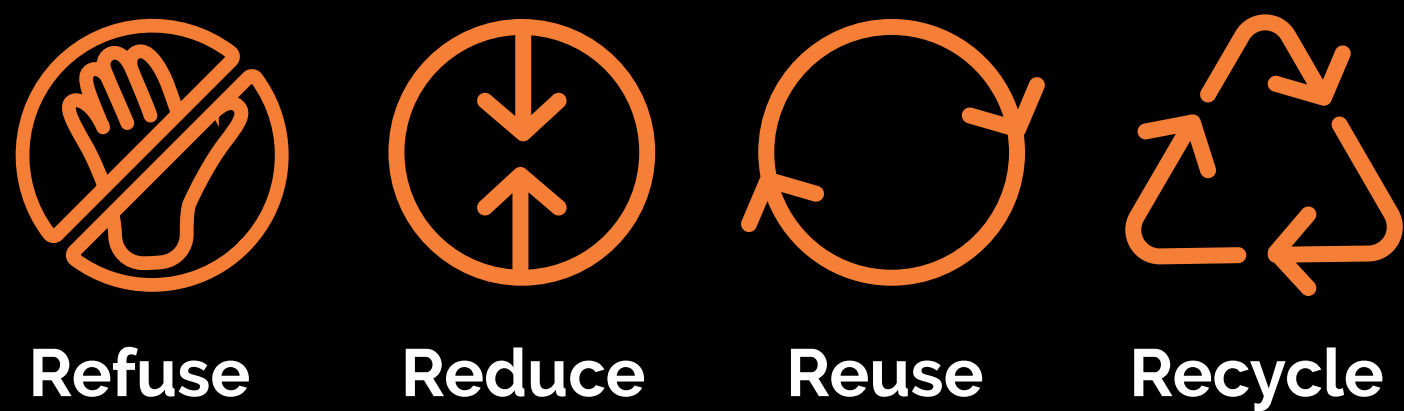
We are fostering a culture of Sustainability across the organization. In this regards, we have launched “#FirstEnvironment Campaign” to encourage our employees to make Sustainability a part of their personal endeavors. We have shifted to eco-friendly choices in our stationary purchases across Firstsource. We are making efforts to eliminate plastics from our boardrooms.

The UK operations team has come up with a concept to present all workers a £1 purchase link for 250 seeds packs in order to recognize employee excellence via FirstReward in UK workplaces. We provide workers points that they may use to make purchases on our FirstReward platform. Employees are encouraged to use the £1 prize to buy a seed pack from Amazon and submit photos of the seeds they planted with the hashtag #FirstEnvironment. We run similar campaigns and initiatives to increase awareness and adoption of Sustainable practices across employees.



Responsible Waste Management

Our waste management approach is guided by the **4R concept**:



As a technology company, we generate e-waste, which if not properly disposed of can have adverse environmental impact.. This includes computers and peripherals, laptops, printers, scanners, batteries, air conditioners and other electronic hardware. We monitor and manage our e-waste carefully and ensure that they are either repurposed, repaired or recycled at the end of their life - through authorized vendors.

Some of our concerted efforts toward Responsible Waste Management include:

Firstsource intends to focus on zero waste-to-landfill programs.



We segregate the waste in our offices according to pre-defined categories.

Waste Category	Waste Generated (FY 21-22)	Waste Disposed (FY 21-22)	Method of Disposal
E-waste including battery waste, etc. (in KG)	14901.88	14901.88	Waste sent to Authorized Recycler, Buyback
Other waste (plastic, biomedical etc.) (in KG)	11.09	11.09	Waste sent to Authorized disposal agency, Recycler

*The above table represents data for India

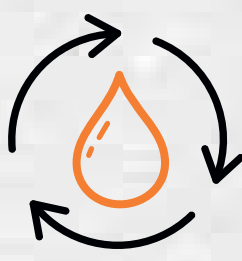
100% waste disposed to responsible recyclers

Conserving Water

Although our operations are not water intensive, we strive to use water judiciously.



We have installed sensor based water taps with accelerators to avoid wastage.



Where possible, we use recycled treated water for domestic purposes.



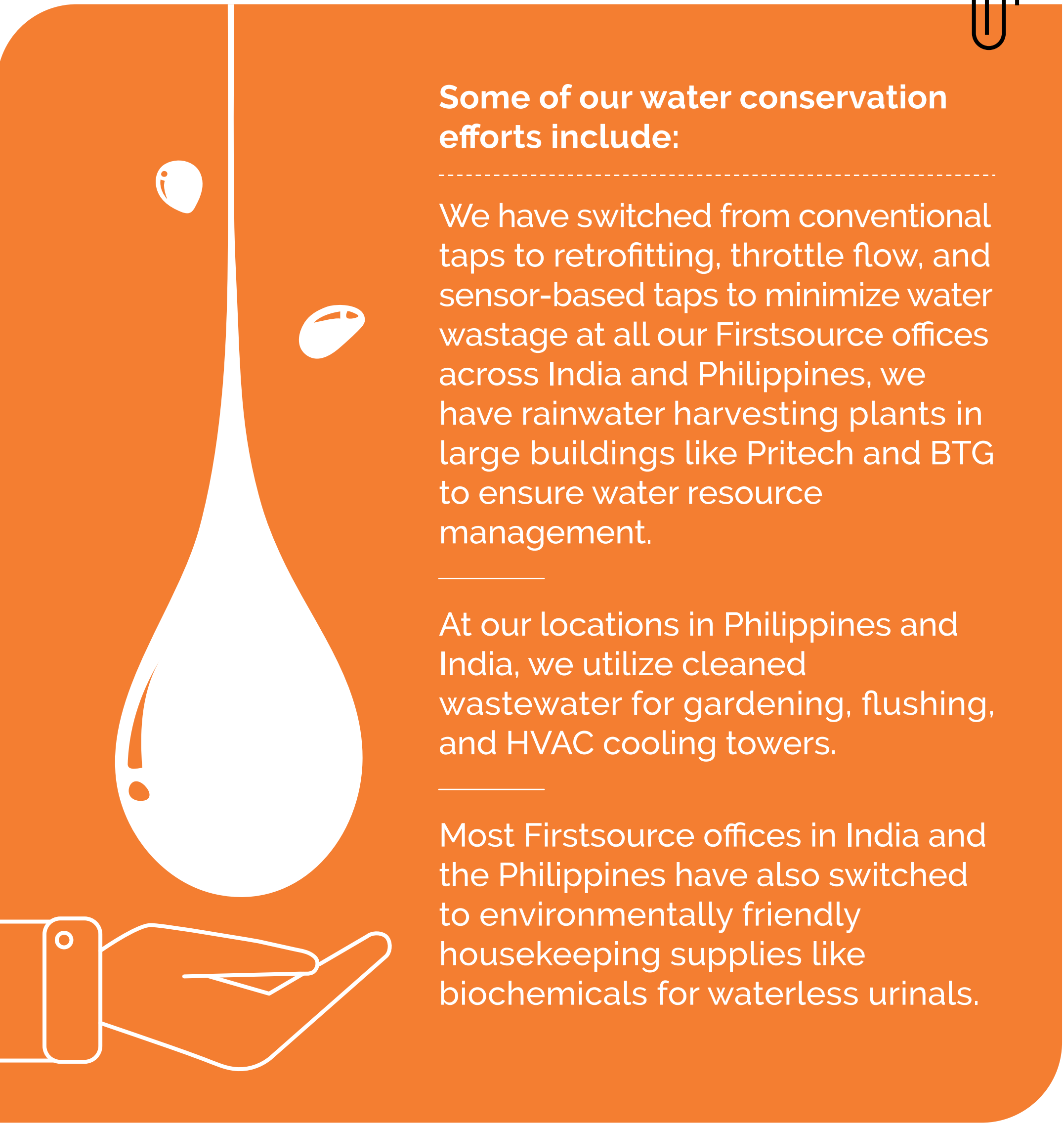
Rainwater harvesting systems have been put in place to reduce freshwater intake.



14.48%

Decrease in water consumption



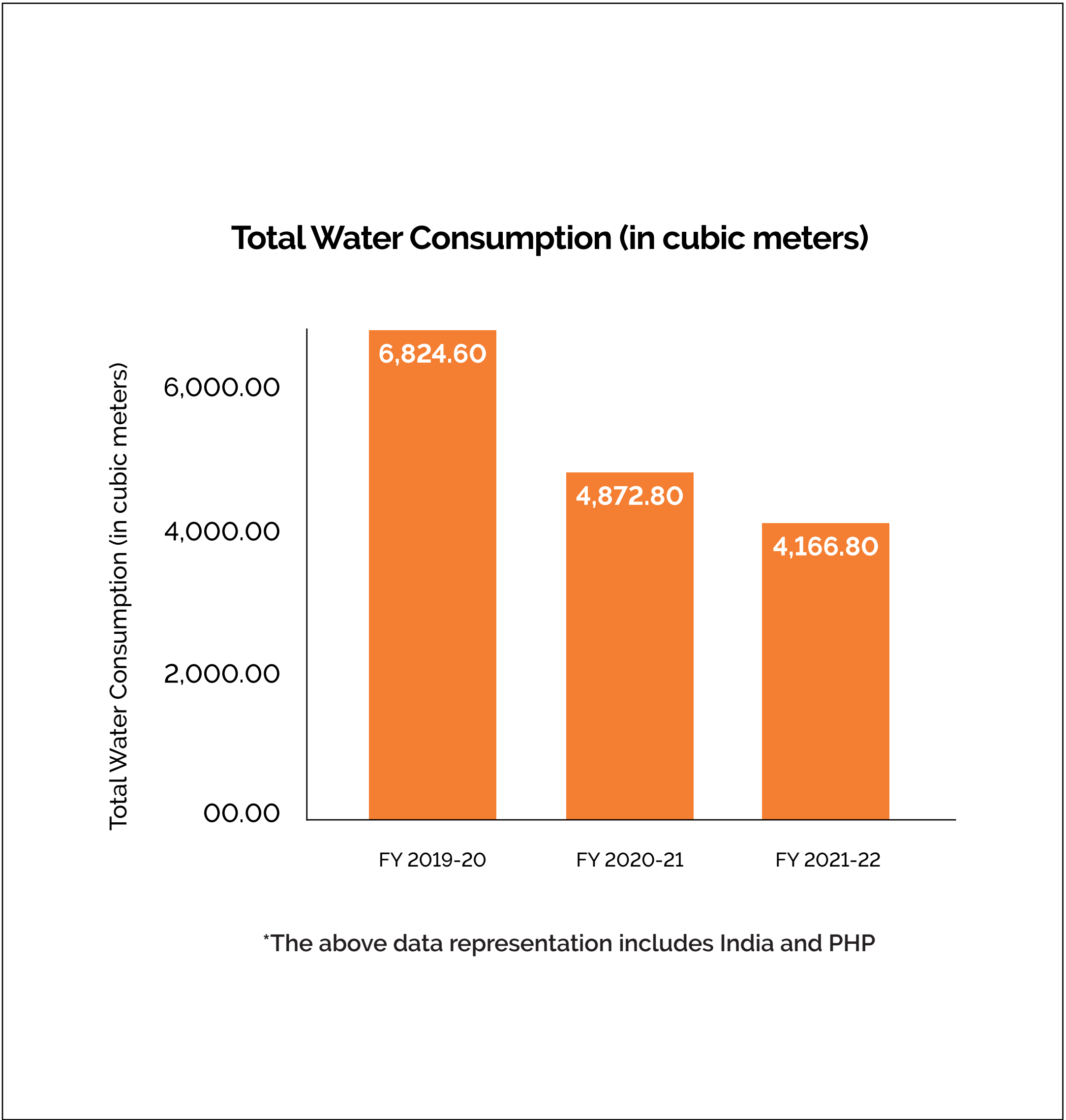


Some of our water conservation efforts include:

We have switched from conventional taps to retrofitting, throttle flow, and sensor-based taps to minimize water wastage at all our Firstsource offices across India and Philippines, we have rainwater harvesting plants in large buildings like Pritech and BTG to ensure water resource management.

At our locations in Philippines and India, we utilize cleaned wastewater for gardening, flushing, and HVAC cooling towers.

Most Firstsource offices in India and the Philippines have also switched to environmentally friendly housekeeping supplies like biochemicals for waterless urinals.



Celebrating differences, empowering each other

Creating an actively inclusive workplace where people of diverse backgrounds, ideas, and mindsets are welcomed to belong and grow together lies at the heart of our approach. As a purpose-led organization we invest in our people, provide upskilling opportunities, and build an environment that is empathetic, secure, considerate, so that they may achieve their full potential.








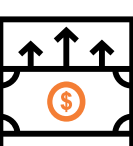





Our Contribution towards SDGs

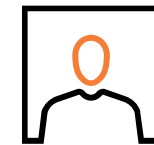
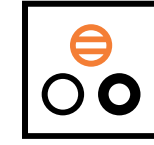

Firstsource is determined to move swiftly to create a better future in accordance with the Sustainable Development Goals (SDG's) established by the United Nations.

We are committed to creating long term value for which we have determined that UN SDG 3 (good health and well-being) and SDG 8 (decent work and economic growth) have the greatest potential to have a positive impact. As a technology-first company, we recognize the critical role of innovation and

digitization in our industry in line with SDG 9 (industry, innovation and infrastructure). With 44% of our workforce being women and 7.16% people with disabilities, we are making significant strides toward SDG 5 (gender equality) and SDG 10 (reduced inequalities). In addition, we are concentrating on achieving SDG 4 (quality education) through our CSR initiatives.

Key Social Highlights

-  Out of the total workforce, **44% are women**
-  **7.16%** of the **employees** have **voluntarily** disclosed their disabilities
-  **Total 92,705 hours of training**
-  **\$1,160,885** spent on trainings of employees
-  **23,009 lives impacted** through various CSR projects
-  **\$ 204,865** spent total on CSR projects in India
-  Recognized in **Bloomberg 2022 Gender Equality Index**
-  **ISO 45001, ISO 14001, ISO 9001, ISO 5001, and BS OHSAS 18001** certified company
-  **No fatalities reported**

-  Total **1,242 employees** availed **parental leave**
-  **No incidents of discrimination reported**
-  **Rank 1** in Positive Customer Feedbacks



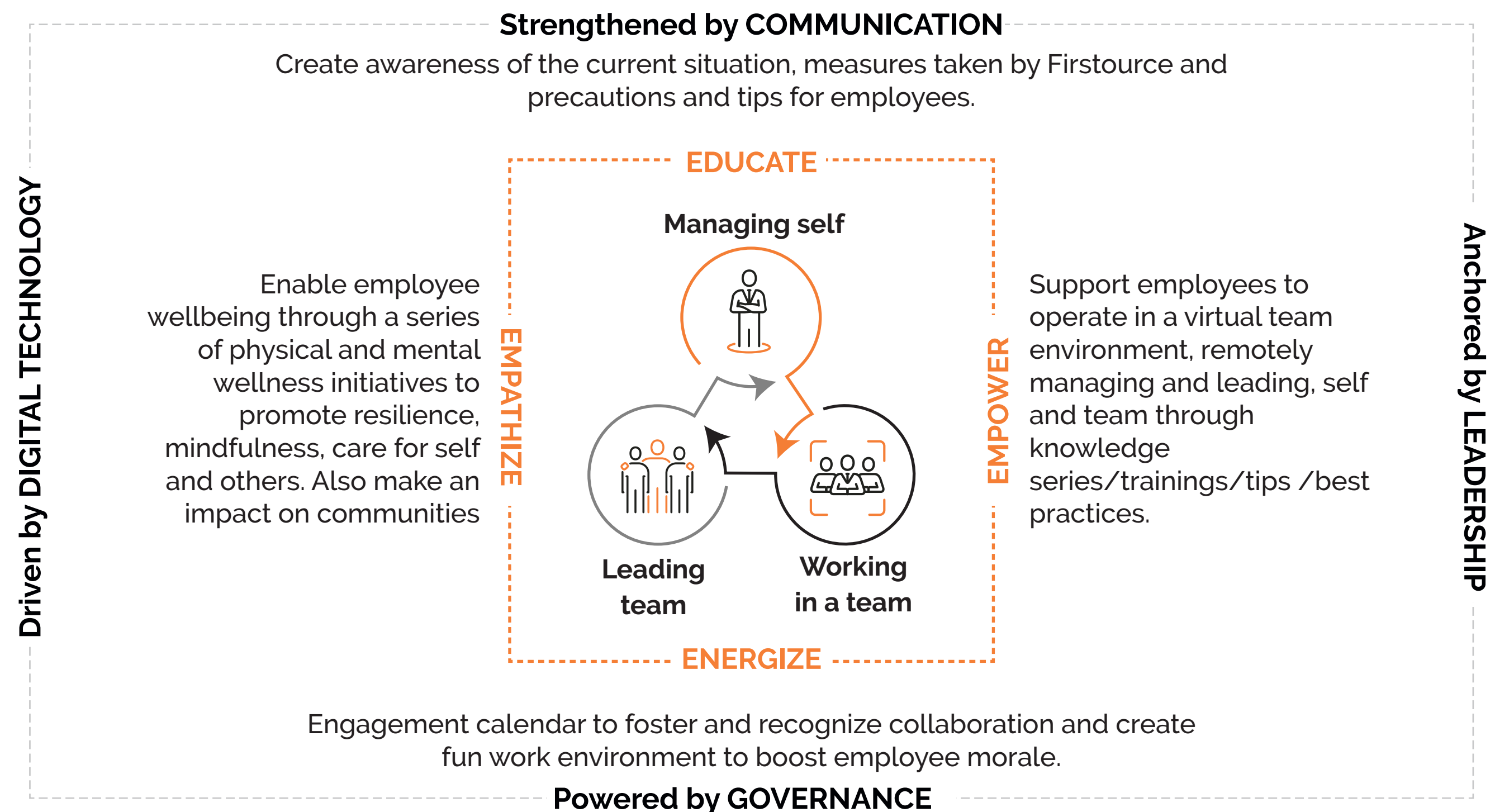
People First- Prioritizing Employee Engagement, Wellbeing and Safety

Our employees are our most important asset. They lie at the core of our inside-out approach, helping us stay on an accelerated growth path. Powered by their passion and dedication, we strive to create significant value for our global clients. We could not have delivered excellence during the unprecedented pandemic without the hard work and enthusiasm of our 26,557 Firstsourcers around the world. Our people always have been and will continue to be our top priority.

Employee Engagement

To excel in a professional space, employees should not only be empowered to work, but also engaged in a way that they enjoy working in the organization. Firstsource's 'People First' approach ensures employee engagement through various initiatives that not only make the employees feel involved

and heard, but also help increase their productivity. To foster connection with our employees on a deeper and more personal level, we have designed an Employee Engagement Framework which is driven by digital technologies, strengthened by communication, anchored by leadership and powered by governance.





Employee Engagement Initiatives

At Firstsource, we value our employees' opinions and inputs at every step of the employment lifecycle. We therefore provide them with numerous opportunities to share their views and gather their feedback on a regular basis. We have a team of Engagement Executives (EE) and Employee Advisory Councils (EAC) to ensure employees connect with our business goals and organizational vision and values.

Early Engagement

We believe that new hires require more attention and support during their first few weeks, so we have a team in place to engage, assist them in settling, getting to know the people, processes, systems, and policies, facilitate leadership interaction through a structured schedule, and hand-hold them throughout their trainings until they are comfortable and know their way around.

Communication platforms

At Firstsource, we provide our employees with various forums such as:

- **Top talent connect** wherein top performing employees can connect one-on-one with the CEO to establish a bottom-up approach of communication and also to feel encouraged and valued
- **Tea With Me** sessions to interact with and get weekly feedback from employees
- **Coffee and Conversation** which is a one-on-one discussion with the CEO
- **Goal Cascade Session** are intended to explain the organization's and function's goals in order to assist employees build a greater sense of direction and purpose, as well as to understand how their work contributes to the achievement of overarching organizational goals
- **Employee satisfaction and engagement surveys:** Our Human

Resources team rolls out the GlobalEmployee Survey (GES) across Firstsource to gauge employees' opinion, analyze employee attitudes beliefs about our work environment, values, and leadership, and identify focus areas for action. We provide opportunities for employees to provide input on various events and strategic decisions in order to increase employee involvement while building new projects.








- **Skip Level Meetings** are between managers and team members. It allows managers to get to know the bigger team better while also allowing the team to share feedback and suggest ways to enhance team performance
- **Spill the Beans** is an informal connect where employees are encouraged to exchange business updates every Friday



- **Let's Talk** is a forum for senior leaders to communicate with larger teams and discuss their perspectives, ideas, and ambitions for the organization.
- **Open house** is a forum where all employees participate in these meetings to learn about the organization's plans and to ask any queries they may have.
- **"It's my week"** is an initiative to enhance employees' sense of connection by assigning theme to each day of the week – Motivational Monday, Teaming Tuesday, Wellness Wednesday, Thankful Thursday, Foodie Friday, Super Saturday and

Sunday Funday
In the midst of the epidemic, we recognized the need for communication and support for making our employees feel more comfortable during these unprecedented and testing times. We launched a care calling initiative that hosted weekly HR connect sessions with all the Covid positive employees to keep them engaged and connected with the company activities.



