

June 23, 2023

Listing Compliance & Legal Regulatory
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai 400 001
Stock Code: 543227 ,974728 & 974820

Listing & Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai 400 051
Stock Code: HAPPSTMNDS

Dear Sir/Madam,

Sub: Business Responsibility and Sustainability Report for the Financial Year 2022-23

Pursuant to Regulation 34(2)(f) with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of our Business Responsibility and Sustainability Report for the Financial Year 2022-23.

The above said report is also available on <https://www.happiestminds.com/investors/>

This is for your information and records.

Thanking you,

Yours faithfully,

For **Happiest Minds Technologies Limited**

Praveen Kumar Darshankar
Company Secretary & Compliance Officer
Membership No. F6706





happiest minds

The Mindful IT Company

Born **Digital** . Born **Agile**

**BUSINESS RESPONSIBILITY &
SUSTAINABILITY REPORTING
2022-23**

Business Responsibility & Sustainability Reporting

Section A: General Disclosures

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity** - L72900KA2011PLC057931
2. **Name of the Listed Entity** - Happiest Minds Technologies Limited
3. **Year of Incorporation** - March 30, 2011
4. **Registered office address** - 53/1-4, Hosur, Main Road, Madivala, Bengaluru-560068, Karnataka
5. **Corporate address** - 53/1-4, Hosur, Main Road, Madivala, Bengaluru-560068, Karnataka
6. **E-Mail** - legal@happiestminds.com
7. **Telephone** - 08061960300
8. **Website** - www.happiestminds.com
9. **Financial year for which reporting is being done** - FY 2022-23
10. **Name of the Stock Exchange(s) where shares are listed** - National Stock Exchange of India/Bombay Stock Exchange
11. **Paid-up Capital** - ₹29,37,27,112
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report** - Aurobinda Nanda, President - Operations (Legal@happiestminds.com), Telephone - 08061960300
13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (for the entity and all the entities which form a part of its consolidated financial statements, taken together)** - Disclosures made in this report are on a standalone basis and pertain only to Happiest Minds Technologies Ltd.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the Entity
1.	Information and communication	Computer programming, consultancy, and related activities	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of Total Turnover Contributed
1.	Computer programming and related activities	6201	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	Not Applicable	7	7
International	Not Applicable	12	12

17. Markets served by the entity:

a. Number of Locations

Locations	Number
National (No. of States)	7
International (No. of Countries)	7

b. What is the contribution of exports as a percentage of the total turnover of the entity?

83.68%

c. A brief on types of customers

Happiest Minds Technologies is in the business of providing digital transformation solutions. The Company provides a unique blend of services like cloud computing, social computing, big data, and mobility solutions amongst others. The Company's clients range across geographies and various sectors, viz., automotive, banking, consumer goods, e-commerce, manufacturing, retail, travel and hospitality, etc. The Company also believes in forging long-term partnerships with clients & hence additional criteria such as client turnover and IT budget are used as lead indicators of potential to scale and deliver value in multiple areas.

IV. Employees

18. Details as at the end of the Financial Year i.e.

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	4,589	3,337	73%	1,252	27%
2.	Other than Permanent (E)	328	233	71%	95	29%
3.	Total employees (D + E)	4,917	3570	73%	1,347	27%

Note: The Company does not have any workers as defined in the guidance note on BRSR.

b. Differently abled employees

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	6	3	50%	3	50%
2.	Other than Permanent (E)	2	1	50%	1	50%
3.	Total differently abled employees (D + E)	8	4	50%	4	50%

19. Participation/inclusion/representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	6	2	33%
Key Management Personnel	1	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	20.33%	18.33%	19.79%	23.42%	20.60%	22.71%	12.70%	11.56%	12.43%

V. Holding, subsidiary and associate companies (including a joint venture)

21. a. Name of the holding/subsidiary/associate companies / joint ventures (A) –

S. No.	Name of the holding/ subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% Of shares held by the listed entity	Do the entities indicated in column A participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	Happiest Minds Inc	Wholly Owned Subsidiary	100%	Yes
2.	Sri Mookambika Infosolutions Private Limited (SMI)	Wholly Owned Subsidiary	100%	Yes

VI. CSR details

22.

- i. Whether CSR is applicable as per Section 135 of Companies Act, 2013: Yes
- ii. Turnover: ₹ 1,33,255 Lakhs.
- iii. Net worth: ₹ 82,598 Lakhs.
- iv. Total amount spent on CSR for FY 2022-23: ₹ 333 Lakhs.

