



**BUSINESS RESPONSIBILITY POLICY**

## BACKGROUND

In terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, top thousand hundred listed companies (based on market capitalization of every financial year) are required to include a Business Responsibility Report as a part of its Annual Report. IndoStar Capital Finance Limited (“ICF” or “Company”) being one of the top thousand listed companies as per the criteria mentioned above has adopted this Business Responsibility Policy (Policy) in line with the nine principles of National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company. This Policy is supported by and should be read in conjunction with the existing codes and policies of the Company.

## OBJECTIVE

The objective of this Policy is to:

- ensure a unified and common approach to the dimensions of Business Responsibility across the Company; and
- act as a strategic driver that will help ICF respond to the complexities and challenges that keep emerging and be abreast with changes in regulation.

## SCOPE AND APPLICABILITY

This Policy is designed to ensure a unified and common approach across ICF and shall be applicable to all Directors and Employees of ICF.

## KEY PRINCIPLES:

At ICF, our guiding principles form our foundation, governing and driving for all our stakeholders. Our Business Practices would be governed by the following guiding principles.

### **Principle 1: Conduct and govern Business with Ethics, Transparency and Accountability:**

- Developing necessary governance structures, procedures and practices to ensure ethical conduct at all levels; and promote the adoption of this Principle across the value chain.
- Transparently communicating and allowing access to information about the decisions that impact relevant stakeholders.
- Not engaging in practices that are abusive, corrupt, or anti-competition.
- Truthfully discharging responsibilities on financial and other mandatory disclosures.
- Reporting on the status of the adoption of these Guidelines, as suggested in the reporting framework in this document.
- Avoiding complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

**Principle 2\*: To provide services that assure safety and contribute to sustainability throughout their life cycle by:**

- Optimal resource use over the life-cycle of the service offering and financial products and ensure that everyone connected with it are aware of their responsibilities.
- Raising consumer awareness with regard to their rights, through education, service information, appropriate and helpful marketing communication, full details of the contents and composition and promotion of safe usage and disposal of financial products and services.
- Conducting regular reviews to improve upon the process of new technology development, deployment and commercialization, as well as incorporating social, ethical, and environmental considerations.
- Recognizing and respecting the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
- Recognizing that over-consumption results in unsustainable exploitation of our planet's resources, and therefore to promote sustainable consumption, including recycling of resources.

\*Considering the nature of the Company's business, this principle has limited applicability to our services offering and financial products.

**Principle 3: To promote the wellbeing of all employees by:**

- Respecting the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.
- Ensuring equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- Ensuring that there is no deployment of child labour, forced labour or any form of involuntary labour, paid or unpaid.
- Taking cognizance of the work-life balance of its employees, especially that of women.
- Providing facilities for the wellbeing of the employees including those with special needs.
- Ensuring timely payment of fair living wages to meet basic needs and economic security of the employees.
- Providing a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.
- Ensuring awareness of these provisions to the employees and training them on a regular basis.
- Ensuring continuous skill and competence up-gradation of all employees by providing access to necessary learning opportunities, on an equal and non- discriminatory basis.
- Promoting employee morale and career development through enlightened human resource interventions.
- Creating systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

**Principle 4: To respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized by:**

- Systematically identifying stakeholders, understanding their concerns, defining purpose and scope of engagement, and commitment to engage with them.
- Acknowledging responsibility and being transparent about the impact of their policies, decisions, product and associated services on the stakeholders.

- Giving special attention to stakeholders in areas that are underdeveloped.
- Resolving differences with stakeholders in a just, fair and equitable manner.

**Principle 5: To respect and promote human rights by:**

- Understanding the human rights principles embedded in the Constitution of India, national laws and policies and the content of International Bill of Human Rights, as well as acknowledging that, human rights are inherent, universal, indivisible and interdependent in nature.
- Integrating the principles of human rights in management systems, in particular by way of assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the business have access to grievance mechanisms.
- Recognizing and respecting the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
- Promoting awareness and realization of human rights across the value chain, which is within the sphere of our influence.
- Not being complicit with human rights abuses by a third party.

**Principle 6\*: To respect, protect, and make efforts to restore the environment by:**

- Utilizing natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
- Taking measures to check and prevent pollution.
- Continuously seeking to improve environmental performance by promoting use of energy efficient and environment friendly technologies and use of renewable energy.
- Reporting our environmental performance, including the assessment of potential environmental risks associated with the operations, to the stakeholders in a fair and transparent manner.
- To the extent possible persuading and supporting the stakeholders who are within the sphere of influence to adopt this principle.

\*Considering the nature of the Company's business, this principle has limited applicability to our services offering and financial products.

**Principle 7: To behave responsibly when involved in influencing public and regulatory policy by:**

- Ensuring that while pursuing policy advocacy, our advocacy positions are consistent with this Policy.
- Utilizing to the extent possible, trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

**Principle 8: To support inclusive growth and equitable development by:**

- Understanding the impact of inclusive growth and equitable development on social and economic development, and responding through appropriate action to minimise any negative impacts.
- Innovating and investing in services and financial products, technologies and processes that promote the wellbeing of society.

- Making best efforts to complement and support the development priorities at local and national levels.
- While operating in regions that are underdeveloped, be especially sensitive to local concerns.

**Principle 9: To engage with and provide value to our customers and consumers in a responsible manner by:**

- Ensuring that, while serving the needs of their customers, we take into account the overall well-being of the customers as well as society at large.
- Ensuring that we do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling our services and financial products.
- Making full disclosures of all information truthfully and factually, through service and financial product information and means, including the risks to the individual from the use of the services and financial products, so that the customers can exercise their freedom to access Company's services in a responsible manner. Where required, education of customers on the safe and responsible usage of our services will be undertaken.
- Ensuring that promotion and advertisements of our services and financial products do not mislead or confuse the consumers or violate any of the principles in this Policies.
- Providing adequate grievance handling mechanisms to address customer concerns and feedback.

**IMPLEMENTATION**

The Chief Executive Officer of the Company, with assistance of other members of the Management Committee and business / functional heads, shall be responsible for implementation of the Policy. Mr. Vinod Kumar Panicker, Chief Financial Officer, shall be the Business Responsibility Head.

**REVIEW OF POLICY**

This Policy shall be reviewed as and when considered necessary by the Board.