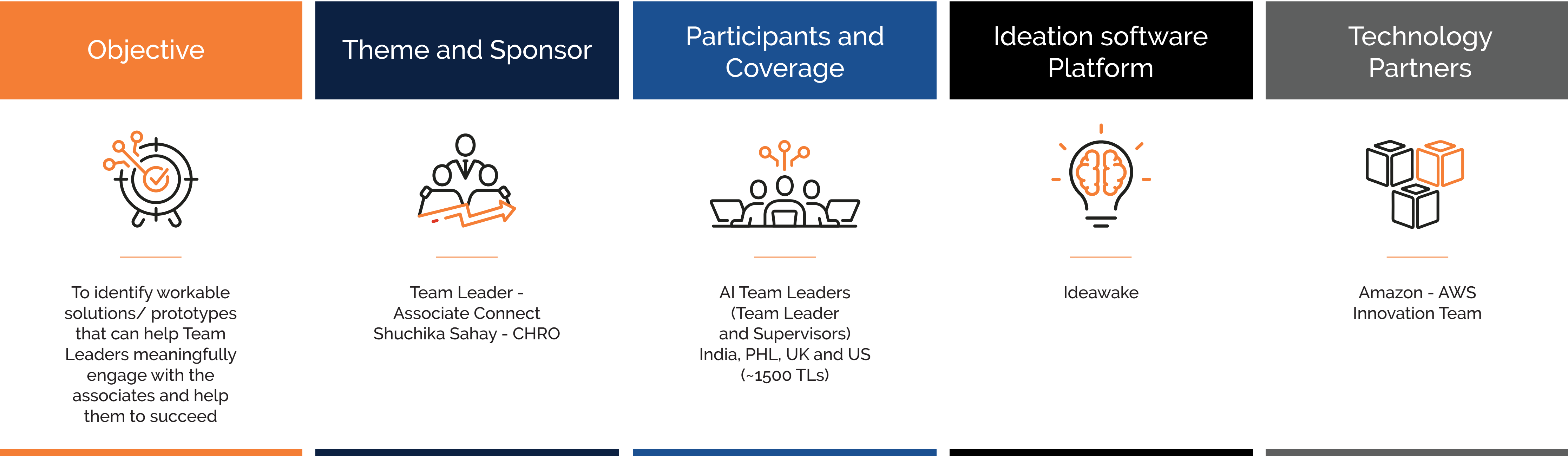
MOTIVATIONAL MONDAY	TEAMING TUESDAY	WELLNESS WEDNESDAY	THANKFUL THURSDAY	FOODIE FRIDAY	SUPER SATURDAY	SUNDAY FUNDAY
						
<p>Boost your spirits on Motivational Monday</p>	<p>Connect, chat with team members on Teaming Tuesday</p>	<p>Take stock of your health on Wellness Wednesday</p>	<p>Say thank you to colleagues on Thankful Thursday</p>	<p>Bring out the chef in you on Foodie Friday</p>	<p>Recharge on Super Saturday</p>	<p>Have fun with your team on Sunday Funday</p>

Digitalizing Internal Communication

We continue to advance our 'Digital First Digital Now' strategy, both internally and with our clients. To stay in touch with our employees during this journey, we utilize tools such as Firstworld, Attendance First, My pay, FirstReward, ACE, FirstLearn,

FirstInnovate, FirstConnect, ServiceFirst and FirstHire. We also initiated 'Hackathon 1.0' an internal online event aimed at fostering a culture of innovation and collaborative learning amongst Firstsource employees. Hackathon 1.0 was conducted for two to three days and resulted in the generation of more than 300 ideas across the globe. The

objective of the Hackathon was to identify workable solutions and prototypes that can help team leaders meaningfully engage with associates and help them succeed in achieving their goals.



Employee Wellbeing

The definition and facets of 'Workplace Wellbeing' are diversifying at an unprecedented pace during the pandemic as it continues to engulf newer and more logical aspects. It has gone from just being an organization's policies, initiatives, and interventions that ensure the physical wellbeing and safety of employees to taking a more holistic approach towards employee's psychological, social, financial, and emotional wellbeing.



FitSource

FitSource is our holistic wellness program focusing on the six wellness pillars.

Physical Wellness: To enhance physical activity and promote awareness about healthy lifestyle options in the workplace

Mental Wellness: To manage stress proactively while conducting and reviewing stress risk assessments

Social Wellness: To promote a culture that recognizes the importance of being

constantly connected, the value of downtime and the need for a healthy sleeping pattern

Emotional Wellness: To provide a distinct range of opportunities in the workplace to improve personal and professional relationships, reflect and manage self-care

Financial Wellness: To ensure equitable application of rewards and benefits policy

Environmental Wellness: To ensure that the work environment is supported by safe working practices and ergonomic practices





88%
Return to Work Rate

Number of employees entitled to parental leave

Men	Women
100%	100%

Number of employees that took parental leave in FY 2021-22

Men	Women
470	772



Global Wellness Experience

The Global Wellness Experience is a first of its kind expanded wellbeing program for our employees. The initiative included 15 time zone friendly mental, physical, and financial wellbeing sessions that were conducted over three weeks. The program received significantly favorable feedback from more than 3,850 participants across geographies. The sessions were led by a combination of prominent guest speakers and Firstsource leaders across themes such as stress management, burnout and anxiety, self-care, healthy eating and nutrition, mindfulness, mental health awareness, and high intensity interval training.



Global Fitness Challenge

Following the success and overwhelming response to Global Wellness Experience, we collaborated with Vantage Circle to launch the Global Fitness Challenge. Through this initiative, employees participated in a 12-week gamified fitness initiative that enabled them to set and track their fitness goals whilst competing with colleagues and co-workers on Vantage's Fitness App. Designed to help improve overall wellness, the weekly challenges required employees to track and log activities around seven health metrics. 650+ employees participated across 208 teams with 1,261 downloads of the Vantage Fitness App.

Employee Wellbeing Initiatives

- We have established a **Mental Health First Aider (MFHA) Program** with one qualified MHFA for every 46 employees.
- Each Wednesday, we host a virtual **Wednesday Wellness Sessions** across all geographies that focuses on a particular area of wellness.
- All our employees are encouraged to have a **mental health action plan** in place which is facilitated by the leaders.
- **Cuppa and Chat session** are organized to promote mental health awareness.
- A pop up stall was set for the Derry office of Firstsource by **Fitchef** a local business selling healthy and nutritious meals, wraps, salads, alongside a noodle bar and breakfast menu to provide healthy snacks to the employees.
- A local gym provided onsite and virtual fitness sessions with **Uturn Fitness** and hosted a cyclathon
- **Weekly wellness sessions, webinars, and mailers** such as coping with the second wave of COVID-19 session, dealing with stress the unconventional way, cultivating positive mental health, accessing your positivity palette for all the employees.



Creating a Safe Working Environment

Safety is a priority at Firstsource. We provide a safe and secure working environment for our employees and have established an internal control mechanism across our organization. At all our locations, we are vigilant in maintaining a zero-fatality workplace. Our culture promotes adherence to industry certified best practices on occupational health and safety, for instance, ISO 45001 across all our operations. Firstsource believes that providing a safe and healthy work environment is essential for employees' wellbeing and implementing these practices has a direct influence on its overall performance.

Safe working spaces

Our duty of caring for employees and stakeholders extends to their health and safety. We have a zero-tolerance policy towards failure to observe health and safety standards at workplace. Through our global Quality, Occupational Health, Safety, Environment and Energy Management (QOHSEE) policy and management framework, health and safety management practices are in place for preventing and reporting workplace accidents. This policy enunciates our approach and commitments to ensure workplace safety which includes formulation and implementation of applicable safety standards, rigorous training, and constant improvement by adopting industry best practices.



Safety Practices and Trainings

Training is vital at building robust health and safety management systems. Firstsource is committed to training all its employees in appropriate use of QOHSEE management systems as well as enhancing its management through professional and managerial skills. Our policy requires training and evaluation of employees across hazard identification, risk assessment, and risk control measures across geographies.

We conduct safety training for all our employees and ensure routine fire safety training to all support staff, emergency mock training to meet any eventuality, routine electrical safety training, and cross functional training on hygiene, security policies and chemical safety. With our clinical

services partner for Firstsource Philippines - Active One , we rolled out briefing on mental wellbeing at the workplace, to raise awareness about the relevance and importance of looking after mental health. During the year, two injuries and three near miss incidents were reported by independent contractors in India for which we have taken appropriate precautionary measures. In 2022, 3,178 employees underwent health and safety training accounting 4,767 hours in total.



Safety Audit

We undertake regular safety audits to identify hazardous and unsafe activities, ensure implementation of compliance and access effectiveness of the safety standards. We have an Integrated Management System (IMS) in place which is established under the guidance ISO 14001 (Environment) and ISO 45001 (Occupational Health and Safety), ISO 50001 (Energy) and ISO 9001 (Quality). IMS is periodically audited through an internal audit team and external certifying agency. The internal audits are conducted periodically throughout the year. At Firstsource QOHSEE audit is a systematic and documented verification process to obtain and evaluate evidence to determine the audit requirement. The core team tracks the compliance of observations raised during the audit and its sustainable implementation.





Sailing through COVID-19

Throughout the pandemic, the health and safety of our stakeholders was a top priority. We implemented best practices measures drawing from guidelines published by WHO and local public health authorities. A business continuity plan was immediately implemented with a COVID war room to

assess, monitor and direct our efforts to safeguard employees.

Further, we introduced additional policies, benefits and support for employees and their families, including COVID care leave up to 28 days for infected employees, compassionate leave for caregivers, hardship allowance for employees that were home quarantined or had been hospitalized, additional compensation to the family of deceased employees, created a COVID helpline, and sponsored health check-up's for employees above the age of 40 amongst other measures. We also made provisions for oxygen cylinders and concentrators, isolation rooms for colleagues and their dependents and partnered with Dhani, a support organization, to supply COVID management kits to employees.

As we gradually return to working from our offices, we have implemented COVID-safety protocols and guidelines.



Attracting Talent and Managing Performance

At Firstsource, we believe that our employees are the driving force in catalyzing the growth of our business. Therefore, it becomes important to create a buffet of choices that suit diverse employee needs and business requirements. It is equally important to understand the context and relevance of all our people's actions, to ensure the effectiveness of any value proposition that is intended to motivate employees for improved retention, morale, and productivity. This is why we are committed to providing a positive culture and a world-class work environment to facilitate personal and professional fulfillment for our employees.

Employee Hiring

As we work towards our mission of becoming the "Employer of Choice," our Talent Acquisition Team is continually adapting and evolving in order to maintain an appealing offer and experience for potential workers, boost recruiting

performance, and increase the quality of hiring. In order to "Stay Ahead," our global talent acquisition strategy blends globalized talent practices for consistency, efficiency and scalability with localized flexibility for attracting, acquiring, integrating and retaining talent.

With the onset of the pandemic, Firstsource migrated to a virtual onboarding model to engage new hires with onboarding formalities and conduct orientations over online platforms. In addition to the new hire orientation and networking sessions with peers and stakeholders, the newly joined leaders are invited to a Leadership Assimilation session where they get to meet the Firstsource Leadership in live group interactions.

We continue to dip beyond conventional talent pools in the communities we work in. As one of our alternative sourcing channels, we successfully implemented a formal apprenticeship program in UK this year. This program forges new paths for ambitious professionals, providing a

once-in-a-lifetime opportunity to land a full-time job. Individuals in UK can work and study while earning an NVQ (National Vocational Qualification) and meaningful employment under the apprentice requirements. All apprentices must undergo 20% on-the-job training. This technique brings learning to life and aids in the retention of skills. We had 90+ Firstsourcers working on an apprenticeship in the UK during FY 2021-22. This not only broadens our recruiting approach, but also helps our impact sourcing strategy.



ACCLIMATE Talent

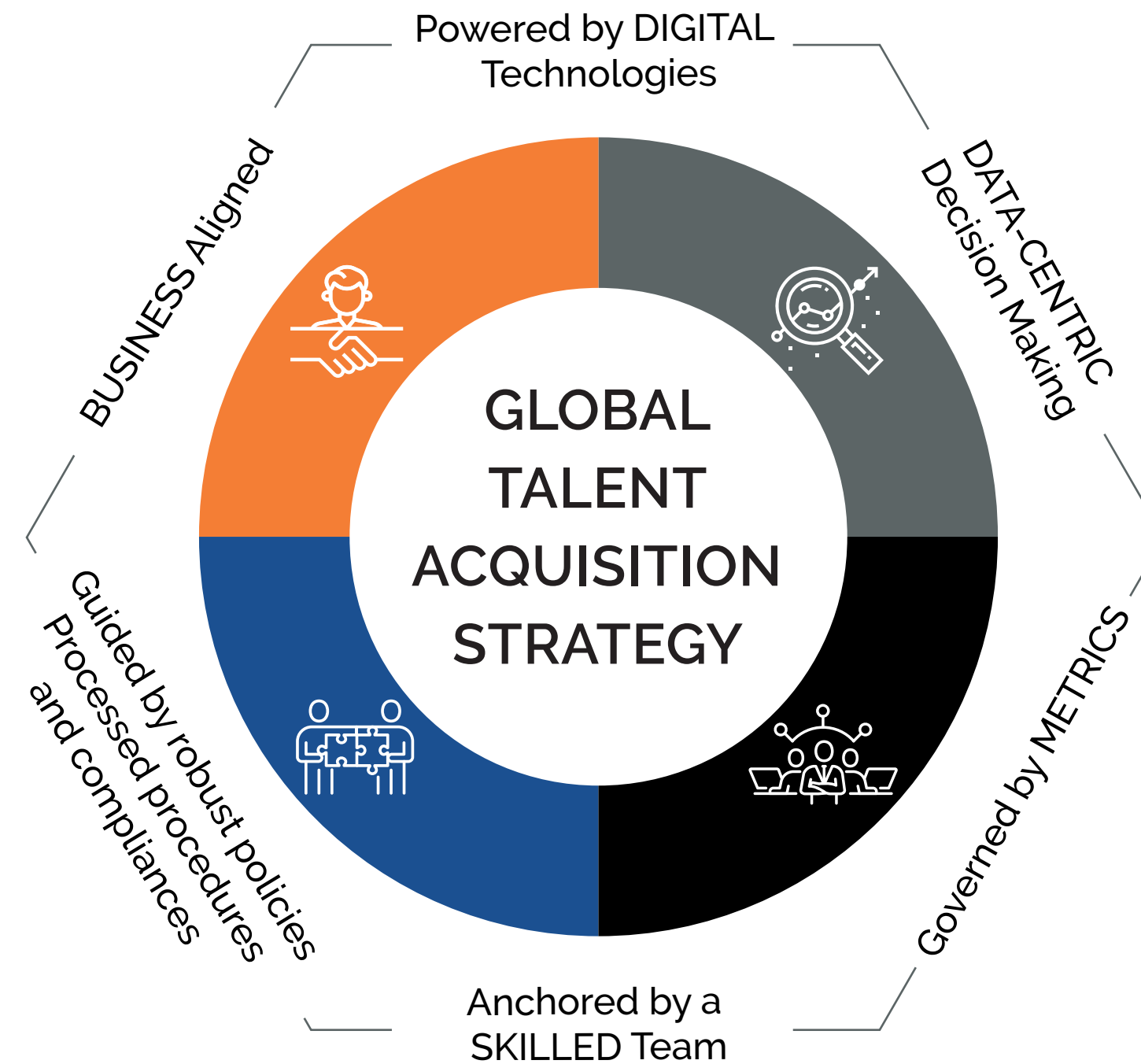
Integrate new employees into the organization and ensure they have the tools, resources and knowledge to become successful and productive

- New joiner onboarding - Digital engagement pre-boarding, induction and post boarding activities
- Lifecycle Surveys

ACQUIRE Best-in-Class Talent

Evaluate candidates' potential and culture fit through formal assessments in a secure and scalable digital platform. customized to levels and roles

- Acquisition of talent using Aspiring Minds - a best-in class, AI powered selection tool
- Interviewing tools/techniques



ASSESS Talent Requirement

Ensure right number of people in the right jobs with the right skills, at the right time to accomplish current and future business plans

- Access talent requirement through a robust RMS system(Taleo)
- Access talent pool through multi channel sourcing

ATTRACT Talent

Proactively network with both passive and active candidates to build the talent pipelines and curate an exceptional experience across the employee journey

- Attract Talent through employer branding and EVP
- Social media campaigns
- Impact Sourcing Initiatives
- Managing employee advocacy programs and curating a digital and user friendly candidate experience

Newly Hired Employees and Workers FY 2021-22	Men	Women	Gender not disclosed	Total employee by contract
Permanent	18,739	8,210	24	26,973
Contract workers	36	22	16	74
Grand total	18,775	8,232	40	27,047

Transparent approach to managing people performance

The way we measure, enhance and reward performance is designed to help our employees pursue their career dreams – in a culture of learning, meritocracy and excellence. Through ACE (Achieve. Collaborate. Enhance.), our performance management framework, we aim to institutionalize a transparent platform that recognizes excellence and helps identify development opportunities continuously.



ASPIRE




- Organization Culture and Values
- Social Responsibility
- Inclusion and Diversity
- Employee Wellbeing
- Hiring and Onboarding experience
- Job Interest Alignment

ACHIEVE



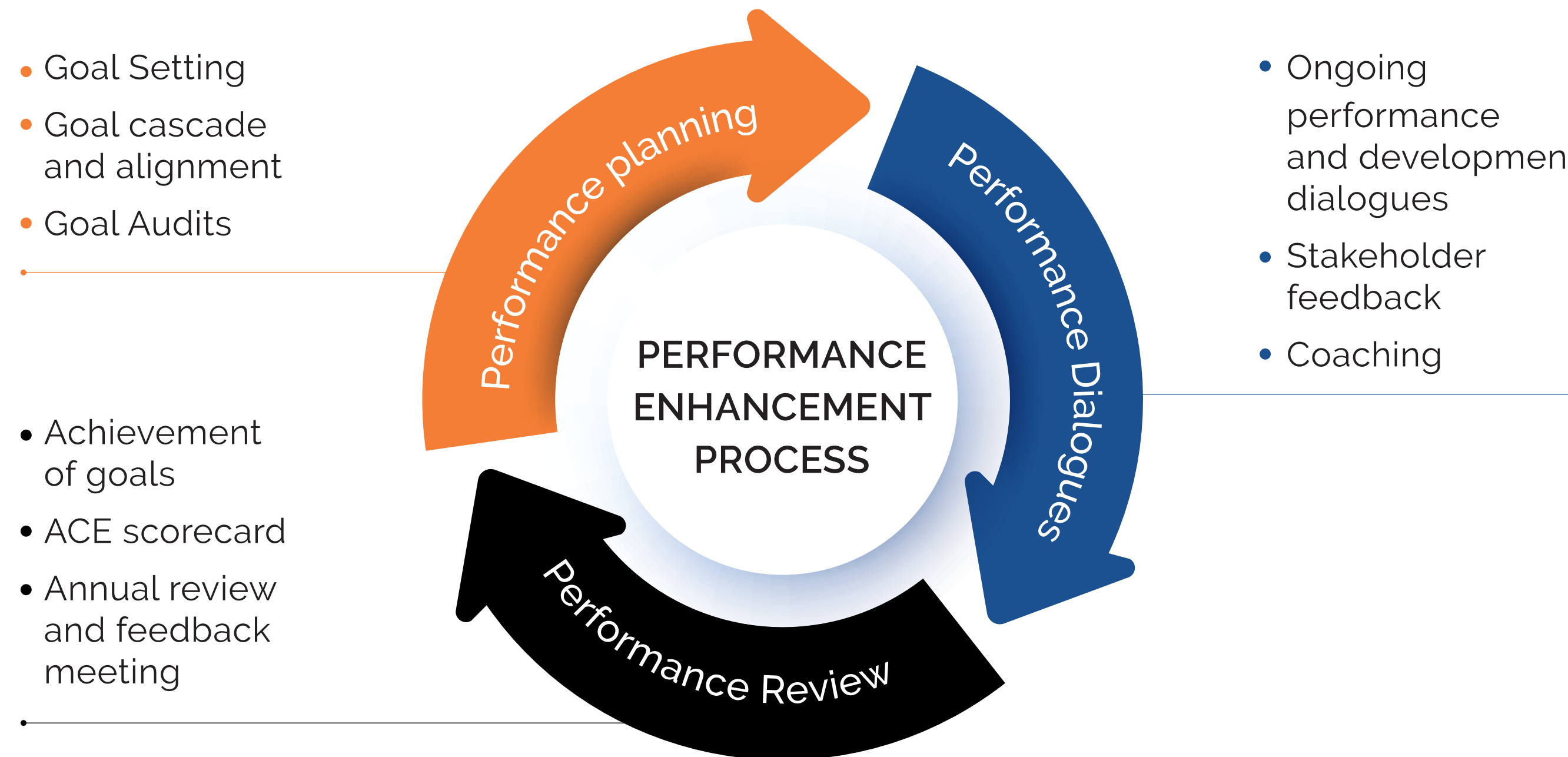
- Goal cascade and Alignment
- Performance Management
- Mentoring and Coaching
- Learning and Development
- Rewards and Recognition
- Leaderships Connects