VII. Transparency and Disclosures Compliances

23. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism(s) in Place (Yes/No) (If yes, then provide a web link for Grievance Redressal Policy)	FY 2022-23			FY 2021-22		
		Current Financial Year			Previous Financial Year		
		Number of complaint(s) filed during the year	Number of complaint(s) pending resolution at the close of the year	Remarks	Number of complaint(s) filed during the year	Number of complaint(s) pending resolution at the close of the year	Remarks
Communities	NA	NIL	NA	-	NIL	NA	-
Investors (other than shareholders)	NA	NIL	NA	-	NIL	NA	-
Shareholders	YES	191	NIL	-	232	NIL	-
Employees And workers	NIL	NIL	NA	-	NIL	NA	-
Customers	YES	14	NIL	-	13	NIL	-
Value Chain Partners	NA	NIL	NA	-	NIL	NA	-
Others	NA	NIL	NA	-	NIL	NA	--

24. Overview of the entity's material responsible business conduct issues: Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format:

Refer page number 34 under the section 'Addressing the most critical matters'

Section B: Management and Process Disclosures

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to as P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent, and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	P1 Ethics & Transparency	P2 Product Responsibility	P3 Human Resources	P4 Responsiveness to Stakeholders	P5 Respect for Human Rights	P6 Responsible Lending	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No) [Refer Note 1]	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the policies, if available	https://www.happiestminds.com/investors/policy-documents/Business%20Responsibility%20Policy.pdf								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	No								
4. Name the national and international codes/ certifications/ labels/standards	<ul style="list-style-type: none"> • ISO 9001:2015: Quality Management System • ISO 27001:2013: Information Security Management System • ISO 27701: 2019: Privacy Information Management System • CREST: Penetration Testing Operating in EMEA 								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	<ol style="list-style-type: none"> 1. Achieve carbon neutrality in the Company's operation by 2030. 2. Establish and drive sustainable power usage & water conservation techniques. 3. Establish volunteering and community involvement programs to cover at least 20% of the Company's teams. 4. Support community through partnership with NGOs to improve food & nutrition, environmental sustainability, and access to healthcare. 5. Disclosure levels to be in the top 10% of comparable and best-listed entities in India. 								
6. Performance of the entity against specific commitments, goals and targets along with reasons in case the same are not met.	At each Board Meeting, the following are presented and reviewed: <ol style="list-style-type: none"> 1. Performance against annual financial and strategic plan. 2. Review of the inorganic growth plans of the Company. 3. Objective set for the Management vs. Achievement 4. Performance against priorities for the Management for the quarter. 5. Review of CSR, Environmental Compliances, Sustainability Framework, and Corporate Governance reports. 								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	P1 Ethics & Transparency	P2 Product Responsibility	P3 Human Resources	P4 Responsiveness to Stakeholders	P5 Respect for Human Rights	P6 Responsible Lending	P7 Public Policy Advocacy	P8 Inclusive Growth	P9 Customer Engagement

Governance, Leadership and Oversight

7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)
Refer page 62 under the section 'MD & CFO's Letter'

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).
VENKATRAMAN NARAYANAN
Managing Director & CFO
(DIN: 01856347)

9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.

Yes. The overall responsibility of Happiest Minds' corporate governance, ethics, and all the sustainability practices rests with the ESG Committee which plays a major role in decision-making and incorporating sustainability in core business decisions and internal operations.

This is a management level committee comprising of senior members across major functions at the Company and is chaired by a member of the senior management team. The Committee ensures the implementation of the Company's ESG strategy and strict compliance to the road map to achieve set targets. The ESG Committee also works on improving the Company's disclosures to effectively demonstrate the ESG commitment to all its stakeholders. The Committee comprises members across different functions and businesses that help in identifying ESG-related risks and related financial impacts for the Company. The ESG team meets once every quarter to review the ESG progress and performance.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether a review was undertaken by the Director / Committee of the Board / Any other Committee									Frequency (Annually / Half Yearly / Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against the above policies and follow-up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Q	Q	Q	Q	Q	Q	Q	Q	Q

11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.

No; the processes and compliances, however, may be subject to scrutiny by internal auditors and regulatory compliances, as applicable. The policies are evaluated periodically and updated by various department heads and business heads and approved by the management or board to ensure alignment with the changing business dynamics. An internal assessment of the workings of the Business Responsibility (BR) policies is conducted periodically and when necessary, auditors within the organization and statutory requirements assess the practices and compliances.

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Not Applicable.

Section C: Principle-Wise Performance Disclosure

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATOR

1. Percentage coverage by training and awareness programs on any of the principles during the financial year.

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	% Of persons in their respective categories covered by the awareness programs
Board of Directors / Key Managerial Personnel (KMP)	o “Prevention of Sexual Harassment & Redressal Mechanism Policy” program		100% KMP has completed all the programs
Employees other than the Board of Directors or KMPs	o Mindfulness program o Mission, Vision and Values o Information Security Awareness training		97% of Happiest Minds Employees have attended Mission Vision & Values session 87% of Happiest Minds Employees have attended Mindfulness session 85% of Happiest Minds Employees have attended the POSH online program 90% of Happiest Minds Employees have completed Information Security Awareness

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: The entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

The Company’s Anti-bribery policy is covered under clause 5.1 of the Integrity Policy. Happiest Minds’ values are Sharing, Mindful, Integrity, Learning, Excellence, and Social Responsibility (SMILES). Integrity, one of the core values, involves respecting commitments not just in letter, but in spirit, by being reliable, trustworthy & dependable, exhibiting professional, intellectual and financial integrity by being truthful, transparent & honest, and sticking up for the right, not just the convenient.

