

Ref. no. : Ethos/Secretarial/2023-24/55

Dated: September 6, 2023

**BSE Limited**  
**Phiroze Jeejeebhoy Towers,**  
**Dalal Street, Mumbai – 400 001**

**National Stock Exchange of India Limited**  
**Exchange Plaza, C-1, Block G,**  
**Bandra Kurla Complex, Bandra,**  
**Mumbai - 400 051**

**Scrip Code : 543532**

**Trading symbol : ETHOSLTD**

**ISIN : INE04TZ01018**

**Subject : Business Responsibility and Sustainability Report for the financial year 2022-23**

Dear Sir/Ma'am

Greetings from Ethos.

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and National Guidelines on Responsible Business Conduct (NGRBC) as issued and revised by Ministry of Corporate Affairs (MCA), Government of India, we are enclosing herewith a copy of "Business Responsibility and Sustainability Report" of the Company for the financial year 2022-23 for the information of our valued investors.

The aforesaid report is also hosted on the website of the Company i.e. <https://www.ethoswatches.com/investors-information/>

We would request you to please take the same in your records and oblige.

Thanking you

Yours truly  
For **Ethos Limited**

**Anil Kumar**  
**Company Secretary & Compliance Officer**  
**Membership no. F8023**

**Encl.: as above**

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**ETHOS LIMITED**

**Registered Office:**  
Plot No. 3, Sector III, Parwanoo,  
Himachal Pradesh - 173220, India

**Corporate Office:**  
Kamla Centre, S.C.O. 88-89, Sector 8-C,  
Chandigarh - 160009, India

**Head Office:**  
Global Gateway Towers A, 1st Floor, MG Road,  
Sector 26, Gurugram, Haryana - 122002, India

# Annexure –I

## Business Responsibility & Sustainability Reporting

### Section A: General Disclosures

#### I. Details of listed entity

1.	Corporate Identity Number	L52300HP2007PLC030800	
2.	Name of the company	Ethos Limited	
3.	Year of Incorporation	November 5, 2007	
4.	Registered Address	Plot no. 3, Sector III, Parwanoo 173 220, Himachal Pradesh, India	
5.	Corporate Address	S.C.O. 88-89, Sector 8-C, Madhya Marg, Chandigarh 160 009, India	
6.	Email ID	investor.communication@ethoswatches.com	
7.	Telephone	0172-2548223/24	
8.	Website	www.ethoswatches.com	
9.	Financial Year for which reporting is being done	<b>Start Date</b>	<b>End Date</b>
	Current Financial Year	April 1, 2022	March 31, 2023
	Previous Financial Year	April 1, 2021	March 31, 2022
	Prior to Previous Financial Year	April 1, 2020	March 31, 2021
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited National Stock Exchange of India Limited	
11.	Paid-up Capital	Rs. 23,34,92,330	
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR Report	Mr. Yashovardhan Saboo Chairman and Managing Director Email address – investor.communication@ethoswatches.com Contact details – 0172-2548223/24	
13.	Reporting Boundary	Standalone basis	

#### II. Products/Services

##### 14. Details of Business activities(accounting for 90 % of the turnover)

Sr No	Description of Main Activity	Description of Business Activity	% of turnover of the company
1.	Trade	Retail Trading	100

##### 15. Products/Services sold by the company(accounting for 90 % of the turnover)

Sr No	Product/Service	NIC Code	% of turnover contributed
1.	Watch & watch accessories	47732	100
2.	Services		

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the Company are situated

Location	No of Plants	Number of Offices	Total
National	Nil	83	83*
International	Nil	2	2**

\*Includes 54 retail stores, 17 backend offices and 12 warehouses.

\*\*Includes a Branch Office and a newly incorporated Wholly Owned Subsidiary Company located at Switzerland.

## 17. Markets Served by the company

### a. Number of locations

Location	Number
National(States)	14
International(Countries)	1

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

Nil. The Company does not export any of its goods.