ADVANCE



- Talent Mapping and Review
- Career Planning
 - Job enhancement
 - Job rotation
 - Internal Mobility Programs
 - Promotions
- Salary Increments/Bonus

Performance Enhancement Process



The adoption of our performance management system has advanced significantly with all eligible frontline employees on-boarded. This includes creation of diverse sub-processes and client-specific scorecards. This has enabled a more transparent

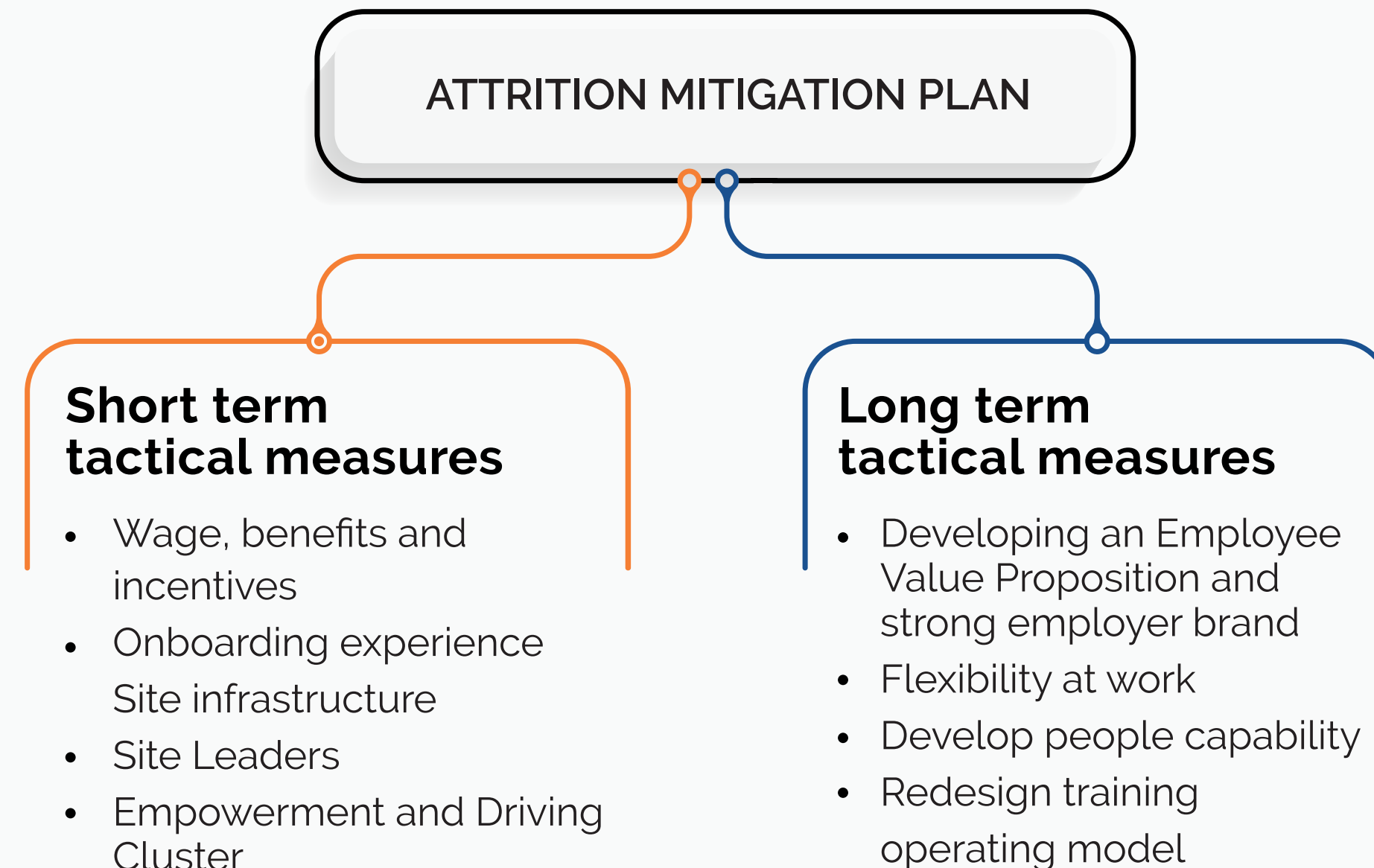
and consistent approach to measuring performance across Firstsource and providing key insights to talent priorities such as career development, and top talent engagement and retention.



Employee Retention Projects

At Firstsource, we believe in the power of our people and enabling them to develop their full potential at every stage of their employment with us. Our employees are at heart of the Firstsource business strategy and we have put several retention initiatives in place. We provide our employees with a number of perks, including paid time off for parenting, access to childcare, insurance, transportation, healthcare and many other benefits.

Apart from this, we have an attrition mitigation plan to take short-term and long-term tactical measures for employee retention which includes the below measures.



Employee Surveys

Employee feedback is foundational purpose-led culture. Our employee feedback holds an immense value. Amplifying our listening across the organization helps us foster a deeper connection with our employees and provides richer data for improvement. Building this connection was made possible by introducing a robust feedback system that helps the management listen to what our employees have to say.

We collaborated with Qualtrics to amplify employee listening at scale, deployed life cycle surveys and other just-in-time actionable surveys. This fosters a listening culture and aids in the co-creation of employee experiences with our employees. The ability to optimize employee potential and develop meaningful action plans based on insightful data is another benefit for people managers. We execute the correct programs to

recruit, retain, and engage personnel with the support of regular feedback. Since we were in the process of migrating our survey platform, a decision was made to hold off on the Annual Employee Satisfaction Survey. However, for the next financial year, we have plans of launching Pulse Surveys as a tri-annual activity that would help us focus on securing targeted feedback, enabling us to create, implement and track actions faster.

Employee Rewards and Recognition Program

Recognizing and rewarding employees for their contributions, performance and behaviors provide clear signals on expectations, improves employee satisfaction and boosts motivation.

FirstReward is our reward and recognition program in partnership with Vantage Circle, that enables top-down, peer-to-peer, as well as bottom-up recognition of employees at a global level.

Our Rewards and Recognitions programs recognize high performance through performance-based awards, exemplary behaviors aligned to our core values through Value based awards, commitment towards organization through automated service awards, and instant recognition for colleagues through non-monetary appreciation. We continue to host our Global Leadership Awards, launched in 2016, which is an annual platform to recognize and celebrate the employee achievements across all geographies, business units and functions. This year we revamped the awards framework and aligned it more closely with the organization's strategic pillars.



Empowering our People

Firstsource understands that staying abreast with skill sets and domain knowledge is difficult in a rapidly evolving digital environment. It's our ongoing endeavor to strengthen the skills of our employees by fostering a culture of learning. We provide adequate tools and professional development opportunities for our employees to equip themselves with the skills and knowledge they need to excel in their roles. Whilst we continue to invest in enhancing competencies across the organization, we are building and future-proofing learning delivery models by incorporating digital, interactive and self-directed training content.

Total amount spent on training and development as on 31st March 2022

Geographies	USD
India	153,446
Philippines	16,233
UK	266,488
USA	724,717
Total	1,160,885

Total training hours

FY 2021-22	FY 2020-21
92,705	15,916

The average training hours per employee for FY 2021-22 is 3.49 hours





EMPLOYEE DEVELOPMENT

Capability Development

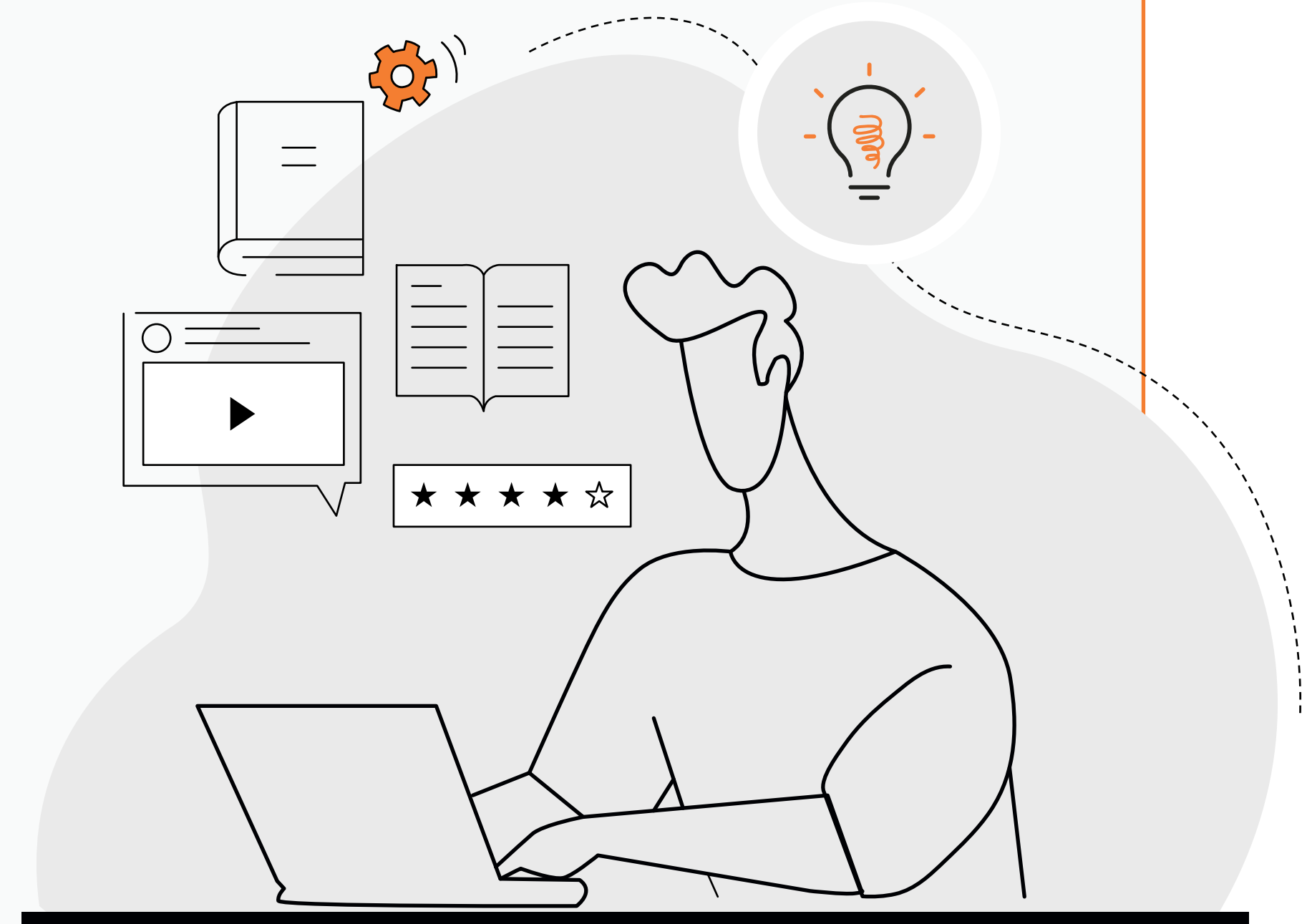
- Caters to advisor level training program
- Supports new hires and client-facing employees
- Focuses on skill based training, knowledge based education and experience
- Supports operational excellence and creates future-ready workforce

Learning and Development

- Offers outcome based learning
- To enhance domain, compliance, and leadership skill
- Jetset program for team leader development
- Catalog of Microlearning and Power Capsules for executives and above in the organization

Employee Development

Firstsource has established a two pronged employee development approach to meet the demand for varied skill sets in today's digital-first world and advance its strategic goals for training and development.



Capability Development

At Firstsource, we have implemented capability development programs to ensure a future ready workforce. They offer advisory level training to support new hires and

executives who interface with clients. These programs are designed to foster proficiency in order to promote operational excellence. Enabling annual training and training related to process compliance are the main focus areas of capability development teams.



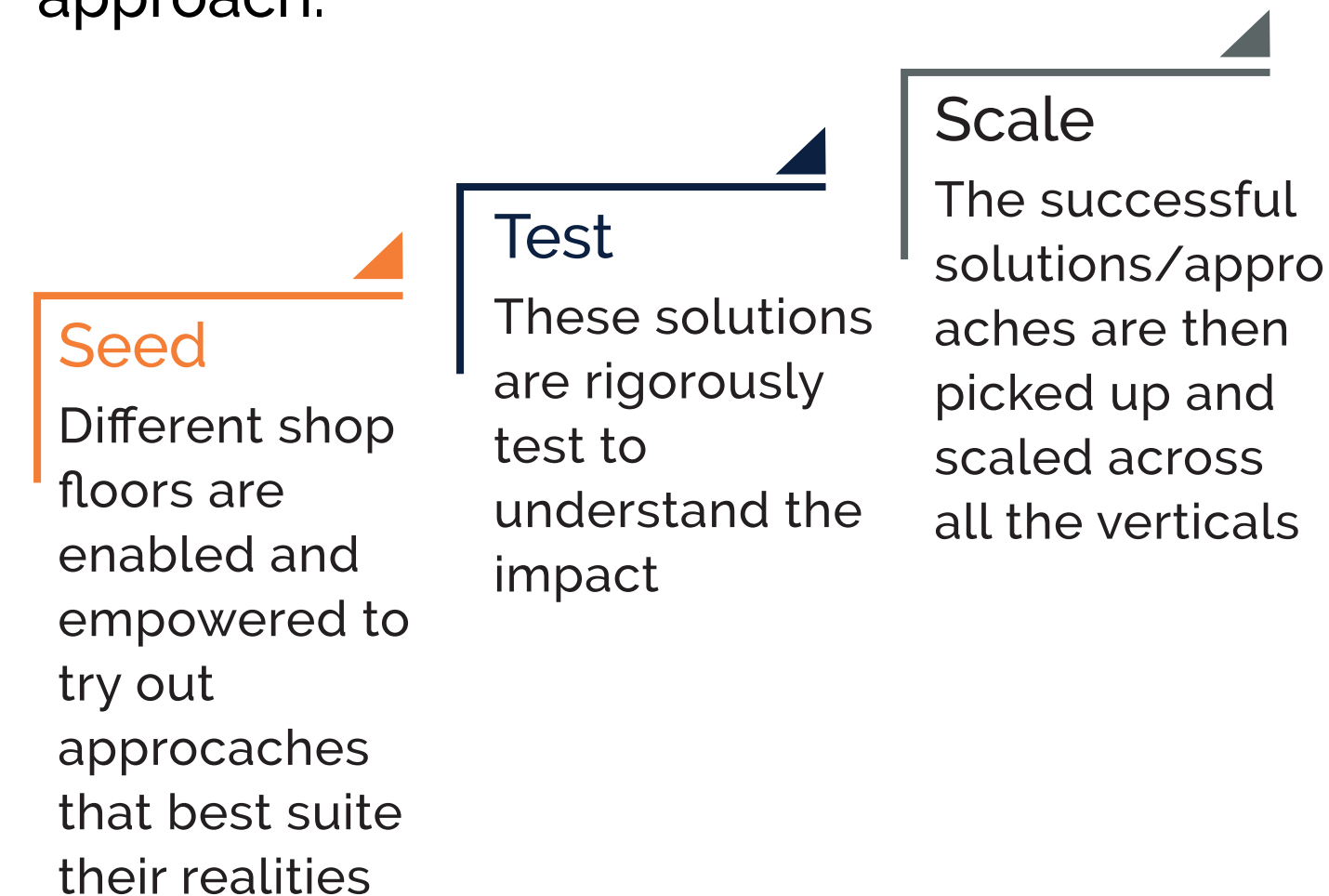
The Digital Learning Transformation in Domain Training

We have more than 20,000 frontline advisors working in multiple verticals and processes. Originally, the training was predominantly classroom based. Some of the challenges we faced were

- Efficiency of the training – given the direct relationship between speed to competence and our bottom line, the question was whether this can be improved
- Engagement – as most of the training is classroom based and instructor led, it was difficult to engage the learners beyond a point
- Silos – different processes followed their own approaches and best practices were not often shared

While we have a clearly articulated vision about digitalization, post-pandemic realities such as remote working pushed us to expedite this process. Given that this transformation journey had to impact more than 20,000 employees across multiple

industry verticals and client processes, we chose an iterative, agile approach, rather than going for a Big Bang approach. This gave us an opportunity to sail fast and safely. We call this our “Seed to Scale” approach.



This approach gives us the nimbleness to try out solutions with minimal impact. Following are the examples of how this works

- Agent Assist: On the floor, our advisors need to deal with various customer scenarios. It is not humanly possible to remember all the process nuances. To assist them, we have been working on technologies such as chat bots to

give guidance and information to them, while on the call. The healthcare vertical, which has one of the most complex processes/systems, Yonyx tool was piloted. The productivity and accuracy gains were significant, making a compelling case for scaling this tool. Currently we are working on implementing this tool across multiple processes.

- Personalized learning: Our Mortgage team has pioneered the First Learning Intelligence (FLI) platform, which uses bot and AI to provide personalized Refresher Learning Pathways based on assessment. A learner needs to take an assessment and follow the recommended customized learning pathway again and again until they reach mastery. Each learner can also see the growth/progress report. The use of FLI has proven to compress learning cycle time by 25% and reduce competency building cost by 30%. The success of this platform has led to this being taken up for scaling up across the enterprise.

This transformation is anchored on three pillars.

- Transformation

 - Governance**

The digital transformation is managed top down. The CEO and COO are highly invested in this process. there are monthly and quarterly reviews to track progress
 - People**

Our strategy is to leverage our own people to bring about the transformation. This includes upskilling, enabling. E.g.:40 individuals have been given Articulate 360 licenses and have been trained. Currently, 80% of digital learning is crowdsourced from them.
 - Tools**

As described earlier, we have invested in many strategic tools that will help us transform with speed and agility.

The following are some highlights of our transformation effort:

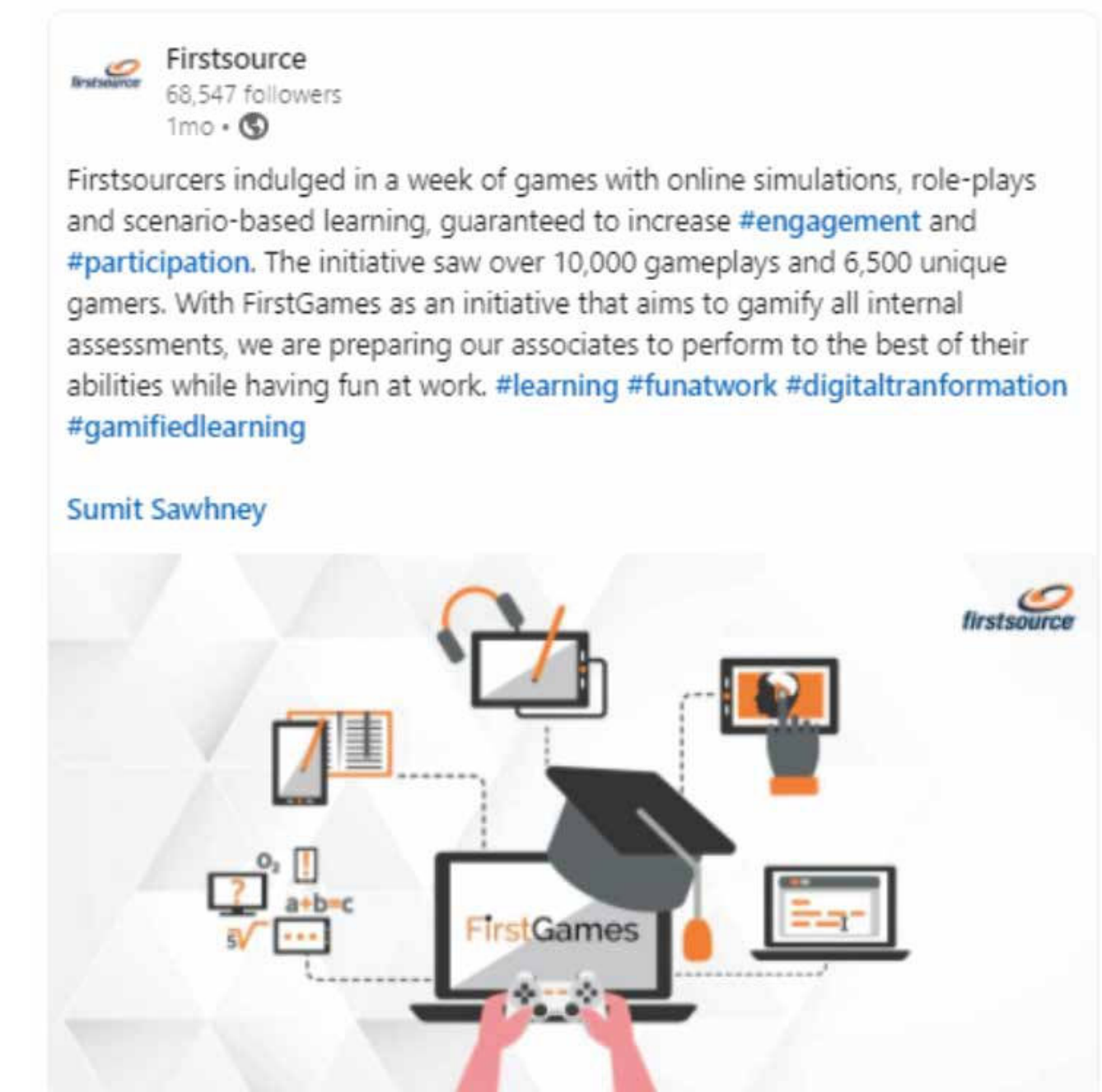
L.E.A.P – a Critical Project -

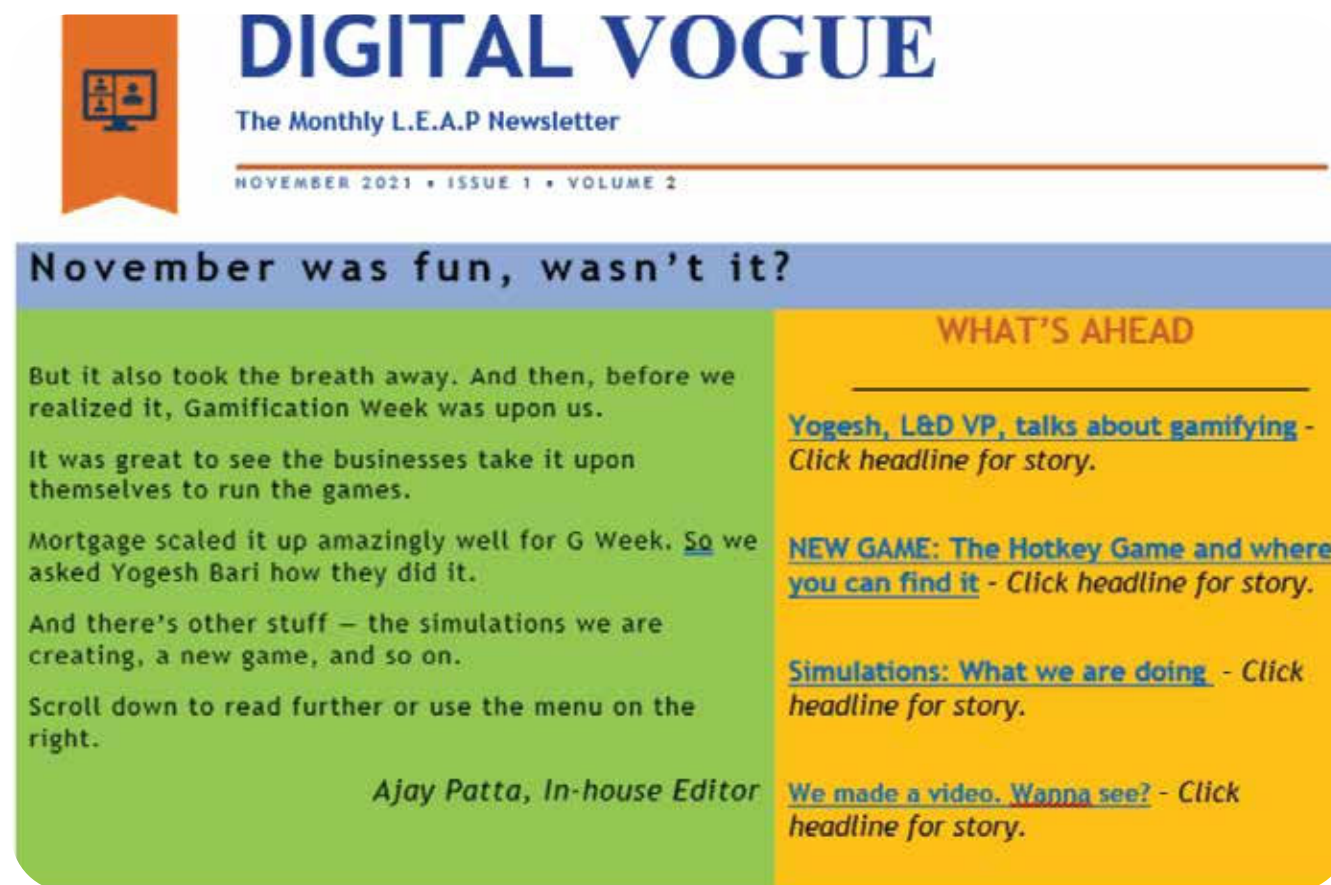
We have over 10,000 hours of learning (Firstsource and client owned) most of which was delivered as classroom training until a couple of years ago. The Learn, Empower, Apply, Perform (L.E.A.P.) project was put into place to make the learning experience self-paced, engaging, effective and shorter. As mentioned earlier, 40 of our SMEs and Trainers have been trained on Articulate 360 and they have been working on converting this content to digital formats. In 6 months, this team has converted over 5000 hours of classroom training into digitally enabled blended formats.

Gamification - a Key Enabler

Given that our advisors are young, making the learning engaging is a high priority for us. One of the important ways we make it happen is with Gamification. Our team has been designing games regularly – we have so far designed 10 custom game templates in house. These templates are used by our delivery teams to conduct monthly

assessments. Our goal is to gamify 100% of our assessments. As of now, to build the DNA of gamification, we run Gamification Week every month. We have been noticing an uptick of almost 50% in the individual gamers month on month. We also have been getting very positive feedback from our learners.





e-learning Heroes – the Community

Our digital learning effort is entirely crowd-sourced to 40+ SMEs and facilitators, who are continuously engaged and skilled. The e-learning Heroes is our Community of Practice where all the action happens. This community has its own MS Teams channel, where members share best practices, approaches and learnings. To date, over 60 e-learning templates and 10 gamification templates have been shared and utilized. The community also publishes a monthly newsletter, the Digital Vogue, which highlights the achievements across the team. Senior leaders in the team also individually coach the bright sparks to enable continuous innovation and excellence.

Our Achievements for Digital Learning Transformation



L&D Leadership India Summit Award

We have moved the mindsets and actions around learning to quickly adopt and scale micro-learning gamification, videos and simulations"



ETHR Futureskills Award

We received Gold under the High Impact Hybrid Learning Program for our Digital First, Digital Now initiative.

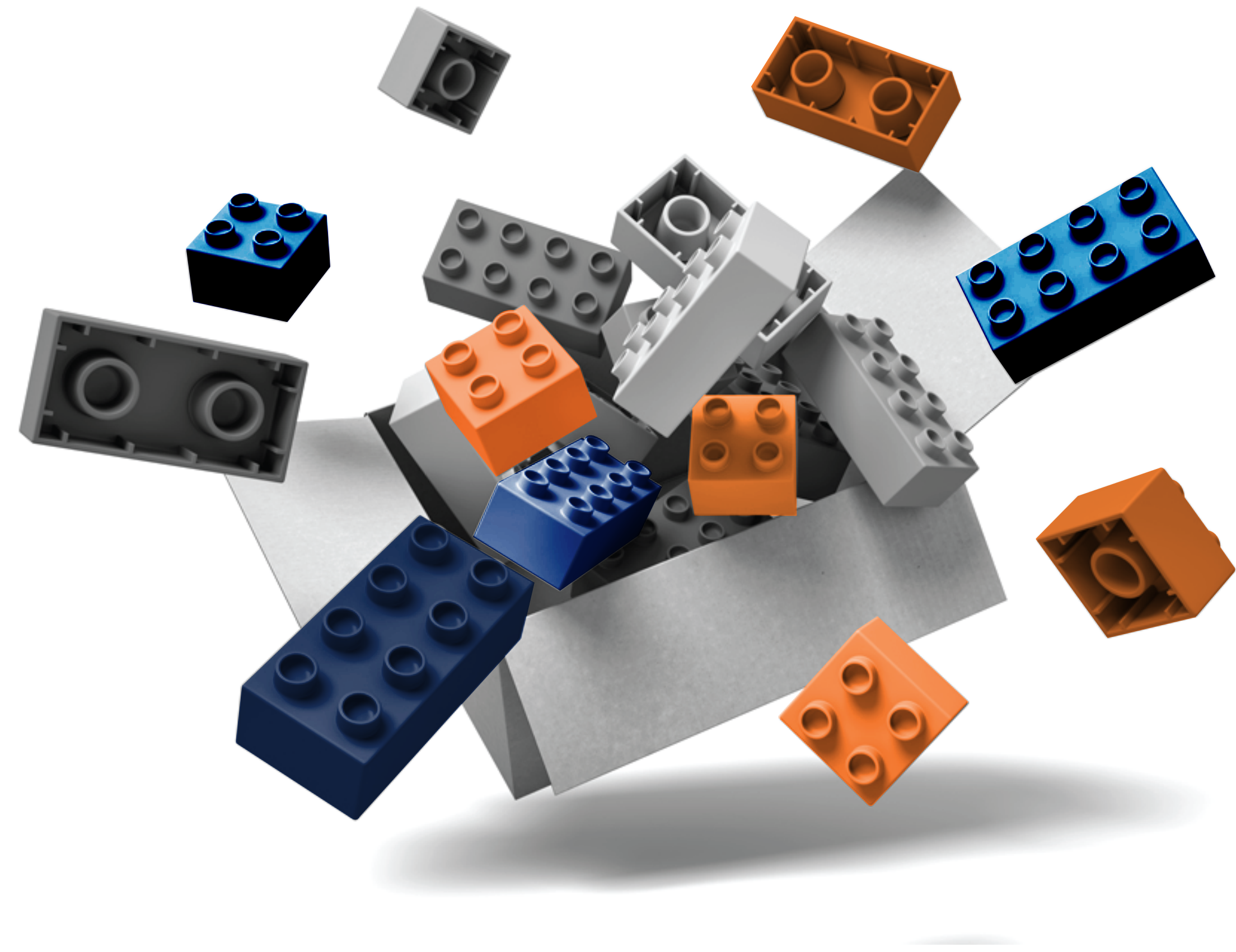


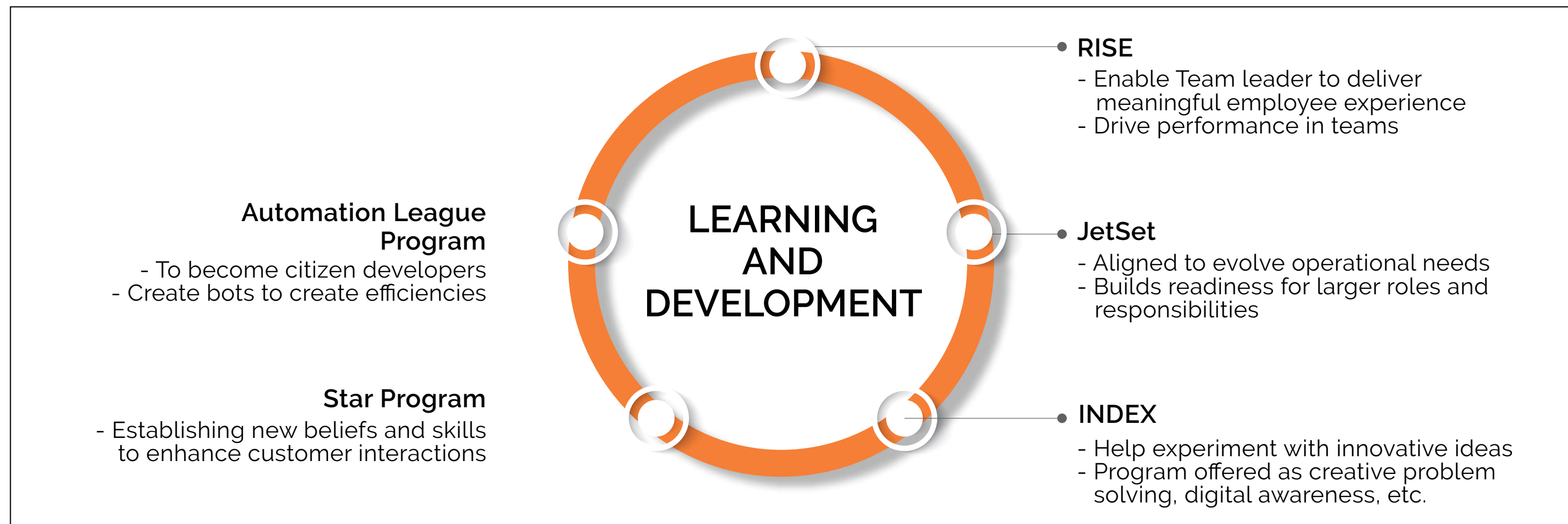
Learning and Development- Firstsource Academy

The Firstsource academy promotes learning and development across the organization. It offers leading edge resources and materials needed to upskill, seek new ideas, embrace challenges, and lead effectively. It leverages digital platforms and partnerships with globally recognized learning providers and offers access to more than 160 outcome-based learning programs. It aims to develop a wide range of competencies and skills using a digital-first approach.

Learning and Development Initiatives

This year, a total of **92,705** hours were dedicated to training employees in various technical, non-technical, and ethical areas through the following initiatives.





RISE - New Team Leader Development Program

The RISE Team Leader Development Framework or People Leader Capability Development Project will empower team leaders to create meaningful employee experiences and drive team success through formal and informal learning activities. This program will be launched in the upcoming year

Jetset

Jetset is a team Leader Development flagship program at Firstsource which is aligned with evolving operational demands

and anchored in our new operational competence framework. This program aims to select and train team leader candidates, equip them to perform effectively and establish a pool of ready-to- promote employees. Currently, 869 Full-Time employees are enrolled in the program.

STAR - (Sales Transformation and Result Program)

Our Sales Transformation and Result Program aims to improve customer interactions and success. This software helps create and increase new and current customers, allowing clients to sell effectively in a virtual environment. More

than 100 employees were involved in the sales process of the STAR program in FY 2021-22.

**INDEX -
(Innovation and Digital Excellence) Program**
INDEX helps workers achieve their digital objectives, talents and experiment with new ideas. INDEX offers programs such as problem-solving, creative problem-solving, data-driven problem-solving, digital awareness, and lean six sigma.

Automation League Program

The Automation League Program was created as part of our Digital First, Digital Now vision and to drive corporate cultural transformation. It enables employees of all levels and disciplines, including those with no formal development experience, to find automation opportunities and learn how to build their own solutions. Training and methodology were developed in collaboration with automation partner UiPath - a platform that automates repetitive office tasks for rapid business transformation and TinyMagiq - a platform that automates repetitive office tasks for rapid business

Celebrating Inclusion and Diversity

At Firstsource, we strive to create an inclusive workplace where our aim is to leverage the diverse backgrounds of our employees to strengthen our workforce and approach to business. When people with unique skills and varied capabilities are brought together to share a common purpose, they can make a lasting difference. Our primary focus areas in our journey this year were working towards greater gender equity, strengthening LGBTQIA+ inclusion and promoting ethnic and cultural diversity within the organization. Going forward, we are committed to focus our efforts on these dimensions as well as expand them to include other dimensions of diversity within the organization.



Our approach to Inclusion and Diversity (I&D)

While it has always been an organizational priority to promote a welcoming environment for all employees, in 2021, we embarked upon a more structured approach to Inclusion and Diversity (I&D)

The Firstsource MD and CEO serves as the executive sponsor for the I&D (Inclusion and Diversity) initiatives. We have our I&D studio which consists of our enterprise leaders who ensure alignment of our I&D strategy with business objectives and drive accountability for results. Our I&D Advocate team of subject matter experts partner with the I&D Studio and responsible for building corporate-level frameworks and action plans.

<p>44.35%</p> <p>Women in workforce</p>	<p>32%</p> <p>Women in leadership position</p>	<p>ZERO</p> <p>Discrimination</p>
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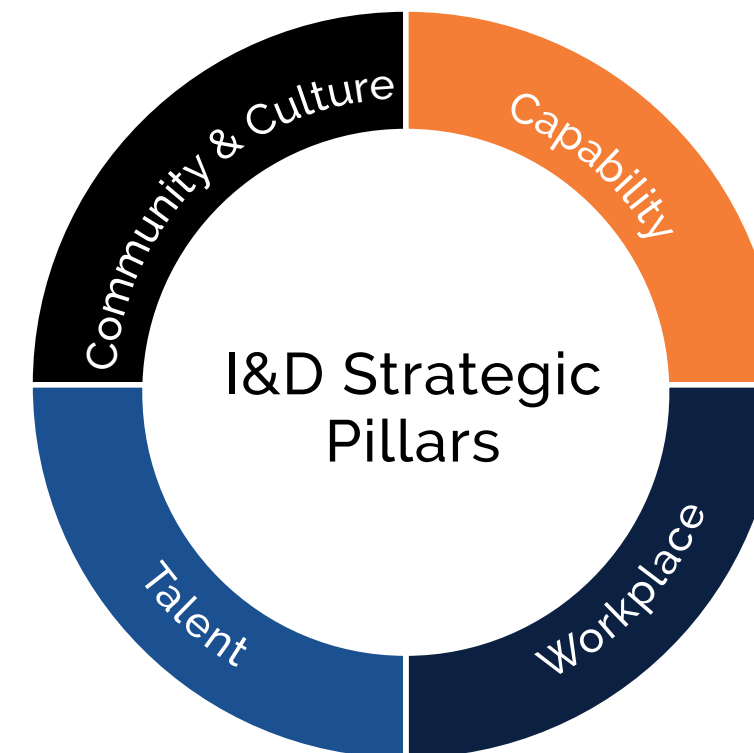
Disability Inclusion

At Firstsource, we celebrate our differences and are intentional about creating an inclusive workplace for individuals with disabilities. Our regional policies such as the Equal Opportunity Policy for Differently Abled Persons in accordance with the Rights of Persons with Disabilities Act (2016), the Diversity and Equal Opportunities Policy, and others are key instruments for us to educate employees and prevent discrimination and harassment in the workplace.

1903 Employees have voluntarily disclosed their disabilities

Our I&D Strategic Pillars

Our actions are centered around below four pillars which are core to our I&D strategy



Talent

Our efforts are focused on cultivating hiring partnerships with reputed organizations across geographies to strengthen our gender-diverse talent pipeline and more specifically to improve gender balance at the leadership levels, in order to lay the groundwork for attracting, engaging, and integrating diverse talent in the organization.

For the purpose of attracting and sourcing diverse talent at all levels, we partnered with 'Mogul' in the US, which has the largest and most varied network of senior talent globally. We have collaborated with 'We-Ace,' a



reputed organization that provides skilling, mentorship, and employment opportunities for women. We also participated in a virtual job fair 'Hire Women Warriors' organized by 'Military to Corporate' – a niche talent firm with access to a rich veteran talent pool, helping them transition to the corporate world. We were the alone Platinum sponsor of the event. Through this initiative, we intend to expand our talent pipeline by bringing in female veterans who will enrich our work ethic with their sense of duty, discipline, and leadership skills.

In addition to hiring partnerships, we have created initiatives especially geared to attract women candidates. During the year, we hired a cohort of women in the US returning to the workforce after breaks in their careers and supported them in their journeys. In India, we welcomed our very first 'All Women' batch of employees in our Bangalore office followed by similar batches in other offices creating a tribe of smart professionals committed to deliver exceptional customer experiences as they grow professionally supporting, empowering, and cheering for one another.

Workplace

We strive to strengthen our capability to leverage data to gauge the impact of our I&D actions and help us reduce systemic bias at our workplace. We have rolled out key policies and benefits such as 100% Paid Maternity leave in the USA to support our women employees with time off work during pregnancy, childbirth, and caregiving for a new-born. We also have Menopause policy in the UK to create awareness about menopause, provide necessary flexibility, support, and adjustments to women experiencing it and create a safe space at work for open and respectful discussions on the topic. We provide health insurance coverage for same sex partners in India to support our LGBTQIA+ employees with equitable access to healthcare for their loved ones.

Capability

One of our top focuses is to improve collective awareness, cultural intelligence, and managerial capability in order to foster an inclusive mindset across all of our teams. We launched a global,

virtual learning program for all employees to develop a deeper understanding of unconscious bias, its impact on the workplace, and to examine basic approaches and strategies for eliminating bias in day-to-day interactions. We have undertaken regional awareness campaigns to deepen our understanding of regional nuances of inclusion through programs like an awareness drive in India for transgender inclusion at the workplace, awareness conversation in Philippines on LGBTQIA+ inclusion and advancement. In addition to this, we encourage informal learning by providing access to employees to curated educational resources on various dimensions of diversity. As we explored targeted I&D learning experiences for our senior leadership, our leaders participated in Men Advocating Real Change (MARC), an initiative by Catalyst which aims to inspire men to champion gender partnership and leverage their unique role as an advocate for gender equity.

Community and Culture

At Firstsource, we launched two global affinity groups in the organizations.

- 'Women's Inspiration Network' (WIN) for women employees and their allies
- 'Source of PRIDE' for LGBTQIA+ employees and allies.