Each of its stakeholders – Directors, Members of the Board, Members of the Advisory Board, Happiest Minds (team), Partners, Suppliers, and Consultants (“Stakeholders”) – are responsible for complying with all applicable laws and regulations in each country in which the Company does business and for knowing and complying with the Integrity Policy. The Policy expects that no one at the Company practices any illegal or unfair means to do business and should not accept or give bribes, kickbacks, loans, inducements, gifts, favours, or any other improper payments, direct or indirect, to any government officials, current or prospective customers, suppliers or competitors to win a contract or for some commercial gain or revenue. The below-mentioned policies are given on the Company’s website:

<https://www.happiestminds.com/investors/policy-documents>

<https://www.happiestminds.com/investors/policy-documents/Integrity%20Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

	FY 2022-23	FY 2021-22
Directors	NIL	NIL
KMPs		
Employees		

6. Details of complaints with regards to conflict of interest

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of directors	NIL	NA	NIL	NA
Number of complaints received in relation to issues of conflict of interest of KMPs	NIL	NA	NIL	NA

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

LEADERSHIP INDICATORS

1. Does the entity have processes in place to avoid/manage conflict of interests involving members of the board? (Yes/No) If yes, provide details of the same.

Yes, Happiest Minds has processes in place to avoid and manage conflicts of interest involving members of the board and the senior management. The Company's Code of Conduct for Directors and Senior Management states that the Board members and Senior Management of the Company are needed to abstain themselves from discussion, voting, or otherwise influencing a decision on any matter in which they have or may have a conflict of interest; restrict themselves from serving as a Director of any Company that is in direct competition with the Company, or must take prior approval from the Company's Board of Directors before accepting such position. Managerial Excellence and Development of Agile Leaders (MEDAL) covers the training program on avoiding conflicts with employee categories C7 and above (around 120 employees). The 'WE HEAR' tool is the mechanism followed by the Company where the matter of conflict can be raised and sent by email to the CPO directly. Later, a team is formed to resolve the conflict. The Company ensures that the operations must be done in compliance with the applicable laws, regulations, and rules, and the introduction of the Happiest Minds Code of Conduct serves as crucial to the success of the Company.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvement in Environmental and Social impacts
R&D	NA	NA	NA
Capex	3%	NA	CAPEX investments towards Renewable Energy Projects (Solar)

2. (a) Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes.

(b) If yes, what percentage of inputs were sourced sustainably?

Happiest Minds is conscious of the role of sustainability in its business and actively collaborates with vendors and suppliers to raise ethical and environmental standards throughout the supply chain. The Company has in place a sustainable sourcing policy, vendor code of conduct, and a value system sustainability framework to ensure compliance with all the ESG parameters across the value chain.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging), (b) E-waste, (c) Hazardous waste, and (d) other waste.

As a digital solutions provider company, there is limited scope for using recycled material as inputs for various business processes. Nonetheless, the Company continually seeks out opportunities to recycle waste.

The Company disposes of garbage safely by using the procedures listed below:

- Disposing of plastic waste through the Bruhat Bengaluru Mahanagara Palike (BBMP) and refraining from using plastic items and garbage covers in the cafeteria.
- The IS team is transporting E-waste to licensed vendors authorized by the Karnataka State Pollution Control Board (KSPCB) and receiving the certificate of disposal.
- Giving licensed suppliers from the KSPCB access to toxic materials like DG filters.
- Giving additional paper waste to BBMP for disposal.
- Dry garbage and food scraps are turned into manure and used for an indoor garden.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

LEADERSHIP INDICATORS

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details in the following format.

Not Applicable

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along with the action taken to mitigate the same.

Not Applicable

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable

4. Of the products and packaging reclaimed at end of life of products, the amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Not Applicable

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Not Applicable

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

1. a. Details of measures for the well-being of employees

Category	% Of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male	3,337	3,337	100%	3,337	100%	-	-	3,337	100%	3,337	100%
Female	1,252	1,252	100%	1,252	100%	1,252	100%	-	-	1,252	100%
Total	4,589	4,589	100%	4,589	100%	1,252	27%	3,337	73%	4,589	100%
OTHER THAN PERMANENT EMPLOYEES*											
Male	233	84	36%	84	36%	-	-	233	100%	84	36%
Female	95	42	44%	42	44%	95	100%	-	-	42	44%
Total	328	126	38%	126	38%	95	29%	233	71%	126	38%

*Health and Accident Insurance is provided to only Team Lease Partners.

b. Details of measures for the well-being of workers

Not Applicable

2. Details of retirement benefits for the current and previous financial year

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	0.4%	NA	Y	0.4%	NA	Y
Others – please Specify	Not Applicable					

3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company's office and premises have been equipped with handrails, ramps and lifts to facilitate the movement of differently abled individuals thus making the premises access friendly. The Company also offers mechanized wheelchairs that may be used inside the building for individuals who may require such assistance.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Happiest Minds Technologies, being an equal opportunity employer, believes in promoting diversity and inclusion in its work culture, which allows all employees to contribute wholly with their skills, experience and perspective for creating unmatched value for all stakeholders. The Company endeavours to provide a safe, secure, and congenial work environment so that employees can deliver their best without inhibition. The Company has an "Equal Opportunity Statement".