### c. A brief on the type of customers

Our customers constitute of retail consumers who have a passion for premium and high end luxury watches. Our customer base include passionate collectors and fashion-conscious buyers with an eye for quality time pieces. Ethos being India's leading luxury and premium watch retail player, caters to customers who wish to undergo a content-led luxury experience via a very strong online platform of the Company's website and social media channels, which is anchored by pan-India physical stores situated at 54 locations across the country.

## IV. Employers

### 18. Details as at the end of March 31, 2023

#### a. Employees and Workers(Including differently abled)

Sr No	Particulars	Total(A)	Male		Female		Others	
			No(B)	%(B/A)	No(C)	%(C/A)	No(H)	%(H)
<b>Employees</b>								
1.	Permanent(D)	534	440	82.40%	94	17.6%	Nil	Nil
2.	Other than Permanent(E)	16	14	87.5%	2	12.5%	Nil	Nil
3.	<b>Total (D+E)</b>	<b>550</b>	<b>454</b>	<b>82.55%</b>	<b>96</b>	<b>17.45%</b>	<b>Nil</b>	<b>Nil</b>

Note : There are no workers in the Company

#### b. Differently abled Employees and workers

Sr No	Particulars	Total(A)	Male		Female		Others	
			No(B)	%(B/A)	No(C)	%(C/A)	No(H)	%(H)
<b>Differently Abled Employees</b>								
1.	Permanent(D)	2	Nil	Nil	2	100%	Nil	Nil
2.	Other than Permanent(E)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
3.	<b>Total (D+E)</b>	<b>2</b>	<b>Nil</b>	<b>Nil</b>	<b>2</b>	<b>100%</b>	<b>Nil</b>	<b>Nil</b>

Note : There are no workers in the Company

### 19. Participation/inclusion/representation of women

Sr No	Total(A)	Number and Percentage of Females	
		No(B)	%(B/A)
Board of Directors	10	1	10%
Key Managerial Personnel	5	Nil	Nil

### 20. Turnover rate of permanent employees and workers

(Disclose trends for the past 3 years)

Particulars	FY 2022-23				FY 2021-22				FY 2020-21			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	20%	8.8%	Nil	18.04%	20.6%	5.8%	Nil	17.84%	30%	6.7%	Nil	36.7%

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

21. Name of holding/subsidiary/associate companies/joint ventures

Sr No	Name of the holding/ subsidiary associate companies /joint ventures(A)	Indicate whether Holding/Subsidiary/ Associate/Joint venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	KDDL Limited	Holding	51.31 %	Yes
2	Cognition Digital LLP	Subsidiary	100 %	No
3	Pasadena Retail Private Limited	Joint Venture	50 %	No
4	Silvercity Brands AG	Subsidiary Body Corporate	100 %	No

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act,2013:

Yes

(ii)

Turnover (in Rs) For the year ended March 31, 2022	57,728.37 lakhs
Net Worth (in Rs) As at March 31, 2022	23,186.04 lakhs

VII. Transparency and disclosures compliances

23. Complaints/Grievances on any of the principles (Principle 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom the complaint was recieved	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed	Number of complaints pending resolution during the end of the year	Remarks	Number of complaints filed	Number of complaints pending resolution during the end of the year	Remarks
Shareholders	Yes	Nil	Nil	Nil	Nil	Nil	Nil
Employees and workers	<a href="https://www.ethoswatches.com/investors-information/corporate">https://www.ethoswatches.com/investors-information/corporate</a>	Nil	Nil	Nil	Nil	Nil	Nil
Communities		Nil	Nil	Nil	Nil	Nil	Nil
Investors (other than shareholders)		Nil	Nil	Nil	Nil	Nil	Nil
Customers		Nil	Nil	Nil	Nil	Nil	Nil
Value Chain Partners		Nil	Nil	Nil	Nil	Nil	Nil
Other		Nil	Nil	Nil	Nil	Nil	Nil