The affinity groups are employee-led, employer-recognized platforms to share ideas, experiences and expertise and collaborate to co-create solutions for common barriers faced by the group. Creating opportunities for dialogue on diverse I&D challenges through leadership interactions, including conversations with our client leaders, has been a significant priority area for us over the last year. Interactive awareness sessions conducted with external subject matter experts like Nigel Owens and Ellen McGirt on inclusion of various underrepresented groups within the organization were well appreciated by our employees as forums to learn more, strengthen empathy and have open conversations on important topics. We have also embedded employee connect in

celebrations and observances of key I&D events with initiatives like awareness campaigns and employee spotlight during Black History Month in US and UK and gender-equality pledge campaign with the International Women's Day theme of #BreakTheBias among others. We also participated and led conversations on I&D in several industry-level conferences. As a reflection of our commitment, we held our first global PRIDE celebration at Firstsource, to commemorate the ongoing pursuit of equality and justice for the LGBTQIA+ community. We lauded their achievements and emphasized the importance of PRIDE. PRIDE Circle sponsored an international LGBTQIA+ "Ally Challenge" as an addition to our affinity group and educational tools for inclusion of LGBTQIA+ community members at the workplace, which included the creation of an affinity group for LGBTQIA+ employees and allies. We ranked eighth out of the 53 groups with more than 100 allies.



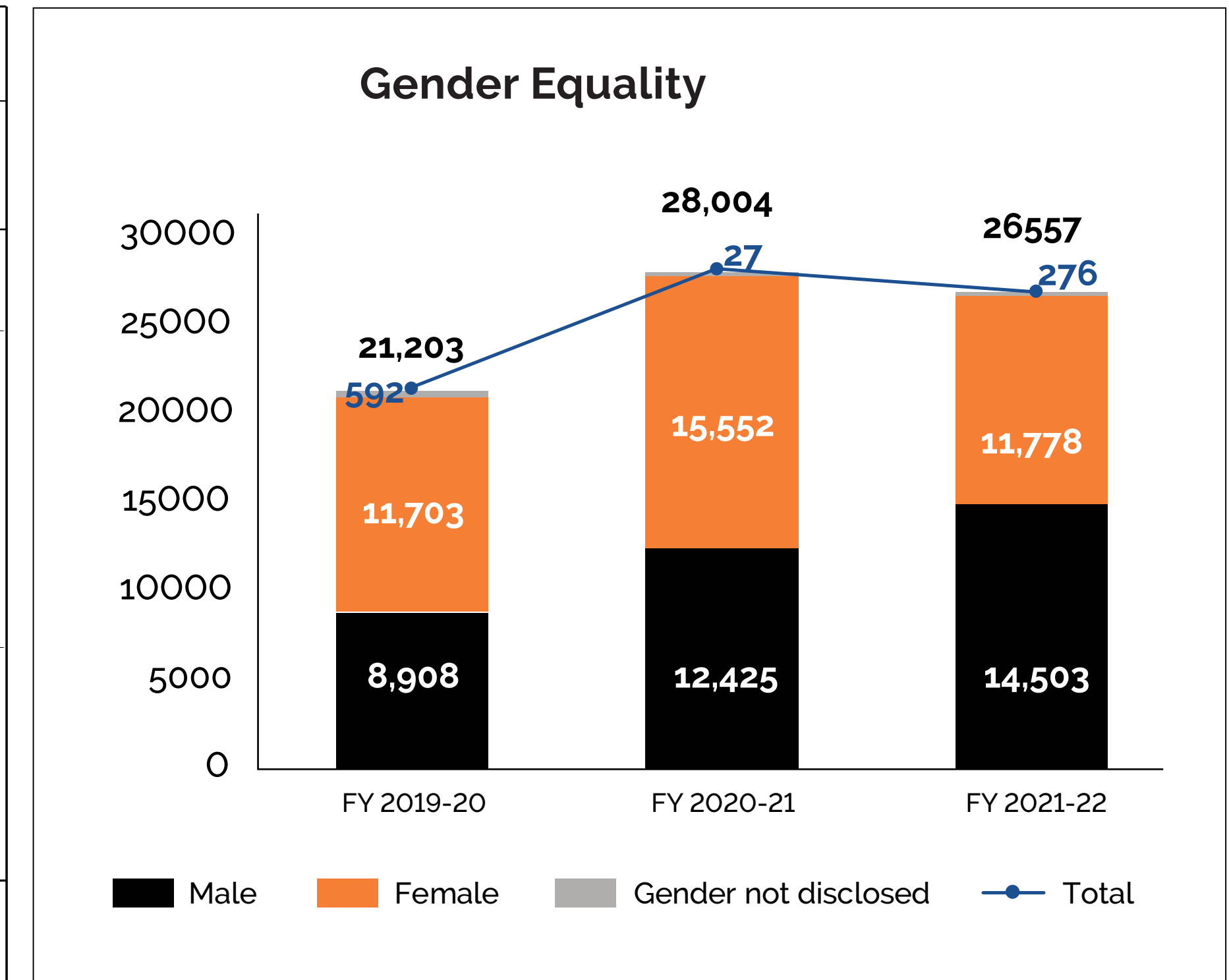
To blend our I&D and CSR goals to create a meaningful social impact in underserved communities, we hired our first batch of LGBTQIA+ employees in our Bengaluru office to support the Karnataka Covid-19 Follow-Up and Vaccination Helpline set up by Project StepOne. On request from the Tiruvallur Collector Office to support Covid-19 follow-ups in their district, we replicated this successful initiative in our Chennai office shortly after as we hired another batch of LGBTQIA+ employees to support the Tiruvallur Health Department officials. Both the above helpline reached out to 7700+ patients in two months helping the government and the NGO to quickly reduce the covid19 cases in both regions.

In March 2022, we took another intentional step forward in our inclusion journey as we became a signatory of UN Women's Empowerment Principles (WEPs). We have joined a global list of more than 6500+ signatories, with a public commitment and a detailed action plan created in accordance with the seven steps presented in the WEPs, to make a difference towards gender equality and women's empowerment in the workplace, marketplace, and community.



Our Workforce

FY 2021-22	AGE GROUP			GENDER		
	<30	30-50	>50	Men	Women	Gender not disclosed
Employees	1,402	3,015	403	3,030	1,768	22
Other than permanent employees such as interns, trainees /apprentices, part time employees, etc	31	30	19	31	42	7
Workers	14,768	5,716	1,173	11,442	9,968	247
Total	16,201	8,761	1,595	14,503	11,778	276
Total number of Employees: 26,557						



Gender Pay Analysis	
Employee level	Ratio of basic salary (Women to Men)
Executive level	0.37:1
Management level	1.31:1
Non management level	1.67:1

Ratio of entry level wage by minimum wage		
Geographies	Female	Male
India	1.45	1.50
UK	1.18	1.18
USA	1.72	1.88
Philippines	1.78	1.06

We have considered all employees across geography and converted their salary in INR and derived at the average salary based on gender. The pay gap is because of the varying cost of talent across various geographies (USA , UK , India)



A proud moment to be included in the 2022 Bloomberg Gender-Equality Index (GEI) and featured with 417 global organizations that are making progress against the five pillars of Leadership and Talent Pipeline, Equal Pay and Gender Pay Parity, Inclusive Culture, Anti-Sexual Harassment Policies and Pro-Women Brand. Participating in the reputed Bloomberg Gender Equality Index was not just a benchmarking exercise for our policies, practices, and talent processes against the participating companies but also a showcase of our commitment and efforts toward gender equality.

Race/ethnicity	Race/ethnicity %
Asian	1.70%
Black or African American	9.90%
Hispanic or Latino	5.10%
White	18.50%
Indigenous or Native	-
Other, please specify:	4.80%
NA	60%
Total	100%

Other (Combined): White Irish, White British, Two or More Races, Native Hawaiian/Oth Pac Island, American Indian/ Alaska Native, White Other, Black British, Asian British, Mixed

Respecting Human Rights

Firstsource is committed to protecting and respecting human rights. We have various policies in place across the geographies to help mitigate the human rights risk. These policies are covered as a part of new hire paperwork and mandatory onboarding training program. The policies are also available on the intranet for the employees to view and access. All the human rights violation cases are handled as per the process mentioned in the policy. We have a Global Grievance Management Policy with a detailed grievance redressal process wherein employees can report any sort of human rights violation on whistleblowing@firstsource.com.



Fostering Relationships with Society

Our CSR Vision is to be a leading and socially responsible organization empowering lives by providing access to healthcare facilities, education, skill development, livelihood opportunities to improve the overall quality of life.

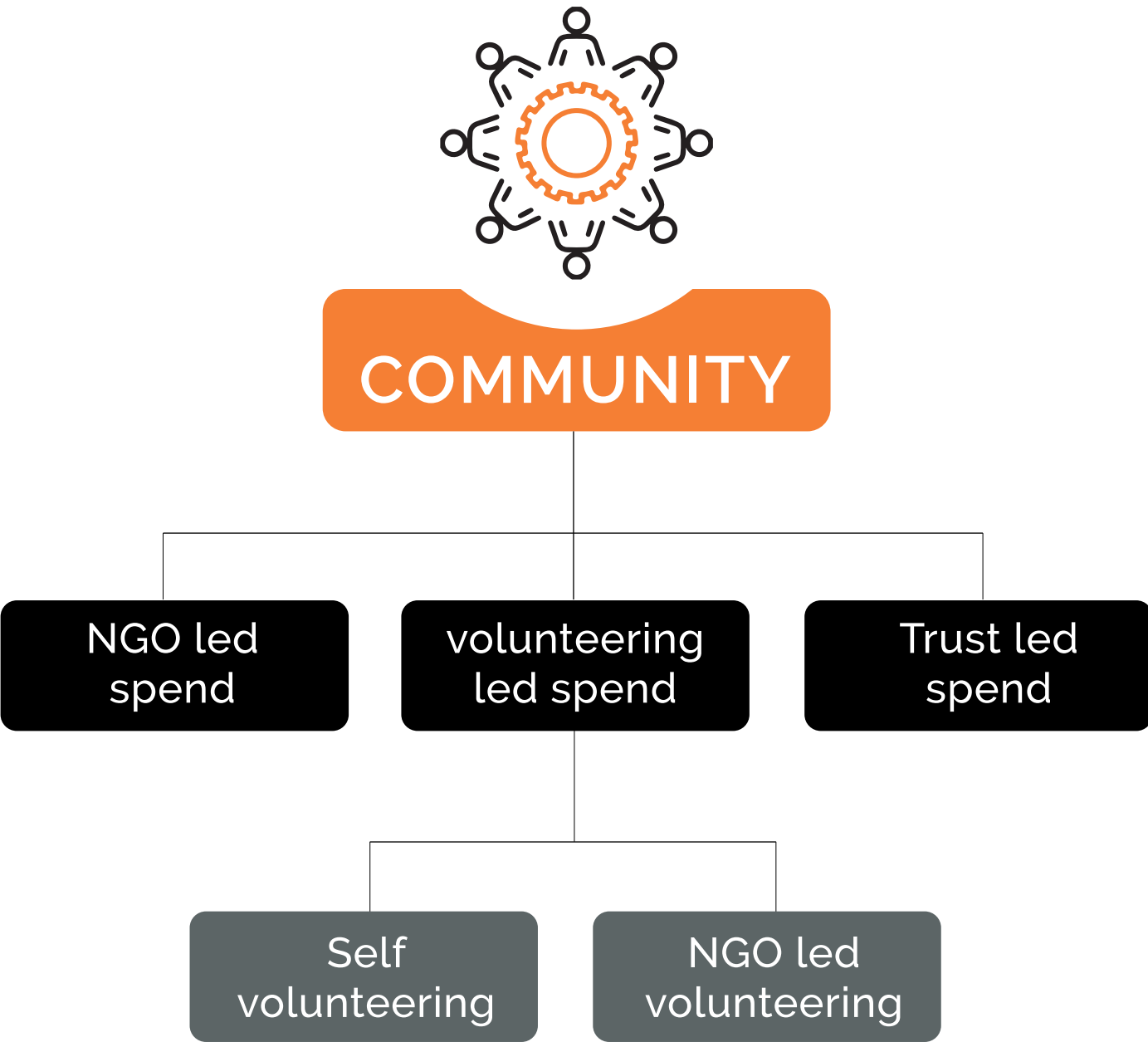
We are committed to helping our communities stay ahead of challenges by deploying the strength of our resources, people, and digital solutions to support CSR interventions across education, healthcare and the environment around the world. Through our values and principles, we seek to create a positive impact in communities and foster growth in education, skill

development, women empowerment, healthcare, and livelihood for the impoverished, and contribute to the UN Sustainable Development Goals.

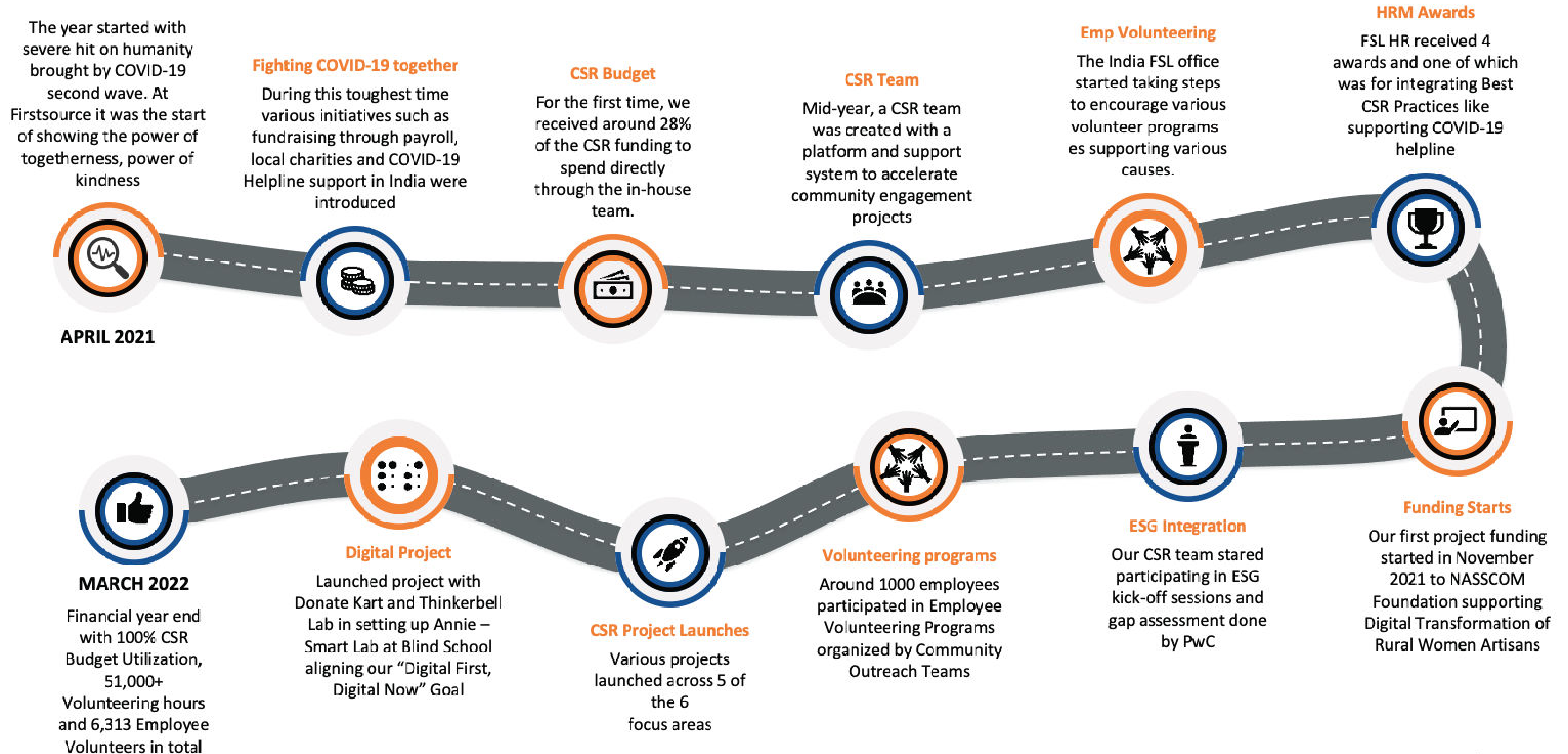
There is a cohesive strategy behind all of these efforts, which includes initiatives like employee volunteering, project-based activity, training and education to prepare individuals for employability, and corporate philanthropy. We believe that community development is vital for responsible and sustainable growth. We collaborate with community partners to build long term initiatives that have a lasting impact.

We aim to improve the wellbeing of the community in collaboration with RP-Sanjiv Goenka Group CSR Trust and other NGOs like NASSCOM Foundation, Nirmaan Organization, Goonj, SayTrees, etc

Total CSR amount for FY 2021-22	Rs 5,57,14,224
Amount spent directly by CSR team	Rs 1,55,51,313 (ie. 27%)
Amount transferred to Group Trust for building International Baccalaureate School	Rs 4,01,62,911



CSR Journey



Education

Priority Areas-

- Support for visually challenged
- Learning outcomes in rural education
- Gratitude to teacher coordinators
- Spotting talent in rural India

Beneficiaries-

- 10 digital braille kits
- 4000 primary students
- 60 teacher coordinators
- 12 deserving students

Environment

Priority Areas

- Restoring green cover in cities.

Beneficiaries

- 4800 trees in 4 urban forests

Women Empowerment

Priority Areas-

- Digital upskilling of rural women entrepreneurs

Beneficiaries-

- 150 women entrepreneurs

Healthcare

Priority Areas-

- Relief efforts during pandemic
- Support to Primary Healthcare Center

Beneficiaries-

- General public
- High end ECG donations

Empowerment and Gender Equality

Priority Areas-

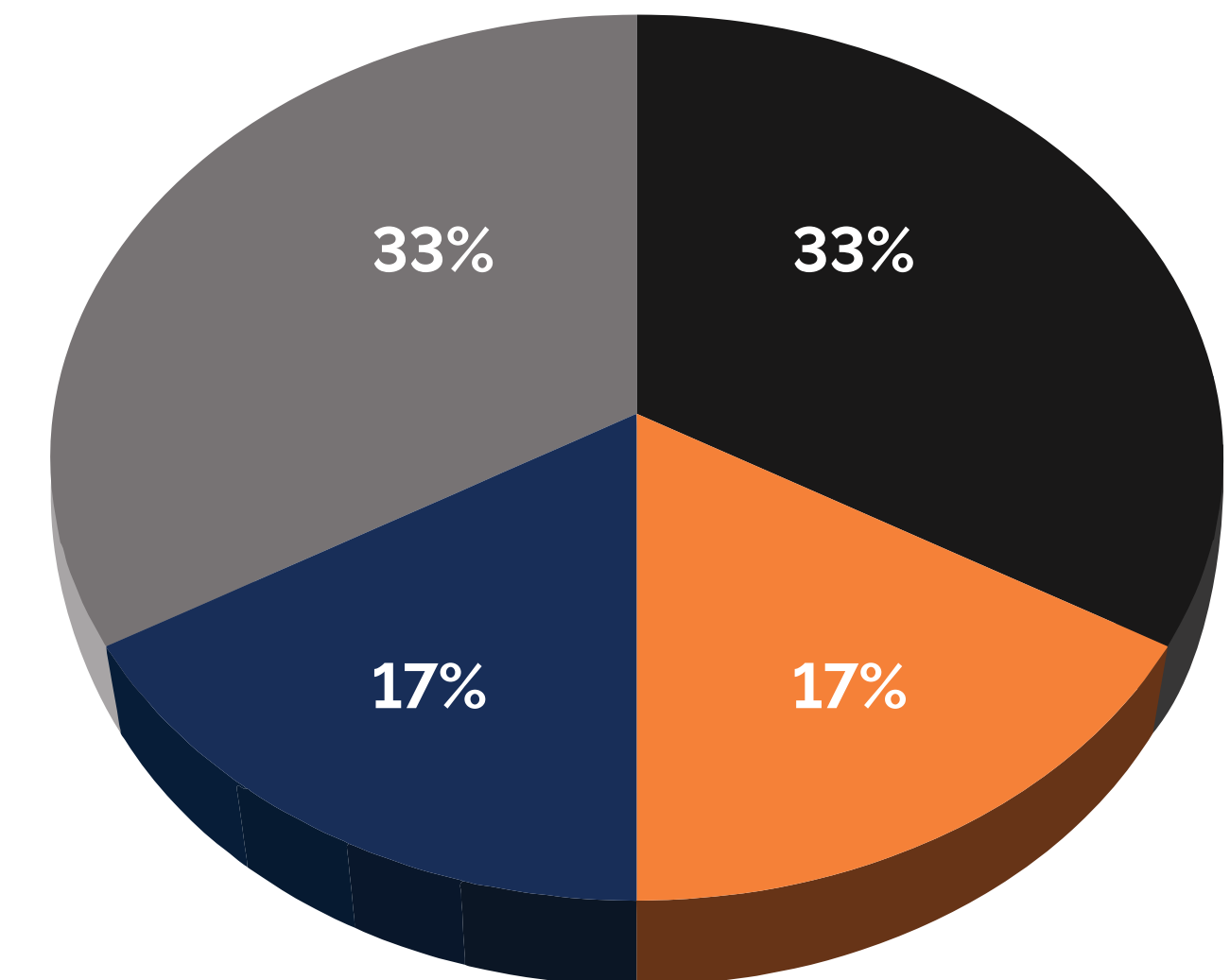
- Making community self reliant

Beneficiaries-

- 1500 rural families



Percentage of initiatives/ projects according to thematic areas
(Percentage based on amount spent on CSR)



- % of Education project
- % of Healthcare projects
- % of Environment projects
- % of Community projects (Gender Equality and Empowerment, Sports, arts and Culture)

Healthcare

Healthcare Security and Relief Efforts During the Pandemic

We supported the Telangana government in association with '**Nirmaan Organization**' by donating more than Rs 31.30 lakhs to set up a 10-bed Intensive Care Unit (ICU) wards at Sarojini Devi Hospital, Hyderabad, India. The goal was to provide assistance to the most needy patients below the poverty line with world class medical support and equipment. This initiative not only helped provide relief during the pandemic but will also create a long term impact on the ease of access to healthcare for vulnerable groups in the society.



nirmaan.org

Support to Primary Healthcare Center

Firstsource supported the Government of Tamil Nadu in association with '**Thuvakkam**' by providing healthcare equipment ie. ECG machine and furniture worth Rs. 1.27 lakhs for a newly constructed primary healthcare center in remote Thiruvallur district. This portable ECG machine was one of the most required pieces of equipment in the healthcare center.