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	154	100%
Female	41	98%
Total	195	98%

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Permanent Employees	Yes
Other than Permanent Employees	Yes

Happiest Minds' internal tool 'We Hear' is an online application which allows employees to raise their concerns or grievances to the senior leadership of the company in cases of discrimination or sexual harassment. The Internal Committee (IC) then takes appropriate action in a timely manner to and ensures effective resolution. Further the Audit Committee of the company is tasked with establishing a vigil mechanism for all the employees providing them with a platform to voice their concerns.

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Happiest Minds does not have any employee associations. The Corporation, however, recognises the right to freedom of association and does not discourage collective bargaining.

8. Details of training given to employees and workers

Category	FY 2022-23					FY 2021-22				
	Total (A)	On health and safety measures		On skill up gradation		Total (A)	On health and safety measures		On skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES										
Male	3,435	1,996	58%	1,553	45%	2,777	2,777	100%	1,186	49%
Female	1,308	623	48%	581	44%	967	967	100%	494	58%
Total	4,743	2,619	55%	2,134	45%	3,744	3,744	100%	1,680	51%

9. Details of performance and career development reviews of employees and workers

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	3,074	3,074	100%	2,444	2,444	100%
Female	1,159	1,159	100%	1,300	1,300	100%
Total	4,233	4,233	100%	3,744	3,744	100%

10. Health and Safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such system?

Yes, the 'Health and Safety Policy' covers all the stakeholders of Happiest Minds including Trainees, Employees, Consultants, Vendor Partners, and Retainers.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has stringent guidelines to ensure health and safety of all the employees. The Company undertakes various measures to proactively identify risks, evaluate them and timely mitigate them to ensure a safe working environment.

- The Company records organizational safety and health performance, including work-related incidents, accidents, and severe illnesses like risks from epidemics, and it investigates any issues that do happen to reduce their frequency and severity.
- To ensure continuous implementation of applicable best practices in safety and health management, the company strives to interact closely with relevant external agencies and companies in its sector.
- All personnel are informed, fully engaged, and trained by the Company on safety and health issues. The Company also ensures that health and safety records are reviewed at regular intervals to guarantee compliance with applicable laws.

- The organisation promotes adopting best practices in health and safety among its vendors, contractors, and business partners.
- Adherence to the Health, Safety & Environment guidelines is confirmed periodically and is regularly reviewed internally.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks.

Not applicable owing to the nature of business.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services?

Yes, the Company collaborated with well-known hospitals to provide internal stakeholders with consultations, and it has given all members free access to a 24/7 teleconsulting application from doctors. Additionally, it has given its staff amenities like:

- Medical Insurance, Voluntary Parental Insurance, Top Ups
- Salary Advances & Compassionate Loans for Medical Emergencies.
- Medical Teleconsultation for employees and their families.

11. Details of safety-related incidents

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person-hours worked)	employees	NIL	NIL
Total recordable work-related injuries	employees	NIL	NIL
No. of fatalities (safety incident)	employees	NIL	NIL
High-consequence work-related injury or ill health (excluding fatalities)	employees	NIL	NIL

12. Describe the measures taken by the entity to ensure a safe and healthy workplace

Happiest Minds is recognized with “Great Place to Work®” certifications among the top 10 ‘India’s Best Workplaces in Health and Wellness 2022’. With these recognitions, the organization strives to maintain the workplace by undertaking various measures across its operations. The Company emphasizes the value of ensuring a secure and healthy working environment for all its personnel as well as and any contractors who perform work on its property. The business has a health and safety policy that details actions like:

- Investigating incidents that occur and working to lessen their frequency and severity are all parts of tracking internal health and safety performance, which includes work-related accidents, incidents, and severe ill-health occurrences like epidemic threats.
- To ensure the ongoing adoption of applicable health and safety management practices, the Company works closely with relevant external organizations and within its industry.
- Creating an adequate financial and material budget to effectively oversee health and safety.
- Emergency Teams monitor serious occurrences that pose a threat to the safety of the Company’s facilities and could have an impact on the health and safety of employees, clients, or clients at the facilities. In the event of a fire alarm, a medical emergency, or a partial or complete evacuation of the specific Company location, the Facility Management & Administration Team responds. These teams’ members go through pertinent training at least once a year.

To achieve the underlying principle of maintaining a Great Place to Work®, Happiest Minds has implemented several initiatives aimed at promoting the health and wellness of our employees. These initiatives include special focus programs like Mindfulness Training, HappiZest, our wellness initiative, and Mithra - the Good Samaritan Counselling Programme.