24. Overview of the entity's material business conduct pertaining to environmental and social matters that present a risk or an opportunity to the business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr No	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer engagement	Opportunity	Customer engagement represents a valuable opportunity for a retail company, as it enables the Company to build deeper connections with its customers, strengthen brand loyalty, and ultimately drive sales.	-	Positive implications
2	Financial Performance	Opportunity	As a public company, the Company is responsible to its shareholders to ensure maximum returns.	-	Positive implications
3	Retention Rate	Opportunity	A high retention rate can be viewed as an advantageous opportunity for a retail company, as it indicates the presence of a committed customer base. This, in turn, presents the Company with the potential to generate sustained revenue through repeat business and positive referrals.	-	Positive implications
4	Data security	Risk	As the level of reliance on technology has been increasing it is imperative for the Company to ensure the data security is high.	The Company regularly assesses the efficacy of the IT policy and make snecessary updates as and when needed.	Positive implications
5	Compliance	Risk	Legal regulations are increasing with regards to sustainability and the Company strives to remain ahead of these changes.	The Company has a well read compliance team and on regular basis it consults, lawyers and other consultants to remain ahead of the curve.	Negative implications
6	Learning and Development	Opportunity	The Company realises the importance of a skilled workforce and it explores avenues to train their workforce.	-	Positive implications

Sr No	Material Issue Identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Health and Safety	Risk	The Company is committed to ensuring high standards of health, safety and environmental practices in organisation. It aims to comply with all applicable health, safety and environmental regulations and other requirements in our operations. During Covid -19 period, the Company actively undertook to promote health, safety in workplace by providing support to our employees, such as a helpdesk, vaccination camp and a number of oxygen concentrators, among others. The Company is committed to ensuring that the appropriate resources are provided, and that appropriate actions are taken, to implement and maintain sustainable health, safety and environmental practices and effective management systems.	The Company regularly assesses the efficacy of their Occupational Health and Safety policy and makes necessary updates.	Positive implications
8	Diversity	Opportunity	Diverse employees lead to better Company performance. The hiring practices of the Company seek to improve their diversity gap.	-	Positive implications
9	Transparency	Opportunity	The Company's principle is to ensure complete transparency to all its stakeholders and seeks to improve upon its practices.	-	Positive implications
10	Green House Gases (GHG) Emissions	Risk	Tracking GHG emissions has become an important policy for a multitude of companies. This is so because of India's ambition to become a Net Zero emitter by 2070.	Even though the Company is into trading business but it understands the impact of GHG emissions. The Company aims to track and offset emissions through adopting energy efficient practices.	Negative implications
11	Waste Management	Opportunity	Since the Company operates out of a leased property, it does not have jurisdiction over the waste disposed. However, Company is constantly striving for recycling measures, and other waste reduction strategies to combat this issue.	-	Negative implications