Empowerment and Gender Equality

Making Communities Self-Reliant

In partnership with 'Goonj', we initiated a program which enables people from various villages of Maharashtra to become self-reliant and provides infrastructure and sanitation facilities, awareness on menstrual hygiene and other socio-economic challenges. We assisted the people from Syyadpur village to make a soak pit, helped people from Bitargaon village in building a drainage system to direct the

flow of excess water, and provided aid for local communities in Shera village to retain rainwater and prevent soil erosion. We contributed Rs 30 lakhs which benefited the rural community by having increased access to water, sanitation facilities in the village, cleanliness in surrounding areas, revitalizing rural economy etc. Around 1500 families in Latur district of Maharashtra will be benefited by the end of the project.



Woman Empowerment



Digital Upskilling of Rural Women Entrepreneurs

We have partnered with **Nasscom Foundation** and offered funding of Rs. 38.77 lakhs to Women Artisan Entrepreneurship and Digital Marketing Skill programs to empower local women to build digital skills. This initiative is part of our 'Digital First, Digital Now' strategy aimed at sharpening the business acumen and financial literacy of women from underserved communities. Around 150 women entrepreneurs from Jobat and Bagh village, Madhya Pradesh have availed the benefits of these programs. This has enabled women entrepreneurs to expand their businesses by using digital platforms, market links, and government aid initiatives to enhance their family income and become role models in society.

NASSCOM
FOUNDATION

Environment



Restoring Green Cover in Cities

To restore the green cover in urban areas and to support the government in creating Smart Cities across India, we collaborated with '**SayTrees**' and '**Thuvakkam**'. In order to fast track the growth of trees by 10 times, we have created an urban forest using the Miyawaki method. Under this initiative, we have funded more than Rs 21.24 lakhs and planted around 4800 trees in four urban forest across Mumbai, Bangalore, Hyderabad and Chennai. We aim to plant native trees at government permitted sites and maintain them for over two continuous years to assure their survival and growth.

saytrees



Volunteering Stories: _____

This was a very well organized drive and I loved that we had participation from all teams based in Bangalore. It involved a lot of coordination. Tony, Paddy, Lavanya, Sanks and Preethi, we really appreciate your efforts. A day's travel from Chennai and back is not easy, thank you for your commitment Sanks, Floran and Abid."

-Vivek Irudayaraj, SVP Operations, SKY

Waking up early in the morning and coming together for a good cause is the best thing in my life. It feels great and I am happy to learn the Miyawaki plantation method"

-Mohd Rizwan, Sr CSA, Appdetex

Education

Assistance to students:

In partnership with “**Light of Life**” trust, this year we have supported 21 students in Rajasthan, India to receive regular (curricular), co-curricular and academic training to enhance their learning outcomes. A total of Rs. 2 lakhs have been provided under this initiative.

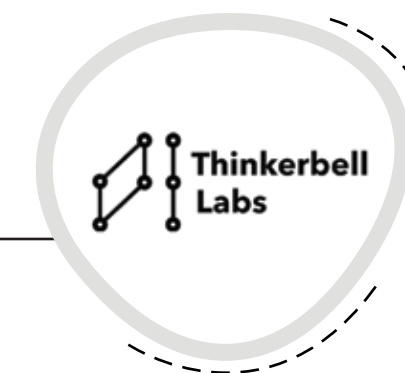
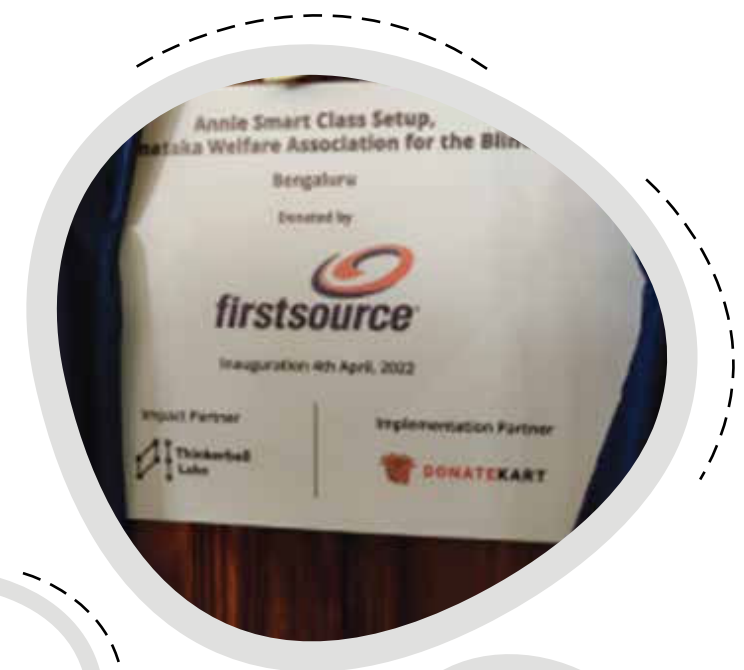
Support for Visually Challenged Students

In association with ‘**Donatekart**’ and ‘**Thinkerbell Labs**’ we launched a unique initiative aligned with our Digital First, Digital Now strategy. In order to support visually challenged students at the Karnataka Welfare Association for Blind, Bangalore, we have set up a digital braille lab with a funding of Rs. 10.34 lakhs. This lab will have digital devices through which visually challenged students can self-learn braille. Under this initiative, we provided 10 digital Braille kits.

Volunteering Stories:

“Thank you CSR team for inviting me. It was a very heart touching CSR activity which clearly stood out as a purpose led affirmative action. I really liked spending time with the team and kids with unlimited aspirations. This inspired all of us.”

-Manjunath Srivatsa, SVP and SAO Administration



Learning Outcomes

Learning Outcomes in Rural Education

We partnered with the “**Transform Rural India**” foundation to implement a unique program creating a community learning center in Petlawad district, Madhya Pradesh for which we provided an anchor of Rs. 12.50 lakhs. This project will focus on improving learning outcomes in primary students for improving knowledge on Mathematics and Hindi and will be for six months duration. Through this initiative, around 40 primary schools in Petlawad Block servicing 40 villages will have a strengthened School Management Committee (SMC). Thereby, 2000 primary school goers will have an opportunity for improving their learning outcomes., Further, Mohalla learning centers will be established which will enable 300 kids to have remedial learning opportunities and reinforcement of their learnings



Gratitude to Teacher Coordinators

In partnership with '**Ek Kadam Aur**' foundation, we recognized 60 teacher coordinators on Women's Day to convey gratitude for connecting Firstsource employee volunteers with 239 students across India and Nepal. Our seven volunteers virtually conducted a series of sessions covering various topics for 11 hours. A total of Rs. 46,000 was granted under this initiative.



Spotting Talent in Rural India

The vast majority of students in rural India are first-time graduates who lack the financial means to pursue higher education. We are aiming to make a difference by awarding Rs 5.28 lakhs in scholarships to 12 outstanding students in six states where Firstsource does business as part of our CSR initiative. In association with '**Foundation For Excellence**' we will be awarding them scholarships to pursue B.E./ B.Tech/ MBBS and other higher degrees. In addition, our employees will aid these kids with career counseling, personality development, and job ready training and placement.





Positively Impacting Lives: A Case Study

As a purpose driven organization, we are committed to making a positive impact in the community. We try to achieve this by offering disenfranchised students career opportunities. Under the 'Adopt a Scholar' program, we have been sponsoring five eligible graduate students, helping them pursue further education in Karnataka. Last year, all of them graduated with flying colors and most of them have found a secure job with a good day package. Our employee volunteers provided assistance by leading workshops on mental health, interviewing skills, problem solving skills and critical thinking and solutioning.

“

Life wouldn't have been the same without 'Foundation For Excellence' and Firstsource. Thanks to you my life has changed, and I am able to graduate and live my dream. I will be grateful for that and promise to help others whenever I can in the near future"

-Rakesh

Intervention in other areas

Enabling technology support for Crowdfunding:
In association with "Give India" we enabled a monthly payroll giving program at our offices. In this initiative, our employees contributed to various causes they wish to support. This donation will help Give India pay their staff salaries and get necessary tech infra to improve their monthly payroll giving program. We provided assistance of Rs. 2.34 lakhs under this initiative.

Employee Volunteering and Giving

We seek to strengthen our ties to the community by utilizing employee expertise through volunteer activities. Our approach and initiatives have a positive impact on the communities in which we operate and have helped build effective practices. Despite the difficulty with transitioning to a wholly remote program last year, our employees have volunteered in-person and virtually in the areas of education, environment and community. Our volunteering efforts also include 'Payroll Giving' in which our employees voluntarily request a monthly deduction from their salary, which is subsequently aggregated and donated to a social cause of their choice. This year, approximately Rs. 15 lakhs were raised by employees towards our CSR program.

✓ **51,394**
Hours of Volunteering

✓ **6,313**
Total Volunteers and donors

Employee Volunteering: Education

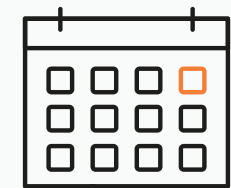
Our volunteers helped students understand the various aspects involved in accomplishing career goals by conducting mock interviews, resume building and communication sessions for more than 460 students. Volunteers from the Corporate Finance and BFSI sector taught students about the value of saving money and the need for budgeting, thereby improving their financial literacy levels. They also shared their expertise on Microsoft Office, with students, allowing them to gain key digital skills.



Employee Volunteering Efforts for Community

Our volunteers in partnership with 'StepOne' helped the Government of Karnataka manage Covid-19 spread by setting up helpline call centers staffed by volunteers, doctors, nurses etc. They assisted people in connecting to the control room and addressing their queries. This call center was established with around 60 of our employees, including contract workers who had contributed 35,000 hours of volunteering. The total cost of this initiative was around Rs. 65 lakhs.





138
Days



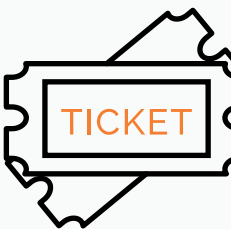
17563
Calls Received



110
Volunteers



47389
Hours Spent



211
Emergency
Response
Ticket Raised



By coming together as a team showcasing their expertise in Business Process Management, the Firstsource team just doesn't follow Digital First, Digital Now, but rather they live by it. Their professionalism and collaboration across the organization was inspiring and uplifting for non-profits like us"

-Rags, Founder and Volunteer, StepOne

Shelter home visit:

Under this initiative, our employee volunteers regularly visit the supported homes and conduct academic and co-curricular programs for underprivileged students and also organize events for senior citizens.



Helping hands towards disability:

Our volunteers offered assistance for people with disabilities and also learned about the challenges faced by them. They acted as regional language translators, and our scribes learnt the sign language and how to create tactile kits.

Volunteering Stories:



I would like to share my feedback with the Thiruvallur Covid Project that collaborated with Firstsource. This was my first ever project where I got an opportunity to save people's lives. In the beginning, it was quite difficult to handle the patients. But with each passing day, we learned, how to communicate with each and every one in any situation. It was one of the greatest experiences in my life. I'm very glad and feel blessed that I was one of the people who saved many lives. This wouldn't be possible without the support received from our Thiruvallur Collectorate, Chennai Volunteers, and Firstsource. This is the only inclusive project that supported all the people from the LGBTQ+ community. I thank Firstsource wholeheartedly for this amazing opportunity. Means a lot"

-Yesu Raja, Co-Ordinator HR



Employee Volunteering: The Environment

Volunteers from Chennai and Mumbai participated in beach clean-up activities organized by local NGOs in their respective cities. They retrieved around 130 kg of non-degradable waste from the beaches helping keep them clean. Our

volunteers also assisted Chennai Corporation and NGOs by participating in the Tree Planting initiative where they planted around 1600 trees. In addition, volunteers in Bangalore have begun assisting the 'Sathya Foundation', which manages the maintenance of Jakkur Lake. They visit the lake on a regular basis to assist the NGO with planned initiatives.





Celebration of Earth Day @ Firstsource

On the occasion of Earth Day, a celebration was held at Firstsource to enable the employees to join the 50+ year movement and support the cause of reducing global warming and raising awareness about climate change. To celebrate the cause, we anchored several events through our CSR and volunteering programs.

Lake cleaning and seed ball making activity at Bangalore

50 volunteers from the Bangalore Firstsource office participated in the Ulsoor lake clean up and seed ball making activities, totaling 150 hours of volunteering. This activity was arranged in partnership with the Bangalore-based NGO 'Bhumi Foundation'. Our volunteers gathered around 1500 kg of waste from the lake and made approximately 2000 seed balls from native seeds, 600 of which were tossed by volunteers

surrounding Ulsoor Lake for germination. The remaining seed balls will be nurtured by the NGO team.

Jallosh clean coasts activity at Mumbai

In this initiative, 92 volunteers volunteered for 400 hours in the ocean cleanup activity at Juhu Beach, Mumbai by cleaning up waste along with 'WWF India'. Over 1500 kg of waste was collected. The NGO team introduced a game depicting different types of wastes. Post the cleanup activity, the volunteers were sensitized on upcycling, composting, recycling and proper disposal in a gamified manner.





Urban Farming Support

Our Firstsource volunteers supported small-scale farmers to harvest the paddy crops. We had around 20 volunteers who contributed 100 hours under this initiative. We harvested Navara, a traditional variety of paddy, followed by manual threshing. It was an enriching experience for our volunteers.

Volunteering Sound bytes: _____

I have learned about paddy farming, importance of well water, rainwater harvesting and difference between the current method of agriculture and the natural farming method."

**- Parathkumar Arthanareeswaran,
Executive, Capability Development**

Coffee ground recycling and Composting

From recycling to composting with infinite possibilities, it was a unique

session designed to engage and help participants understand aerobic methods of composting. The goal is to lighten the ecological footprint and advance towards a greener life. Volunteers across India participated in the session. We partnered with 'WWF India' for this initiative and 40 volunteers contributed 100 hours of volunteering.

Beach cleanup activity in Chennai

Around 40 volunteers participated for 160 hours in a beach clean-up activity in collaboration with 'Bhumi Foundation' to save aquatic species. At the closure of this activity, we cleared 0.2 tonnes of garbage and waste from the Thuruvanmiyur beach coastline.

Making eco-friendly bags, seed balls and painting activity at Hyderabad

In order to reduce the carbon footprint and promote eco-friendly practices, a paper bag making and cloth bag painting activity

was organized at our office in Hyderabad. Volunteers were educated about the necessity of adopting eco-friendly activities and how it helps decrease one's carbon footprint. We had 55 participants created 24 paper bags and 18 cloth bags. These paper and cloth bags will subsequently be handed over to self-help organizations.

To boost the green cover, a seed ball making activity was organized at Zilla Parishad High School, Hyderabad, as an alternative to plantation activity. 16 volunteers helped make over 180 seed balls. We also conducted a wall painting activity in the school's corridor with images related to environment and school curriculum were painted on the corridor walls in order to provide visual learning opportunities to the school's 200 students.

Both activities were held in collaboration with Bhumi Foundation - with 70 volunteers contributing a total of 150 hours.



Volunteering Sound bytes: _____

“Memorable event! A very fabulous initiative to ensure saving the earth. Taking back some learning and moments. Thank you for allowing us to explore the artist within us. Kudos to the CSR team!”

- Varsha Koppula,
Assistant Manager, Operations.

“I am very happy to be part of the earth day celebration and making seed balls and wall painting in ZPHS, Lingampally school. Enjoyed the event very well and was happy to make my contribution. Thank you CSR team for giving me such a good opportunity to involve myself and for making me feel good.”

- Ramya Sss - Senior CSA, Bitstamp

Community volunteering in the UK



Support for Raising Community Awareness

Danny Quigley is a local gym owner in Derry who lost his father who committed suicide. He wanted to raise funds to create suicide awareness on his 10 years death anniversary by setting himself a goal of completing 10 Iron Man Challenges in 10 days. Firstsourcers at Derry supported Danny in this activity by hosting raffles and donation drives. We raised a total of £ 3,479 which was the highest single donation Danny received.



Insights on business

Seamus Gallagher leads the World of Work program which has been running for over 10 years in collaboration with Business in the Community in Ireland. The goal of this program is to provide students at Moville Community College with real-world experience in the workplace. In this initiative, we demonstrated how Firstsource operates as a global outsource provider. We also provided learning interventions focused on effective communications skills, creative thinking and problem solving, presentation skills, and interview skills.



Charity Football

Employees from Derry took part in the inaugural Ryan McBride BrandyWell Stadium charity football match to generate funds for the Ryan McBride Foundation. The goal of this was to help youngsters reach their greatest potential by providing young players with assistance, guidance, and encouragement to pursue their aspirations. The foundation received £300 from the event.



Apart from these initiatives, our UK volunteers also participated in the programs such as Food bank collection for South Belfast Foyle, Southampton Foodbanks, Fundraiser and raffle for GLOW and EDA, Hair shave and Hair donation for the Little Princess Trust, Raffle for Mothering Sunday to buy goods for Women's Aid, Donations to JustGiving. Our volunteers prepared flashcards on family planning and safe pregnancy and created digital posters honoring strong women icons who have battled for equality and women's rights throughout history on the occasion of International Women's Day.

Community Volunteering in the US

Firstsourcers at US participated in various volunteering initiatives like book donation under summer feed and read initiative, donation of hand sanitizers to a school in need, and blood donation drive at several US offices. We also volunteered for the "Fill Your Backpack" special collection drive to support the back to school program. Our volunteers recorded stories for black protagonists as part of black history month and also participated in a virtual expert session to spread awareness on breaking the biases against women.

Community Volunteering in the Philippines

Our volunteers from Philippines contributed to various initiatives such as donation of non-perishable daily essentials to women and children, distributed COVID-19 food starter kits at Manila, Cebu and health kits to street vendors, ran vaccine awareness campaigns. In addition, Volunteers from Cebu and Manila participated in a session on Destinayson, a session on volunteering.



Awards and Recognition for Community Outreach

We have a strong reward and recognition culture and a variety of ways to acknowledge our people's accomplishments. In order to encourage employees to contribute towards CSR projects and employee volunteering, we provide 2 types of awards i.e., team award and individual award in the form of monetary or non-monetary benefits.

Best team contributing to Society - This award is provided to the team who is helping in increasing the impact of our CSR Projects implemented across six focus areas.

Individual Award for Contribution to Society - This is awarded to the most contributing volunteer for our community outreach program. This is both based on more number of event participation as well as more hours contributed individually for the programs.



Our Achievements



During the year, we were recognized for the 'best use of CSR practices' at the Asia Pacific HRM Congress 2021, held in Bangalore, India. This award honors our best practices to support social causes in a professional manner.



We received the 'CSR leadership award' at the 4th Edition Corporate Social Responsibility Summit and Awards 2022, held in Mumbai, India. This award recognizes our innovative efforts towards overall social development and is a testament to our commitment and passion for supporting and developing local communities.

Our Participation in Elite Forums



We joined the partners list of 'The National Volunteering Grid' created by CII as part of their India@75 Campaign. This year being the last year of the campaign we got a great opportunity to be part of the closing year.



We also partnered with 'My Body is My Body' Program which an Internationally Acclaimed Musical #BodySafety Program being used in over 60 countries around the world. Our volunteers are being trained to teach children in our communities on child body safety.

Cultivating Client Relationships

At Firstsource, we believe that building and maintaining robust relationships with clients is important for the sustainability of the business. Our bond with our customers is cemented with the goal of adding value to their lives in distinct and innovative ways. When it comes to client relationships, Firstsource's objective is to engineer superlative customer experiences and power sustainable growth.

Our long-term engagements are built on the foundation of collaborative relationships with our clients. We incorporate our clients into an ecosystem of leading industrial platforms and enable them to provide better services to their end customers via digitization. Firstsource also provides business solutions to clients to ensure seamless services at their end through our Digital First, Digital Now approach and expertise. We also conduct internal quality audits to track the quality of services provided.