13. Number of complaints on the following made by employees:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	NIL	NIL	-	NIL	NIL	-
Health and Safety	NIL	NIL	-	NIL	NIL	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Health and Safety Practices	Currently, no assessments have been made. However, the Company follows the process in its
Working Conditions	Risk register and does include medical conditions like Covid-19 and safety precautions.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health and safety practices and working conditions.

Not Applicable as per the nature/ownership of the Business

LEADERSHIP INDICATORS

1. Does the entity extend any life insurance or any compensatory package in the event of death? (A) Employees (Y/N) (B) Workers (Y/N).

Yes, Life Insurance is provided as part of the Group Term Life Policy, which extends compensation and support to the families in the event of an employee's death.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company takes great care to ensure that the statutory dues applicable are deducted and deposited by the value chain partners and the same is periodically reviewed by the internal and statutory audit committee.

3. Provide the number of employees having suffered high-consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees		No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Employees	NIL	NIL	NIL	NIL

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

We at Happiest Minds, do not follow the retirement age policy.

5. Details on assessment of value chain partners

	% Of value chain partners (by the value of business done with such partners) that were assessed
Health and Safety Practices	We trust all our value chain partners to abide by current laws, including those governing working conditions and health and safety procedures, as part of the Company's Value Chain Sustainability
Working conditions	Framework. Fair working conditions are guaranteed by policies on sustainable procurement and ESG.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners

The organization recognizes the significance of health and safety regulations in every business and conducts a Vendors Feedback Survey to ensure adherence to health and safety parameters across the value chain. Regarding the parameters, no corrective action plan was required in FY 2022–23.

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

At Happiest Minds, key stakeholders are identified through an exercise undertaken in consultation with the Company's management. The prioritized list of stakeholders includes customers, employees, shareholders, investors, government and regulatory bodies, communities and NGOs, staffing agencies, alliance partners, and other vendors. A stakeholder interaction exercise with both internal and external stakeholders is then undertaken as part of the development of this report. The priorities for strategy, policies, and action plans for the environment, economy, and society are based in part on the expectations and concerns of the identified stakeholders.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Refer page no. 32 under the section 'Engaging and innovating to create value for all stakeholders' of IAR.

LEADERSHIP INDICATORS

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board?

The Company firmly believes in a consistent engagement with its key stakeholders to ensure better communication of its performance and strategy. At Happiest Minds, we undertake materiality assessments for determining and ranking the most critical issues. As a part of this assessment, various interactions with the key stakeholders are undertaken to understand their opinion, concerns, grievances and suggestions across the ESG material issues.

Consultation medium between stakeholders, Company Management, and Board Members or interaction with officials takes place through various engagement channels as briefed on page 32 under the section 'Engaging and innovating to create value for all stakeholders' of IAR.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.

Yes. ESG standards in Requests for Proposals (RFP) from clients call for the disclosure of information and a commitment regarding carbon neutrality, science-based targets, diversity, inclusion, equity, etc. In cooperation with the Executive Board of Happiest Minds, these needs have been considered and internalised with the existing ESG framework.

PRINCIPLE 5 Businesses should respect and promote human rights

1. Employees who have been provided training on human rights issues and policy(ies)

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees covered (B)	% (B/A)	Total (C)	No. of employees covered (D)	% (D/C)
Permanent	4,589	4,589	100%	3,744	3,744	100%
Other than Permanent	328	328	100%	424	424	100%
Total employees	4,917	4,917	100%	4,168	4,168	100%

2. Details of minimum wages paid to employees and workers, in the following format

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent	4,589	94	2%	4,495	98%	3,744	40	1%	3,704	99%
Male	3,337	55	2%	3,282	98%	2,775	31	1%	2,744	99%
Female	1,252	39	3%	1,213	97%	969	9	1%	960	99%
Other than Permanent	328	All other than Permanent employees are under the payroll of third-party vendors								
Male	233									
Female	95									

3. Details of remuneration/salary

	Male		Female	
	Number	Median remuneration/ salary/wages of respective category in ₹	Number	Median remuneration/ salary/wages of respective category in ₹
Board of Directors (BoD) (Whole-time directors)	3	1,37,15,500	0	0
Key Managerial Personnel (other than BoD)	1	58,51,000	0	0
Employees other than BoD and KMP	3,070	15,22,600	1 159	9,50,000
Workers*	NA	NA	NA	NA

* Note: The Company does not have any workers as defined in the guidance note on BRSR.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the internal committee oversees addressing and resolving the human rights violation issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Happiest Minds recognises the significant role that businesses can play in ensuring the long-term protection of human rights, and the Company is dedicated to upholding the human rights of its employees, communities, contractors, and suppliers. With respect to the internal mechanism, an internal committee (IC) has been created and established to evaluate the violations reported against sexual harassment, discrimination, and any other human rights violation. A professional lawyer with expertise in the Prevention of Sexual Harassment (“POSH”) and Protection of Children against Sexual Offences Acts has been appointed by the corporation as an external member of the Internal Committee.