## Section B: Management and Process Disclosures

 <p><b>Principle 1</b></p>	<p><b>Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.</b></p> <p>The Company recognizes that ethical behaviour in all operations, functions and processes, is the cornerstone of businesses guiding their governance of economic, social and environmental responsibilities. The Company has formulated Code of Conduct for Board of Directors and Senior Management, Insider Trading Code, BRSR Policy, Vigil Mechanism and Whistle Blower Policy along with Anti Corruption and Anti Bribery Policy in order to ensure that the business is conducted and governed with integrity and in a manner that is ethical,transparent and accountable.</p>
 <p><b>Principle 2</b></p>	<p><b>Businesses should provide goods and services in a manner that is sustainable and safe.</b></p> <p>The Company believes that sustainable production and consumption are interrelated, contribute to enhancing the quality of life and towards protecting and preserving earth’s natural resources. In view of this, Company has formulated Corporate Sustainability Policy to ensure safety and resource-efficiency in the design and use of the products in a manner that creates value while minimizing and mitigating its adverse impacts on environment and society through all stages of its life cycle till its final disposal. Over the time, the Company has embraced the idea of circularity on all its operations.</p>
 <p><b>Principle 3</b></p>	<p><b>Businesses should respect and promote the well-being of all employees, including those in their value chains.</b></p> <p>The Governance structure of the Company ensures that the business complies with all regulatory requirements pertaining to its employees and in addition to this systems are being put in place to enable this to be done by its value chain partners also. The Company has formulated Policy for equal opportunities in employment to ensure the provision for the equal opportunities at the time of recruitment, during the course of employment and at the time of separation without any discrimination. Further, the Company promotes and respects right to freedom of association, participation of employees and work-life balance. The Company has Vigil Mechanism/Whistle Blower Policy and Internal Complaints Committee formulated in accordance with the provisions laid down under Prevention of Sexual Harassment (POSH) Act and Company’s Policy on POSH is in place to provide employees access to appropriate grievance redressal mechanism including sexual harassment.</p>
 <p><b>Principle 4</b></p>	<p><b>Businesses should respect the interests of and be responsive to all its stakeholders.</b></p> <p>The Company recognizes that it operates in an eco-system comprising a number of stakeholders, beyond shareholders and investors and acknowledges its responsibilities towards interests of all stakeholders especially those who may be vulnerable and marginalized. In order to fulfill its responsibility to maximize the positive impacts, the Company has formulated its governance structure in manner to ensure transparency in their policies, decisions, products and impacts on all stakeholders and the natural environment.</p>
 <p><b>Principle 5</b></p>	<p><b>Businesses should respect and promote human rights.</b></p> <p>The codes and policies formulated by the Company are inspired, informed and guided by the Constitution of India and recognizes that human rights are inherent, inalienable, interrelated, interdependent and indivisible to all human beings. The Company makes firm efforts to make its employees aware of their human rights and how they can address adverse human rights impacts.</p>
 <p><b>Principle 6</b></p>	<p><b>Businesses should respect and make efforts to protect and restore the environment.</b></p> <p>The Company acknowledges that environmental responsibility is a pre-requisite for sustainable economic growth and for the well-being of society and environmental issues are interconnected at the local, regional and global levels, which makes it imperative for businesses to address issues like pollution, biodiversity conservation, sustainable use of natural resources and climate change in a just, comprehensive and systematic manner. Therefore, Company is in a process to formulate appropriate policies, procedures and structures to assess,measure and address its adverse impacts on the environment at all its locations.</p>
 <p><b>Principle 7</b></p>	<p><b>Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.</b></p> <p>The Company operates within specified national and international legislative and policy framework, which guides the growth and also provides for certain desirable restrictions and boundaries. The Company legitimately engages with governments for redressal of grievances or for influencing public policy. The Company, to the extent possible, undertakes policy advocacy through trade and industry chambers and other similar collective platforms.</p>
 <p><b>Principle 8</b></p>	<p><b>Businesses should promote inclusive growth and equitable development.</b></p> <p>The Company recognizes the challenges of social and economic development faced by India, and builds upon the national and local agendas as articulated in government policies and priorities. In pursuance to this, Company has taken and takes appropriate actions to minimize adverse impacts, if any, that it has on social, cultural and economic aspects of society.</p>
 <p><b>Principle 9</b></p>	<p><b>Businesses should engage with and provide value to their consumers in a responsible manner.</b></p> <p>Keeping in mind the fact that the consumers have the freedom to choice in the selection and usage of goods and services, the Company strives to make available products that are safe, competitively priced, easy to use and safe to dispose of, for the benefit of their consumers.</p>

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and Management Processes</b>										
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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	https://www.ethoswatches.com/investors-information/corporate								
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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance,Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	The Company's policies are based on NVG principles and conform to UNGC Principles, ILO Principles and United Nations SDGs.								
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	In collaboration with socially responsible organizations, the Company has committed to plant one million trees within the next decade, beginning in 2021 by planting a tree for every watch purchased from Ethos.								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons incase the same are not met.	The Company has successfully met a majority of the goals that were set at the beginning of the financial year 2022-23.								
<b>Governance, leadership and oversight</b>										
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Please refer to "Management Discussion and Analysis" forming an integral part of the Annual Report.								
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Yashovardhan Saboo Chairman and Managing Director Email id- investor.communication@ethoswatches.com Contact details – 0172-2548223/24								
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.	The Board overseas the entire ESG function. The Committee is proposed to be formed.								