33,43,538

Quality audits conducted in FY 2021-22



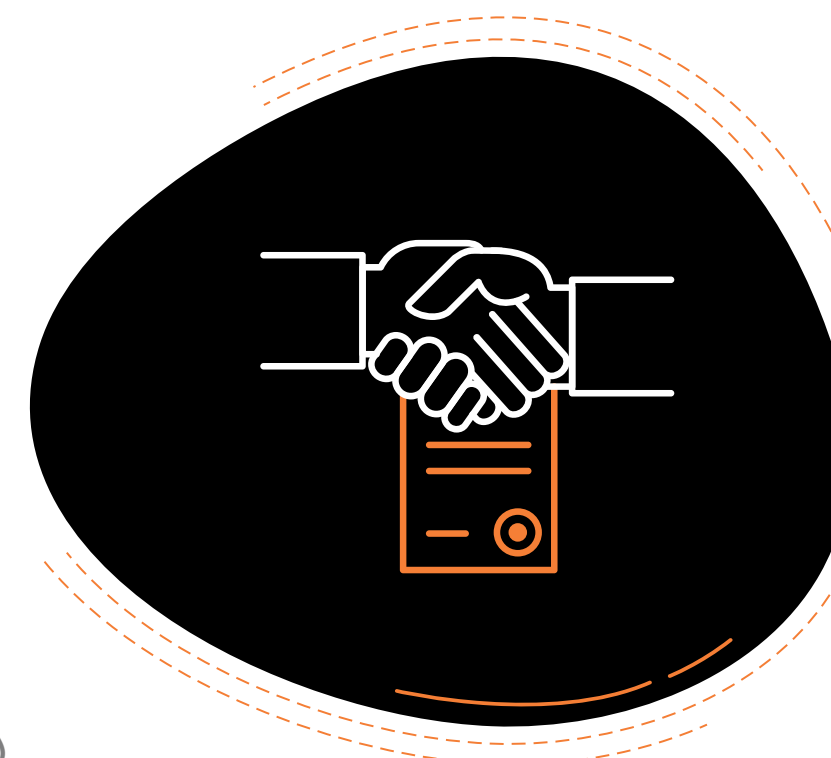
Zero

Complaints on Restrictive and Unfair Trade Practices



95%

Customer satisfaction score



Helping clients achieve high impact outcomes

We harness intelligent automation, digitization, artificial intelligence, advanced analytics and machine learning to solve client challenges in ways that are quicker, more accurate and efficient. Through our distinct solutions - Digitally Empowered Contact Centers (DECC), Intelligent Back Office or Platforms, Automation and Analytics - we re-engineer and simplify processes, combine intelligent workflows with bots and leverage cloud capabilities. Our digital solutions and services deliver client benefits by improving productivity, streamlining processes and ultimately driving resource efficiency. It enables them to do more with less, and in turn leads to better management of resources and reduced energy use for outcomes delivered.

How Firstsource Provides Unique Experiences to Customers

Customer Engagement

The Customer Relationship Management teams at Firstsource are responsible for customer interaction success. The frequency of client meetings depends on the structure of contracts and deals - weekly, monthly or quarterly.

External Voice of the Customer (EVoC)

The External Voice of the Customer (EVoC's) a critical component in delivering value and satisfaction to our clients. EVoC comprises initiatives that are designed to capture customer insights, close the loop on feedback, and prioritize improvements to ensure happy, satisfied customers.

Client Satisfaction Surveys

We make sure to undertake a client satisfaction survey every year. These surveys help us to assess the effectiveness of services offered and get firsthand feedback from the customers. This fiscal year, 96 participants responded to the survey with a satisfaction rate of 95%.



Net Promoter Score (NPS)

We leverage technology like Speech/Text mining solutions to understand the pain points, feedback, and complaints of our clients. Information is mined from calls, chats, survey mails, etc. to understand any process and service delivery gaps, product reviews and brand perception. Data from all sources is leveraged and analyzed to gain a holistic 360 degree view of the client.

Customer Feedback Mechanism

At Firstsource, the customer complaint process is hyper-personalized for each client. As a part of our initial conversations with clients, we cover the overview and foundation training and follow that up with client specific content. We provide robust training to our employees to manage complaints and we also have the Treating Customers Fairly training Policy which needs to be completed annually by employees. This year, we have been recognized #1 Positive Customer feedback for Firstsource's digital solutions.

OBJECTIVES OF COMPLAINTS TRAINING

- Understand a client in the context of regional regulations and what it means for the client and Firstsource
- Reasons for customer complaints
- Why it's important to manage complaints in the right manner
- Process of identifying a complaint through "spotting the signs during a customer interaction"
- Dealing with a complaint
- Understand the process to be followed for handling the complaint - tagging notes on the account, etc.

'Digital First, Digital Now' Approach

We provide innovative business solutions to our clients and seamless services for their end customers through our 'Digital First, Digital Now' approach and expertise. Firstsource is also leveraging automation to enhance employee experience by providing solutions that aid employees with end-to-end traceability of any issue. By leveraging this strategy, we are able to address the prominent gaps in client systems and understand the process to better enhance the customer experience.

Ensuring Data Privacy of Clients

Data security is a serious concern for our clients in this era of digitalization. Cyber threats are becoming more prevalent making it imperative to have a strategy in place for addressing these concerns. We are certified in accordance with leading international standards such as PCIDSS, ISO 27001, HITRUST. We also adhere to various statutory and regulatory compliance standards to ensure the confidentiality, integrity and availability of data that is provided to each of our clients.

Analytics Center of Excellence (ACoE)

At Firstsource, we are focused on building organization-wide analytics delivery capability along with an Analytics Center of Excellence for the future. As a part of this initiative, we have been taking the following steps:

- **Deeper integration of analytics content and applications within Digital First, Digital Now strategy**

We derive rich, meaningful insights from unstructured customer interactions by leveraging First Customer Intelligence (FCI), one of our proprietary and award winning service delivery frameworks. It helps enhance our Digitally Empowered Contact Center (DECC) implementations and drive a differentiated customer experience for competitive advantage.

- **Transforming client-side processes through industrialization of operational analytics across different verticals**

This is achieved by simplifying the customer acquisition and onboarding process through several interventions such as customer augmentation,

application triaging and scoring, lead conversion engine, and AI-led document processing. We strive to improve customer experience by optimizing contact strategy and understanding the intent and motivations across all AI and analytics touchpoints.

- **Empowering Firstsource Leaders with data-driven insights for accurate and proactive decision making**

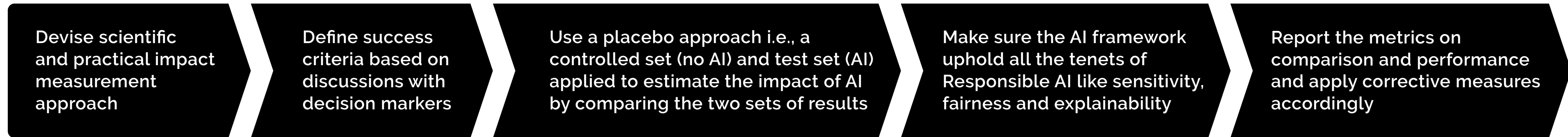
We empower Firstsource Leaders by monitoring internal and external risk triggers across multiple data sources for best-in-class operational planning. It is also done through flagging attrition tendencies of our existing employees and determining ways to improve engagement and retention.

- **Productizing offerings to reduce time to deploy and time to value for rapid ROI**

Firstsource intends to build an Analytics CoE of the future by bringing into play delivery excellence, technology best practices and partnerships, functional expertise, and robust governance. This will help us maximize the value of

insights from our clients and stakeholders. We have set up a Machine Learning (ML) and Artificial Intelligence (AI) Ops Program to ensure a fair and scientific way to attribute business outcomes. ML and AI Ops programs leverage the following steps:





Digitization- Digital First, Digital Now

In a world where technology is advancing at a rapid clip, Firstsource has come up with a novel approach to digital transformation. Our Digital First, Digital Now (DFDN) approach capitalizes the latest innovations in Cloud, Software as a Service (SaaS), and automation technologies to build powerful digital ecosystems that augment human expertise and reimagine performance, setting us apart from the competition and helping us win over customers.

By redesigning our business models and redefining our processes, DFDN strategy enables us to deliver moments that matter and gain a competitive

edge. Using this approach as our northstar helps us drive digital transformation at a larger scale. It plays a vital role in consistently modernizing solutions through automations, workflow and decision engines, analytics, and establishing world-class platforms for collaboration. To ensure long-term success in the digital realm, we are developing new products and upgrading our industry-leading business process as a service (BPaaS) offerings.

When we use our digital solutions that are aligned with our DFDN approach, we not only cut our own emissions, but we also aid our clients in lowering their carbon footprint. We also leverage this strategy to benefit customers by

providing them low code solutions to address gaps in their client systems. Through process mining, we are also able to gain insights into the dynamics of processes like claim approval and denial times, customer service inquiries, etc. By utilizing this strategy for our clients, we are able to address prominent gaps in client systems, and understand the business process to enhance customer experience.



**More than
\$1.3 M**

Spent on Software
development and innovation

Robust Governance Framework

We've begun institutionalizing ESG within our governance framework and emphasizing a structured approach to enhance ESG performance. Whilst we have established globally benchmarked standards of governance anchored in trust, transparency and accountability, we believe that internalizing ESG within our policies, systems, processes and culture is imperative for future sustainability.

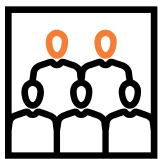


Our Contribution towards SDGs

The Sustainable Development Goals (SDG) established by the United Nations are congruent with our philosophy of corporate governance. In alignment with SDG 5 (gender equality), our board comprises 20% female independent directors, creating gender diversity at the board level. We ensure that our economic growth results in environmentally safe and socially beneficial work opportunities through SDG 8 (decent work and economic growth). In accordance with SDG 9 (industry, innovation, and infrastructure), we believe that the greatest relevance lies in the combination of technological innovation and digitalization.



Key Governance Highlights



50% of the board comprises of **Independent Directors**



20% of **Independent Directors** on the **board** are **women**



53.66% consist of **Promoter shareholding**



ISO 27001 certified company



No contribution to **political parties**



No incidents of **bribery and corruption**



No fines/ **penalties** related to **anti-competitive, anti-corruption, bribery standards, information security breaches or cyber security incidents**

Corporate Governance

Firstsource's value system, which encircles our culture, policies, and relationships with our stakeholders is reflected in our corporate governance. Our commitment to corporate governance standards not only ensures compliance with regulations but also reflects our strong ethical leadership and stability.

Our Board

The Board establishes governance architecture for Firstsource in consonance with the highest standards and has a responsibility to ensure that the actions and objectives of the Company are aligned to its growth. They are responsible for sculpting, maintaining and enhancing our overall system and ensuring non-discrimination of governance structures and reporting.

The Independent Board of Directors of Firstsource is unequivocal in its leadership



Sanjiv Goenka
Chairman



Vipul Khanna
MD and CEO



Subrata Talukdar
Non Independent
Director



Shashwat Goenka
Non Independent
Director



Pradip Kumar Khaitan
Non Independent
Director



Pratip Chaudhuri
Independent
Director



Vanita Uppal
Independent
Director



Sunil Mitra
Independent
Director



Anjani Agrawal
Independent
Director



Grace Koshie
Independent
Director

management style. Our board's adherence to the highest standards of ethics, transparency, and accountability can be traced back to the fact that the majority of its members are independent directors and non-executive directors.

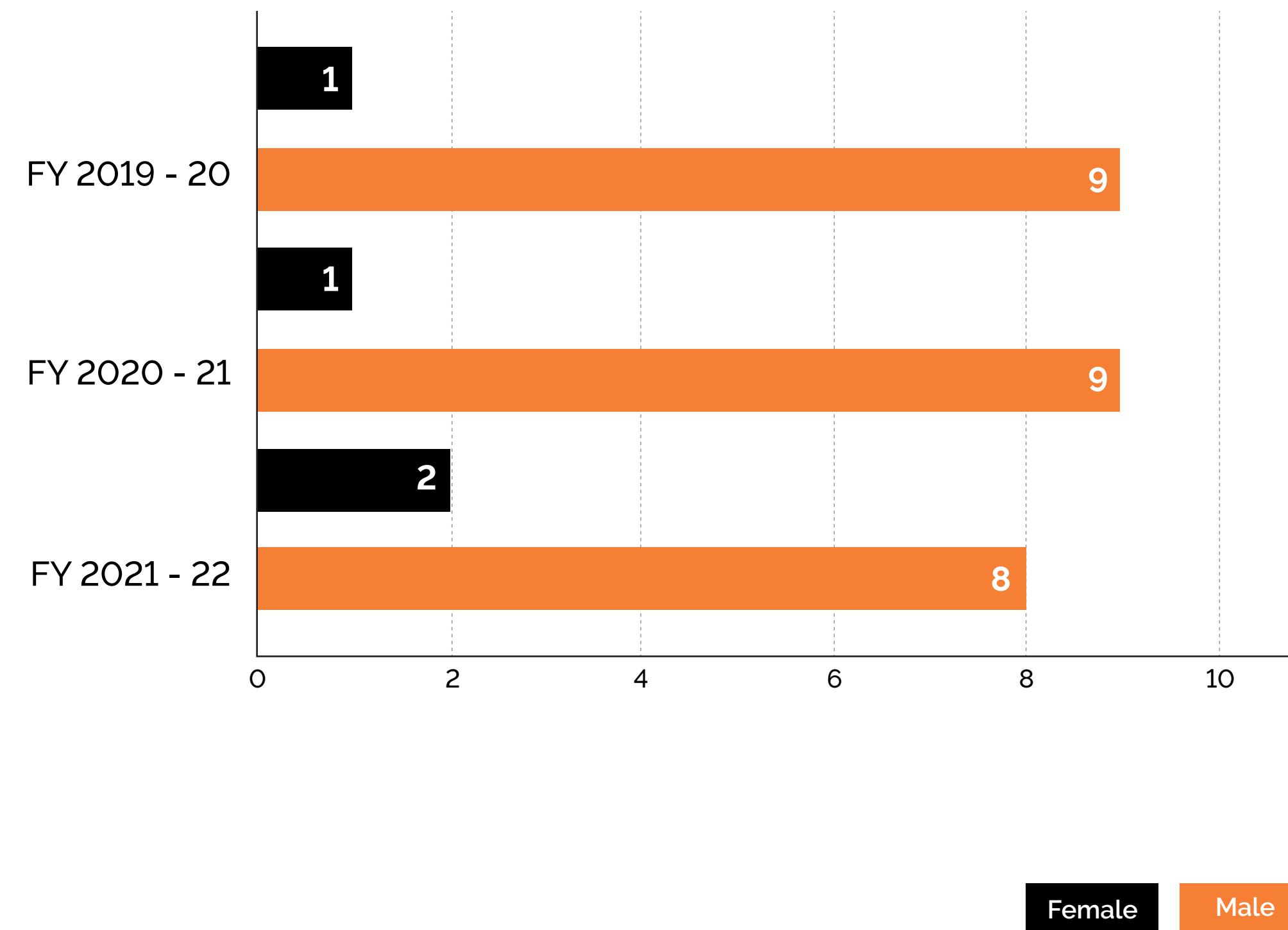
Our board comprises 10 Directors, 5 Independent Directors, including 2 Independent Women Directors, 4 Non-Independent Directors and 1 Whole-time Director.

Our board's diversity contributes to a wide range of competencies, skills, experience and perspective to help us stay ahead. Our independent directors are also on the board of other renowned firms. Their collective expertise helps Firstsource successfully pursue strategic objectives.

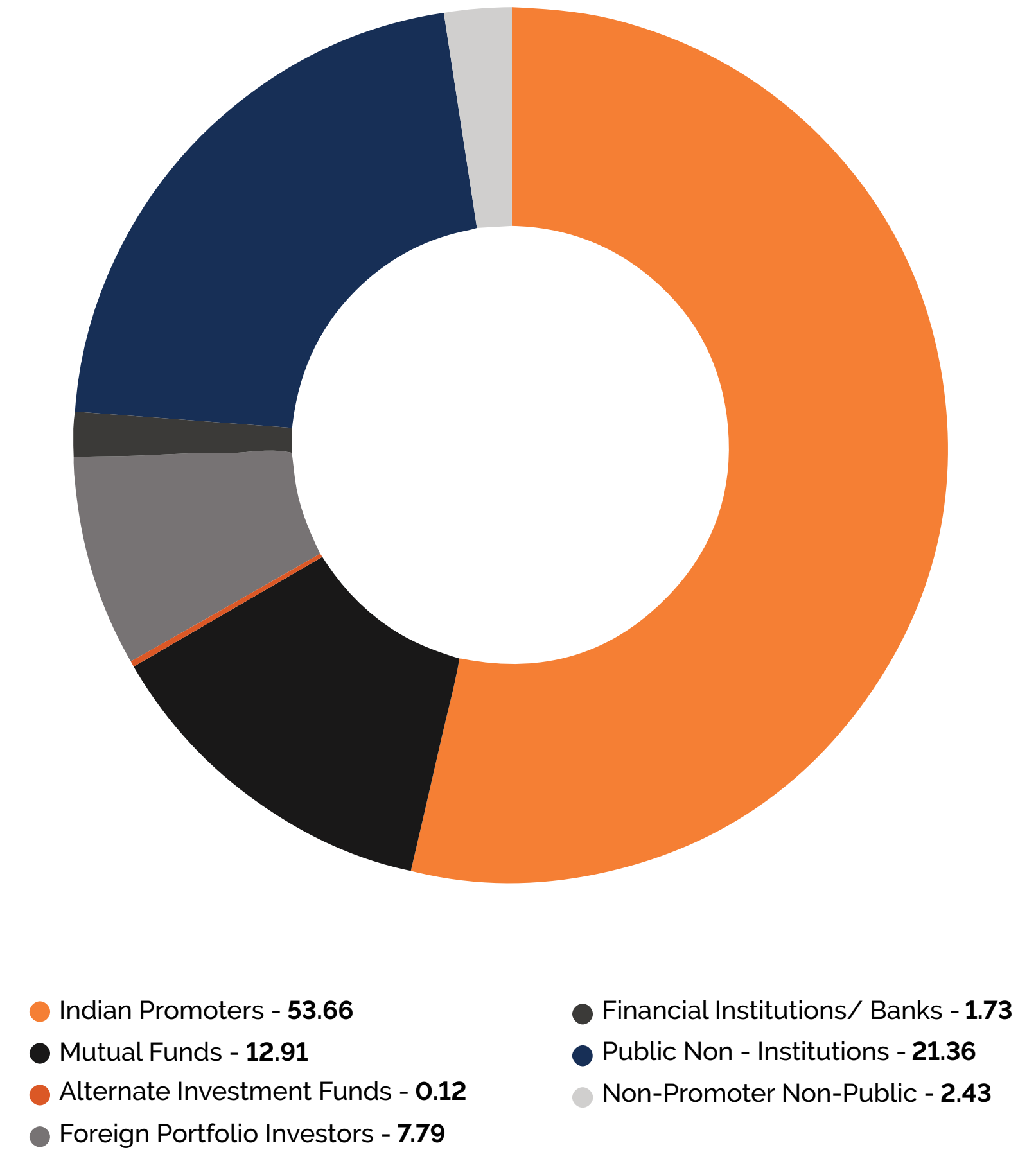


20%

Gender Diversity at Board



Shareholding Pattern as on 31st March 2022



Institutionalizing ESG

ESG is everyone's business within an organization and by integrating it into our governance framework, we are confident that it will unleash a wave of innovation that drives value for our customers and partners whilst solving critical societal challenges.

We recognize that to truly integrate ESG within organizational goals and objectives, a defined framework of roles and responsibilities reporting to the Board of Directors is crucial. 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.





To provide adequate oversight and accountability on ESG, we are expanding the purview of the Risk Management Committee to include ESG responsibilities. The Committee will provide direction and monitor Firstsource's ESG strategy, plans and performance. It will also guide the management on implementing initiatives to embed integrated thinking into our culture and champion the "doing well by doing good" mantra.

The Risk Management Committee will be supported by a Steering Committee comprising members from the Executive Leadership Team (ELT) and select senior business leaders from across functional domains, who are responsible for operationalizing the ESG strategy and monitoring progress on associated action plans and performance metrics. The Steering Committee will convene quarterly to review progress and performance. Further, working

Groups, led by functional heads, will be constituted to focus on implementing specific initiatives and projects aligned with our ESG strategy and roadmap.

A new role "ESG Lead" has been designated to drive ESG at Firstsource. The ESG Lead will be the fulcrum that coordinates efforts and actions across functional teams and will act as a bridge to ensure seamless interconnection across our governance ecosystem.

Committees of the Board

For the organization's long term sustainable future, an unbiased perspective and decision are required. To ensure fair governance, our board of directors have precise, clear roles and responsibilities, with no replication of duties and power. We have therefore established the following major committees:

- Risk Committee
- Audit Committee
- Stakeholder Relationship Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee





Audit Committee

The Audit Committee provides oversight to our financial reporting process and disclosure of financial statements, ensuring compliance and credibility. It is also responsible for recommending, appointing and remunerating auditors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee is entrusted with the powers of identification of persons who are qualified to become directors and who may be appointed to senior management according to pre-determined criteria.. This committee also recommends and approves remuneration for the board as well as senior management.

Stakeholder Relationship Committee

The Stakeholder Relationship Committee works towards resolving grievances of the security holders, including complaints related to transfer of shares, non-receipt of annual report or declared dividends, etc. It also reviews various measures and initiatives taken by the company to solve these grievances.