Further, the Company also has the below processes in place for grievance redressal of human rights issues:

- Presenting a grievance through Smiles Central’s “We Hear” program. The Chief People Officer will be given the request. A Happiest Mind has the right to make a direct grievance to the Executive Board and the Executive Chairman regarding the Chief People Officer. The Internal Committee will thereafter be notified of this complaint.
- Sending the complaint or getting in touch with any IC member.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Remarks	Pending resolution at the end of the year	Remarks
Sexual Harassment	NIL	NIL	-	NIL	NIL	-
Discrimination at workplace	NIL	NIL	-	NIL	NIL	-
Child labor	NIL	NIL	-	NIL	NIL	-
Forced labor / Involuntary labor	NIL	NIL	-	NIL	NIL	-
Wages	NIL	NIL	-	NIL	NIL	-
Other human rights-related issues	NIL	NIL	-	NIL	NIL	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The organization has a well-defined procedure in place for resolving issues of harassment or discrimination, and also has a code of conduct in place regarding sexual harassment. Happiest Minds has stringent policies in place that prohibit sexual harassment across its operations. The organisation conducts regular training sessions and attendance for all staff members is mandatory. New employees also receive POSH training as a part of their induction sessions. Happiest Minds places a strong emphasis on promoting women’s involvement across levels. The Company places a high priority on increasing the representation of women through specialized programs and interventions. Regarding the same, Happiest Minds has put guidelines in place to create a workplace that is supportive of women.

The Company has taken steps to keep the workplace safe for women to avoid any negative effects. These efforts include raising employee awareness and establishing strict guidelines for the Prevention of Sexual Harassment (POSH). Happiest Minds has consistently held the view that a supportive workplace is an essential component of being a responsible business.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. The Code of Conduct governs all business dealings and agreements with Happiest Minds, and upholding basic human rights principles is a requirement for conducting business.

9. Assessments for the year

	% Of offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	The Company follows the laws, as applicable. Although no assessment was done by the Company and no complaints were received.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

The Company has complied with every relevant law after carefully evaluating the concerns linked to human rights. As a result, it does not anticipate any major risk factors or challenges.

LEADERSHIP INDICATORS

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

In FY 2022-23, the organization has not received any complaints or grievances involving a human rights violation.

2. Details of the scope and coverage of any human rights due-diligence conducted.

The Company has a Code of Conduct in place to ensure that all Human Rights protocols are respected and are being followed.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As required by the Rights of Persons with Disabilities Act, 2016, all facilities on the premises are wheelchair accessible, making it easy for people to move around. For those who need them, the company also offers motorized wheelchairs that may be used inside the building.

4. Details on assessment of value chain partners:

	% Of value chain partners (by the value of business done with such partners) that were assessed
Sexual harassment	No evaluation of value chain partners has been done. Except for some agreements, wherein some of these factors are meticulously scrutinized in financing arrangements.
Discrimination at workplace	
Child labour	
Forced labour/ Involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No corrective action plan has been necessitated on the above-mentioned parameters in FY 2022-23.

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter*	FY 2022-23	FY 2021-22
Total electricity consumption (A) (GJ)	10822.54	4007.16
Total fuel consumption (B) (GJ)	929.00	368.74
Energy consumption through other sources (C)	510.96	-
Total energy consumption (A+B+C) (GJ)	12262.49	4375.90
Energy intensity per rupee of turnover (Total energy consumption/ turnover in lakh rupees)	0.092	0.038

* Based on select offices and where the Corporation owns the premises.

The organizational boundary has been established using the “Operational Control Approach”.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water.

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2,005	915.4
(iii) Third-party water	2,168	28
(iv) Seawater / desalinated water	-	-
(v) Others - Produced water; (Drinking Water)	-	40.82
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,173	984.22
The total volume of water consumption (in kilolitres)	4,173	124.22
Water intensity per lakh rupees of turnover (litres of Water consumed / turnover)	0.031	1.09

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Owing to the nature of business, Happiest Minds does not release any untreated effluent and is in complete compliance with KSPCB regulations. The company recycles its wastewater post-treatment for flushing and gardening on its premises. Additionally, tests are performed monthly in compliance with KSPCB standards.

5. Please provide details of air emissions (other than GHG emissions) by the entity.

Parameter	Unit	FY 2022-23	FY 2021-22
NOx	mg/Nm ³	46	49.6
SOx	mg/Nm ³	9	7.1
Particulate matter (PM)	µg/m ³	36	41.4
Persistent organic pollutants (POP)	µg/m ³	20	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	µg/m ³	5.8	NA
Others – please specify	NA	NA	NA

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & their intensity

Parameter	FY 2022-23	FY 2021-22
Total Scope 1 emissions Metric tonnes of CO2 equivalent	57.37	27.68
Total Scope 2 emissions Metric tonnes of CO2 equivalent	2374.95	879.35
Total Scope 1 and Scope 2 emissions (per million rupees of turnover) tCO2e	2432.32	907.03

* Calculations are based on offices under the ownership and operational control.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency.