Risk Management Committee

The Risk Management Committee assists the Board in overseeing responsibilities around identification, evaluation, and mitigation of operational, strategic, and external risks. The Committee provides guidance and regularly checks the ESG plans, strategy, and performance. Additionally, the committee oversees ESG risks.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee formulated and recommended the CSR Policy. This Committee is also entrusted with recommendations pertaining to the amount of CSR expenditure, and action plans in pursuance of the CSR policy.



Ethics and Compliance

We embrace our commitment towards ethical behavior, transparency and accountability. This is reflected in our values, culture, stakeholder relations and all other endeavors. We firmly believe that committing to the highest governance standards along with novel solutions will enable us to create an ethical environment for all our stakeholders.



Establishing our ESG baseline

Whilst the framing of business performance around the pillars of ESG has been more recent, its core ethos and principles have been ingrained in our foundations from the very beginning. We have always believed in doing business the right way and over the years we have implemented a robust framework of policies and processes that enable us to be responsible corporate citizens and stewards. The emergence of ESG standards and frameworks coupled with rapidly evolving regulations and increasing expectations of civil society for businesses to play a more direct and active role in addressing the world's most crucial challenges, has provided an impetus at Firstsource to better understand how our business model, distinct capabilities and talent can be deployed strategically to deliver positive impact for our stakeholders.

This year we began to formalize ESG at Firstsource. To understand what more we could do to build a more sustainable company and support societal progress on critical development objectives, we conducted a diagnostic of our current policies, systems, processes, performance and reached out to our leaders and key process owners to understand their perspectives. The outcomes of the exercise established a baseline and have provided insights into opportunities for further improvement, which will become integral considerations to our ESG roadmap for FY23 and beyond. Over the next year, we will set clear goals and targets across material ESG topics and report on our progress annually.

To ensure conducting business with high ethical standards, we have reinforced a comprehensive set of policies and processes to integrate responsible governance. These policies are applicable to our employees, suppliers, contractors, service providers and are accessible on the company's website. They encourage fair employment practices, transparency, competitiveness, diversity, prohibition of abuse and harassment and safety.

Our globally benchmarked governance policies are listed below:

- [Global Ethics Policy](#)
- [Code of Conduct](#)
- [Whistleblower Policy](#)
- [Anti-Bribery Policy](#)
- [Global Fraud Policy](#)
- [Material Subsidiary Policy](#)

- [Policy on familiarization of Independent Directors](#)
- [Gifts and Entertainment Policy](#)
- [CSR Policy](#)
- [Code of Practices and Procedure for Fair Disclosures](#)
- [Code of Conduct for Prohibition of Insider Trading](#)
- [Related Party Transaction Policy](#)
- [Dividend Distribution Policy](#)
- [Data Protection and Information Security Policy](#)



Code of Conduct

Our Code of Conduct and Ethics is conveyed throughout the company and is enforced via various training and evaluation. We offer such trainings to all new hires and refresher courses every year. All the employees are obliged to reaffirm their adherence to the Code of Conduct and Ethics.



Anti-bribery Policy

We have a 'zero-tolerance' policy towards bribery. Our anti-bribery helps us to minimize the risk of repercussions with inappropriate behavior such as bribery, corruption and is applicable to all the employees, representatives, vendors and business partners to identify and effectively report a potential breach. We are dedicated to providing a secure, reliable, and

confidential method to report any unethical actions. Further, we provide training to all employees with the skills they need to spot bribery and corruption situations and take the appropriate actions to mitigate the risk. As part of this commitment, we do not make political contributions or agendas in order to influence any decision or gain competitive advantage.

Any concerns or complaints regarding bribery can be reported at whistleblowing@firstsource.com.



Prevention of Sexual Harassment Policy

We have a zero-tolerance policy towards sexual harassment. In accordance with the provisions of the Sexual Harassment of Women at Workplace Act of 2013, we have a 'Prevention of Sexual Harassment Policy' in place. The purpose of this policy is to provide a safe, secure, and congenial work environment where employees may deliver their best without restraint, threat, or fear. The Audit Committee receives reports on complaints lodged under the Policy at its quarterly meetings, along with details on the actions done in response.

Total 21 incidents of sexual harassment were reported related to POSH violations. We have resolved 20 complaints and 1 complaint is being investigated within the timeline as provided by the relevant Act.



Whistle Blower Policy

Our whistle blower policy enables our employees to raise and file any complaints of suspected misconduct. The concern/issue can be sent to a confidential email id whistleblowing@firstsource.com. During 2022, seven cases were reported and resolved.

Insider Trading Policy

We have a code of conduct for prohibition of Insider Trading pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015 as amended from time to time. This code is applicable to our Directors, Officers, and Designated Employees and is intended to prohibit our employees from security related malpractices.

 **Zero**
Cases of Insider Trading



Protecting Data, Respecting Privacy

Preventing data loss and ensuring privacy of client data is a high priority for Firstsource. When it comes to engineering solutions, we prioritize transparency while striking the right balance between privacy and innovation. Cybersecurity issues pose a significant risk to our company, any occurrences that disrupt data or information management and privacy have the potential to jeopardize stakeholder confidence, our company's reputation, and result in significant financial loss. Nonetheless, Firstsource efficiently addresses strategic decisions linked with data management and privacy issues.

Information Security Framework

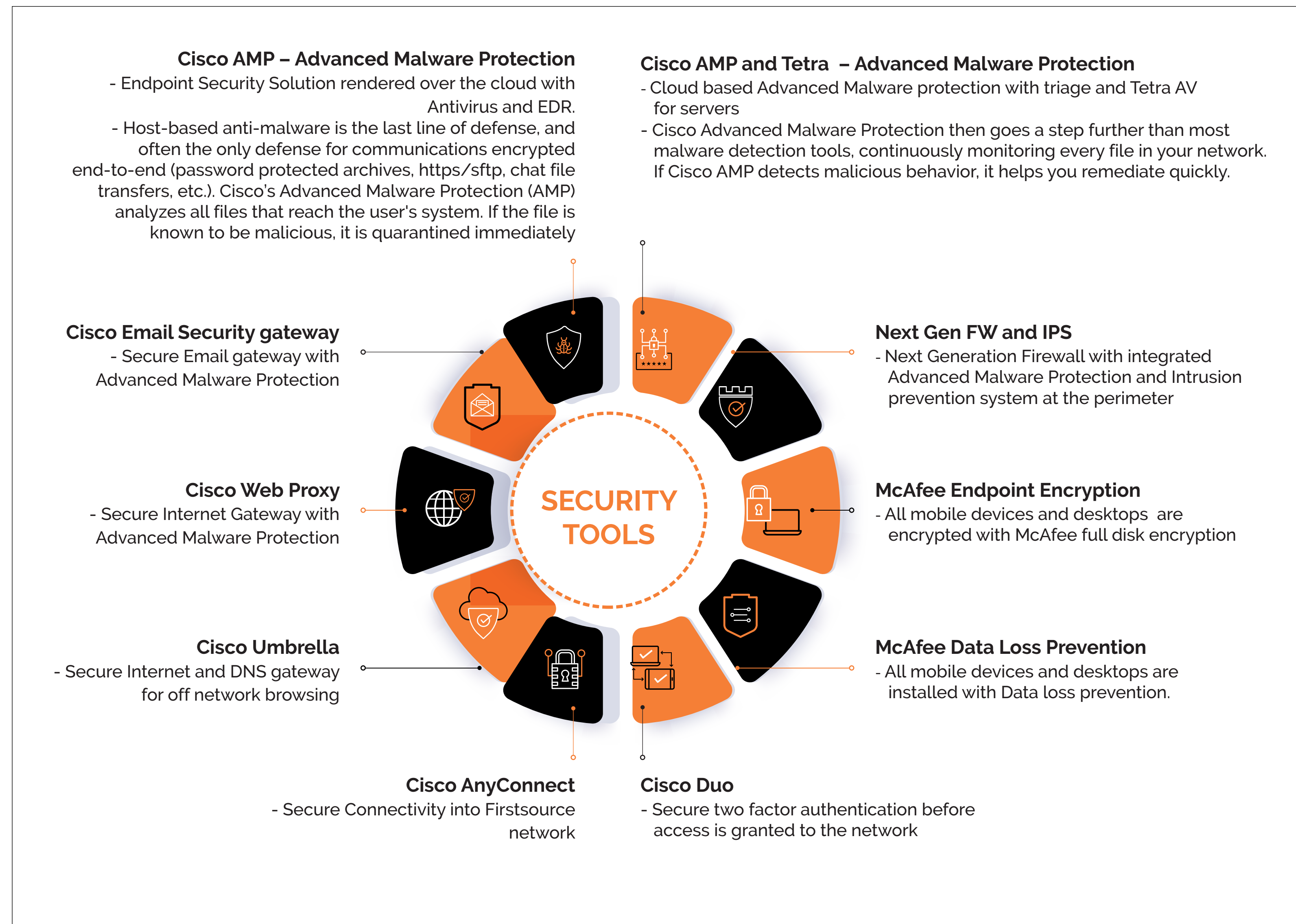
In this digital era, data security risk has emerged as a major concern with its ability to impact the business, customers, and stakeholder relationships. We address these risks through robust and resilient Information and Data Security, Privacy, Cyber Security framework and processes that are applicable to all our offices and employees. Many of the operational centers at Firstsource are ISO 27001:2013 certified, an international standard for Information Security Management System (ISMS). Our Information Security Management System (ISMS) is compliant with the international ISO 27001 standard and paves a systematic path to managing and securing.

Apart from this, our IT processes are also certified with ISO 27001, HITRUST, PCI-DSS, SOC1, and SOC2 certifications. We abide by GDPR (Global Data Protection Regulation) which governs the possession, processing, movement and storage of data or information of EU citizens. A similar law in India around Data Protection has been implemented.



Security Tools

Securing the data of our business, employees and customers is one of our top priorities. Considering the trust placed in us, we ensure strong security with tools like Cisco Email Security Gateway, Cisco AMP - Advanced, Malware Protection, Cisco Web Proxy, McAfee Data Loss Prevention etc. Firstsource also has email and internet security control measures in place that secure internal and external information. We have implemented an enterprise anti-virus gateway and content filters, which limits access to internet sites. McAfee Data Loss Prevention is enabled on the email gateway which prevents users from sending sensitive information such as SSN, PIN, credit card numbers, etc. We have also installed McAfee anti-virus so all emails are passed through SPAM filters.





Protection Driven by Robust Security Policies

Firstsource Information Security guidelines provide strong support to our people while handling personal information. We have detailed policies complying with ISO 27001 framework that are applicable to all our employees. We have developed policies for IT breaches, ransomware attacks and phishing email attacks. We also have a domain security policy and data privacy policy to ensure secure and functional domains for all users.

 **All reported incidents**
have been resolved in accordance with company's policies and processes

Trainings and Awareness

As part of our commitment to privacy, we provide training and awareness to all employees to understand their obligations towards compliance with our data privacy and security policies. All trainings are carried out through a portal, where the modules are designed in accordance with the roles and responsibilities of the employees which also comprises mandatory trainings. These trainings are conducted for both contractual and permanent employees.

We also provide enhanced security awareness and campaigns on anti-phishing. For each email that is received with an attachment, a virtual instance opens on cloud with an instant click and the attachment is checked for safety.



57,094
Hours of training

Information Management System

At Firstsource, we have an Information Management System (IMS) which is an in-house tool where any employee can raise a cyber security related complaint or report an incident. Our dedicated cyber security team investigates the incident and takes appropriate actions. Zero cases were reported for data security in India and Philippines, and zero penalties were paid for information security breach or cyber security incidents. However, the company has reported 54 and 10 data privacy and cyber-security breaches in the US and UK respectively. All these cases were resolved as per compliance requirements of the organization.

Managing Supply Chain ESG Risks

The Firstsource procurement team, also known as Global Commercial Team (GCT), handles all procurement for our varied departments of technology, administration, and human resources. One of their primary functions is the acquisition of front-end equipment, including computers, laptops, accessories, software licenses, etc.

As an extension of our ESG Policy, we seek to partner with those who are aligned to our values and ESG expectations. While ESG risks within our supply chain are comparatively limited, we have defined processes for supplier assessment and verification. We ensure that we partner with suppliers, vendors and contractors that are ethical, responsible and compliant with minimum ESG standards.

Our Supplier Code of Conduct (SCoC)

and Global Ethics Policy outlines our expectations, guidelines and establishes obligations for third parties, vendors and suppliers to commit to fair treatment, ethical behavior, safe and sustainable business practices. Violations of the code may lead to appropriate action, based on violation

In FY23, we aspire to develop a responsible supply chain framework. This will comprise a clear policy with supporting processes to incorporate additional ESG criteria for supplier evaluation, including contractual compliance obligations, where necessary. We will develop supplier ESG scorecards, which will provide actionable insights to manage risk and also help identify suppliers with undeveloped ESG practices that we could support by helping them build their capacities.



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Sub Category	Indicator	Disclosure	Reference	Page No.
Organizational Profile	102-1	Name of the organization	FSL at a Glance	06
	102-2	Activities, brands, products, and services	FSL at a Glance	06
	102-3	Location of headquarters	FSL at a Glance	06
	102-4	Location of operations	FSL at a Glance	06
	102-5	Ownership and legal form	FSL at a Glance	06
	102-6	Markets served	FSL at a Glance	06
	102-7	Scale of the organization	FSL at a Glance, Our workforce	6,69
	102-8	Information on employees and other workers	Our workforce, Gender equality, Race/ ethnicity	69,70
	102-9	Supply Chain	Managing supply chain ESG risks	113
	102-10	Significant changes to the organization and its supply chain	Annual Report, page 60	
	102-11	Precautionary Principle or approach	Our management approach to each material ESG issue is outlined in the relevant sections	
	102-13	Membership of associations	Annual Report, page 02	
Strategy	102-14	Statement from senior decision-maker	Message from Chairman, Message from CEO	9,12
	102-15	Key impacts, risks, and opportunities	Integrating ESG within Enterprise Risk Management	20
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	Ethics and Compliance	106
	102-17	Mechanisms for advice and concerns about ethics	https://firstsource.com/wp-content/uploads/2016/06/Global_Ethics_Policy_Synopsis.pdf	
Governance	102-18	Governance structure	Our Board	100
	102-19	Delegating authority	Institutionalizing ESG	102
	102-20	Executive-level responsibility for economic, environmental, and social topics	Committees of Board	104
	102-21	Consulting stakeholders on economic, environmental, and social topics	Engaging with stakeholders to understand perspectives on ESG	13

Sub Category	Indicator	Disclosure	Reference	Page No.
Governance	102-22	Composition of the highest governance body and its committees	Our board (in ESG report) Committees of the board	104
	102-23	Chair of highest governance body	Our board	100
	102-24	Nominating and selecting the highest governance body	Our board, Annual Report, page 39, 57	100
	102-25	Conflicts of interest	Annual Report, page 58	
	102-26	Role of highest governance body in setting purpose, values, and strategy	Our board, Annual Report, page 57	100
	102-27	Collective knowledge of highest governance body	Our board	100
	102-28	Evaluating the highest governance body's performance	Annual Report, page 57	
	102-29	Identifying and managing economic, environmental, and social impacts	Engaging with stakeholders to understand perspectives on ESG	13
	102-30	Effectiveness of risk management processes	Integrating ESG within Enterprise Risk Management	20
	102-31	Review of economic, environmental, and social topics	ESG Highlights	23,37,99
	102-32	Highest governance body's role in sustainability reporting	Institutionalizing ESG	102
	102-33	Communicating critical concerns	Global Grievance Management Policy is available on company intranet and complaint registration portal is available on company's website https://www.firstsource.com/contact/ https://www.firstsource.com/investor-relations/	
	102-34	Nature and total number of critical concerns	No critical concerns	
	102-35	Remuneration policies	Annual Report, page 58	
	102-39	Percentage increase in annual total compensation ratio	Annual Report, page 63	

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Sub Category	Indicator	Disclosure	Reference	Page No.
Stakeholder Engagement	102-40	List of stakeholder groups	Engaging with stakeholders to understand perspectives on ESG	13
	102-41	Collective bargaining agreements	There are no employee unions at Firstsource	
	102-42	Identifying and selecting stakeholders	Engaging with stakeholders to understand perspectives on ESG	13
	102-43	Approach to stakeholder engagement	Engaging with stakeholders to understand perspectives on ESG	13
	102-44	Key topics and concerns raised	Prioritizing what is most important, Our material ESG themes	16
Reporting Practices	102-45	Entities included in the consolidated financial statements	Annual Report, page 125	
	102-46	Defining report content and topic Boundaries	Approach to reporting, Scope and boundary of the report	05
	102-47	List of material topics	Our material ESG theme	17
	102-50	Reporting period	Scope and boundary of the report	05
	102-51	Date of most recent report	Firstsource is disclosing & publishing its ESG report for the first time (20/12/2022)	
	102-52	Reporting cycle	Scope and boundary of the report	05
	102-53	Contact point for questions regarding the report	Any queries or suggestions about sustainability at Firstsource may be sent by email at esg@firstsource.com	
	102-54	Claims of reporting in accordance with the GRI standards	Approach to reporting	05
	102-55	GRI content index	GRI Index	114
	102-56	External assurance	The report has not been externally assured	
GRI 103: Management Approaches	103-1	Explanation of the material topic and its boundary	Environmental stewardship, Celebrating differences, empowering each other, Robust Governance framework	22,35,98
	103-2	The management approach and its components		
	103-3	Evaluation of the management approach		

Sub Category	Indicator	Disclosure	Reference	Page No.
Economic Performance				
GRI 201: Economic Performance	201-1	Direct economic value generated and distributed	Economic Performance	19
	201-3	Defined benefit plan obligations and other retirement plans	The benefits policies and retirement plan policies are available on Intranet	
	201-4	Financial assistance received from government	No financial assistance received from government	
GRI 202: Market Presence	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Entry level wage to minimum wages	69
GRI 203: Indirect Economic Impacts	203-1	Infrastructure investments and services supported	Fostering Relationships with Society	72
	203-2	Significant indirect economic impacts	Fostering Relationships with Society	72
GRI 205: Anti-Corruption	205-1	Operations assessed for risks related to corruption	Anti-bribery Policy	108
	205-2	Communication and training about anti corruption policies and procedures	Anti-bribery Policy	108
GRI 206: Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethics and Compliance	106
Environmental				
GRI 302: Energy	302-1	Energy consumption within the organization	Managing our Carbon Footprint	24
	302-2	Energy consumption outside of the organization	Managing our Carbon Footprint	24
GRI 303: Water	303-1	Water withdrawal by source	Conserving water	33
	303-2	Water sources significantly affected by withdrawal of water	Conserving water	33
	303-5	Water recycled and reused	Conserving water	33

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Sub Category	Indicator	Disclosure	Reference	Page No.
Environmental				
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	Emissions Management	
	305-2	Energy indirect (Scope 2) GHG emissions	Emissions Management	27
	305-3	Other indirect (Scope 3) GHG emissions	Emissions Management	27
	305-5	Reduction of GHG emissions	Emissions Management	28
	305-6	Emissions of ozone-depleting substances (ODS)	Phasing out Ozone Depleting substances	29
GRI 306: Effluents and Waste	306-2	Waste by type and disposal method	Responsible waste management	32
GRI 307: Environmental Compliance	307-1	Non-compliance with environmental laws and regulations	No cases of non-compliance	
Social				
GRI 401: Employment	401-1	New employee hires and employee turnover	Employee Hiring	49
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	India- Out of the applicable benefits, company car policy, life insurance, mediclaim and personal accident cover are not provided to temporary or part-time employees UK- All the applicable benefits are provided to full-time as well as part-time employees US- Out of the applicable benefits, health/ life/ dental/ vision/ pet insurance, accident policy, hospital policy, critical illness policy, short term/ long term/ maternity disability are not provided to temporary or part-time employees PHP- All the applicable benefits are provided to full-time employees	
	401-3	Parental leave	Parental leave benefit	44
GRI 402: Labour/ Management relations	402-1	Minimum notice periods regarding operational changes	15 days	

Sub Category	Indicator	Disclosure	Reference	Page No.
Social				
GRI 403: Occupational Health and Safety	403-1	Workers representation in formal joint management-worker health and safety committees	Creating a Safe Working Environment	46
	403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Creating a Safe Working Environment	46
GRI 404: Training and Education	404-1	Average hours of training per year per employee	Empowering our people	55
	404-2	Programs for upgrading employee skills and transition assistance programs	Capability Development, Learning and Development	56
	404-3	Percentage of employees receiving regular performance and career development reviews	All our employees receive regular Performance assessments	
GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	Our Board, Our workforce	100,69
	405-2	Ratio of basic salary and remuneration of women to men	Gender Pay Analysis	69
GRI 406: Non-discrimination	406-1	Incidents of discrimination and corrective actions taken	Our approach to Inclusion and diversity, No incidents of discrimination	64
GRI 412: Human Rights Assessment	412-2	Employee training on human rights policies or procedures	Respecting Human Rights	71
GRI 413: Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs	Fostering Relationships with Society	72
	413-2	Operations with significant actual and potential negative impacts on local communities	No operations with significant negative impacts on local communities	
GRI 414: Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	Managing Supply Chain ESG Risks	113
	414-2	Negative social impacts in the supply chain and actions taken	No negative social impacts	
GRI 418: Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Protection driven by robust security policies	112



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