No

7. Does the entity have any project related to reducing Green House Gas emissions? If yes, then provide details.

Yes. Happiest Minds has committed to reducing its Scope 1 and 2 greenhouse gas (GHG) emissions and become carbon neutral by 2030. The Company has implemented various projects and initiatives to achieve this goal. One such example is installing solar power having a peak capacity of 183kWh at Madivala campus to reduce the grid energy consumption thereby reducing GHG emissions.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22	FY 2020-21
Total Waste Generated (in metric tonnes)			
Plastic waste (A)	NA	NA	NA
E-waste (B)	NA	NA	NA
Bio-medical waste (C)	NA	NA	NA
Construction and demolition waste (D)	45.35	NA	NA
Battery waste (E)	0	NA	NA
Radioactive waste (F)	0	NA	NA
Other Hazardous waste (G)	0.51	-	-
Other Non-hazardous waste generated (H).	5.04	0.96	0.72
Other Non-hazardous waste generated (H). H-1: Wet Waste (Food Waste)	0	0	0
H-2: Dry wastepaper waste	5.04	0.96	0.72
Total (A+B + C + D + E + F + G + H)	50.90	0.96	0.72
For each category of waste generated, total waste recovered through recycling, re-using, or other recovery operations (in metric tonnes)			
Category of waste			
(i) Recycled	-	-	-
(ii) Re-used	-	-	-
(iii) Other recovery operations	NA	NA	NA
Category 1 (Wet waste food waste)	NA	NA	NA
Category 2 (Dry wastepaper waste)	NA	NA	NA
Total	NA	NA	NA
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)			
Category of waste			
(i) Incineration	NA	NA	NA
(ii) Landfilling	NA	NA	NA
(iii) Other disposal operations	NA	NA	NA
Category 1 (Wet waste food waste)	NA	NA	NA
Category 2 (Dry wastepaper waste)	5.04	0.96	0.72
Total	5.04	0.96	0.72

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Given the nature of the business, there is no usage of hazardous and toxic chemicals by the organization.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not Applicable as per the nature/ownership of the Organization.

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable, as no impact assessments were undertaken by Happiest Minds in FY 2022-23.

12. Is the entity compliant with the applicable environmental law/regulations/guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, and Environment Protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes, Happiest Minds is compliant with all the applicable environmental laws and regulations based on its nature of business.

LEADERSHIP INDICATOR

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23	FY 2021-22
From renewable sources		
Total electricity consumption (A)	510.96	-
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	510.96	-
From non-renewable sources		
Total electricity consumption (D)	10,822.54	4,007
Total fuel consumption (E)	929.00	369
Energy consumption through other sources (F)	NA	NA
Total energy consumed from non-renewable sources (D+E+F)	11,751.54	4,376

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

2. Provide the following details related to water discharged:

Parameter	FY 2022-23	FY 2021-22
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
No treatment	-	-
With treatment – STP	2,433.28	860
(ii) To Groundwater		
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(iii) To Seawater		
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA

Parameter	FY 2022-23	FY 2021-22
(iv) Sent to third parties	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
No treatment	NA	NA
With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	2,433.28	860

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, the name of the external agency.

No

3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

Not Applicable as per the nature of Business

4. Please provide details of total Scope 3 emissions & their intensity, in the following format:

The Organization is not tracking Scope 3 emissions as of now.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency. (Y/N) If yes, the name of the external agency.

No

5. With respect to the ecologically sensitive areas reported in Question 10 of Essential Indicators above, provide details of the significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

Not Applicable

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives, as per the following format:

Not Applicable

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/web-link.

Yes, Happiest Minds has a board-approved Business Continuity Management (BCM) framework to ensure resilience and continuity of key services at a minimum acceptable level, to achieve a business-as-usual presence in the marketplace and safety of human resources. Business impact analysis and risk assessment is conducted periodically to assess the likely impact on the Company's business processes due to adverse events like, natural disasters, pandemic, technical disruptions like cyberattacks, or administrative decisions like lockdown etc. The Company has effectively implemented its business continuity strategies over the years and even during the pandemic, including establishing effective work-from-home practices to ensure connectivity throughout the firm.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Applicable

9. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

Not Applicable

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a. **Number of affiliations with trade and industry chambers/associations.**

4

- b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such a body) the entity is a member of/affiliated to.**

Sr. No	Name of the trade and industry chambers/associations	Reach of the trade and industry chambers/associations (State/National)
1	Confederation of India Industries (CII)	National
2	National Association of Software and Service Companies (NASSCOM)	National
3	Federation of Karnataka Chambers of Commerce and Industry (FKCCI)	State
4	Indo-German Chamber of Commerce	National

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Not Applicable

LEADERSHIP INDICATORS

1. **Details of public policy positions advocated by the entity:**

Not Applicable

PRINCIPLE 8 Business should promote inclusive growth and equitable development

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

The Company has not undertaken any SIAs in the current financial year.

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.**

Not Applicable.

3. **Describe the mechanisms to receive and redress grievances of the community.**

Not Applicable

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers.**

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	13.29	NA
Sourced directly from within the district and neighbouring districts	NA	NA

LEADERSHIP INDICATORS

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Not Applicable

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes/No)

No. However, we have a Procurement Manual in place, and the process is followed according to the Manual.

(b) From which marginalized / vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

Not applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not applicable

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	The Akshaya Patra Foundation	5,000	The Company's objective is to pro-actively support meaningful socio-economic development in India and enable a significant number of people to participate in and benefit from India's economic progress. We are aware that holistic growth and development of the society play a crucial role in nation-building. Through our efforts, we are helping local communities address the social, economic, and environmental challenges to build a sustainable future. All our CSR initiatives, called Circle of Happiness, are for the support of the underprivileged, those who belong to the vulnerable/marginalized section of the society.
2.	Vidyakshetra Vidyapeeth	97	
3.	Green Sole	1,500	
4.	Grow Trees (Pangea EcoNetAssets Private Limited)	Total 163,754 trees planted to enhance the habitat for tigers at Simlipal National Park, Odisha	
5.	Bethany Education Board	243	
6.	Idhayangal Charitable Trust	40	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The organization has a comprehensive framework for understanding customer needs and expectations, which aids in creating a plan for ongoing involvement and strengthening the customer bond. Early warnings are provided by these programs and aid the Company in planning the necessary course changes to offer clients high-quality services.

The following tools are used to frequently review customer perceptions:

- Weekly coordination amongst project team members to evaluate the status of various engagement streams and check that we are on the same track.
- The sales/delivery leadership and client executives participate in a monthly governance process to review important risks and, if applicable, develop mitigation solutions as per the requirement.
- BU heads and customer leadership participate in quarterly governance meetings to analyze relationship development, inform customers of new initiatives and projects at Happiest Minds, and address other issues.

Customer Happiness Survey: This is a yearly survey that is distributed to various points of contact with customers.

NPS		Promoter	Passive	Detractor
Promoter %	Count	178	93	9
Detractor %	%	64	33	3

NPS SCORE: 60

Project Feedback: Along with the Customer Happiness Survey, two more programs are used to monitor customer satisfaction throughout the year: “Project End Feedback” for short-term engagements and “Ongoing Engagement Feedback” for ongoing engagements. These programs give us a 360-degree evaluation of the team’s technical and domain expertise, the quality of the deliverables, and the value added during the engagement.

- (a) Number of total customer complaints/feedback received during the last two financial years.

Fiscal Year	2023	2022
No. of complaints	14	13

- (b) Total outstanding at the end of each year for the last two financial years.

All customer escalations are resolved within the stipulated time period and ensured that there are none open/pending for resolution.

- (c) Total cases raised in consumer forums year-wise, during the last two financial years.

None

- (d) What is the customer complaint resolution time?

The first response time for any customer complaint is done within 1 working day.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

Not Applicable

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remarks
Data privacy	NIL	NIL	NA	NIL	NIL	NA
Advertising	NIL	NIL	NA	NIL	NIL	NA
Cyber-security	NIL	NIL	NA	NIL	NIL	NA
Restrictive Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Unfair Trade Practices	NIL	NIL	NA	NIL	NIL	NA
Others	14	0	All complaints were resolved in a timely manner	13	0	All customer complaints were resolved successfully

4. Details of instances of product recalls on account of safety issues:

Not Applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web link of the policy.

Yes, the Company has an information and cyber security framework that ensures all the information assets are safeguarded by establishing comprehensive management processes throughout the organisation so that business information is protected adequately through appropriate controls and proactive measures. The Information and cyber security policy has been approved by the Board and the Company has put in place an internal governance committee to review the information and cyber security programme. The framework is ISO 27701 certified and helps the Company to detect and speedily respond to any threats to its network, application and infrastructure. The ISMS policy is available to internal stakeholders on the Company’s intranet.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

Leadership Indicators

- 1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).**
Information relating to all the products and services provided by the Company is available on the Company's website, <https://www.happiestminds.com/>
- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**
Not applicable owing to the nature of business.
- 3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**
All such communications to the customer are authorized by Executive Board / respective Sales Representative.
- 4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regards to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**
Yes; The entity periodically carries out the survey for consumer satisfaction by putting the customers at the focal point through the Happiest Minds Customer Experience service and undertakes the evaluation of the Net Promoter Score annually. This helps the company understand the purchase patterns and customer behaviours aiding in providing the appropriate customised offerings to them.
- 5. Provide the following information relating to data breaches:**
 - a. Number of instances of data breaches along-with impact**
Nil
 - b. Percentage of data breaches involving personally identifiable information of customers**
NA

www.happiestminds.com