10. Details of review of NGRBCs by the company

Subject for review	Indicate whether review was undertaken by 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 above policies and follow up action	Committee of the Board									Annually							
Compliance with statutory requirements of relevance to the principles, and,rectification of any non-compliances	Committee of the Board									Annually								

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The assessment was carried out internally at regular intervals of time and as per requirements.								

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
a. The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
b. The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
c. The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
d. It is planned to be done in the next financial year(Yes/No)									
e. Any other reason (please specify)									



## 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 Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors/ Key Managerial Personnel	4 (Please refer note 1 below)	<ol style="list-style-type: none"> <li>1. Corporate Social Responsibility</li> <li>2. Prohibition of Insider Trading and sharing of UPSI</li> <li>3. Structured Digital Database under SEBI (Prohibition of Insider Trading) Regulation , 2011</li> <li>4. ESG and NGRBCs Principles</li> <li>5. Familiarization programs for Independent Directors</li> </ol>	100 %
Employees other than Board of Directors and Key Managerial Personnel	6 (Please refer note 1 below)	<ol style="list-style-type: none"> <li>1. Advance Product</li> <li>2. Hybrid Product</li> <li>3. Inductions &amp; Refresher Trainings</li> <li>4. Corporate Social Responsibility</li> <li>5. Structured Digital Database under SEBI (Prohibition of Insider Trading) Regulation , 2011</li> <li>6. ESG and NGRBCs Principles</li> </ol>	100 %

#### Note 1:-

- (a) During the FY 23, various presentations were made at Board and committee meetings at regular intervals whereby members of the Board as well as Key Managerial Personnel were informed on diverse topics pertaining to developments triggered by environmental, economic or regulatory changes along with the Company's obligations pertaining to ESG and CSR and key initiatives taken and proposed to be taken with respect to same.
- (b) The Company conducts orientation programs / presentations / training sessions, periodically at regular intervals, to familiarize the Independent Directors with the strategy, operations, and functions of the Company. Such orientation programs / presentations / training sessions provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's risk management strategy, governance policies, designated channels for flow of information and such other areas as deemed necessary.
- (c) During the FY 23, various sensitization programs were conducted as Structured Digital Database (SDD) Tool mandated under the SEBI guidelines, was made to put in place a framework for prohibition of insider trading in securities and to strengthen the legal framework to cater to changing dynamics of the market, whereby the concept of SDD was introduced keeping in mind that as and when the information starts taking shape of a price-sensitive information i.e. UPSI and such information is likely to "materially" affect the prices of the securities of the Company when published, sharing of such information shall be recorded in the Database to maintain the integrity of information.

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.

Monetary					
Segment	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount(in INR)	Brief of the Case	Has an appeal be preferred (Yes/ No)
Penalty/Fine					
Settlement			Nil		
Compounding fee					

Non-Monetary				
Segment	NGRBC Principle	Name of the regulatory/enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal be preferred(Yes/No)
Imprisonment				
Punishment			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.

Yes. The Company has a robust Anti Corruption and Anti Bribery policy available on the Company's website and can be accessed at <https://www.ethoswatches.com/investors-information/corporate>.

The Company believes in strict adherence to principles of good corporate governance and managing its affairs in fair, honest, ethical and transparent manner as an integral part of its philosophy. In furtherance to its philosophy, the Company has formulated the Anti Corruption and Anti Bribery Policy to ensure that no employee of the Company indulges in and associates with any act of bribery, extortion or corruption with any governmental officials or any person for or on behalf of the Company.

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		
KMPs	Nil	Nil
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 the Directors				
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil		Nil	

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.

Since there were no complaints received in relation to conflict of interest, the Company was not necessitated to take any corrective action.

## Leadership Indicators

### 1. Awareness programmes conducted for value chain partners on any of the principles during the financial year

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
3	Value chain partners are intimated on the Town Hall Meetings, Leadership Review Meetings and Internal departmental meetings.	100%

### 2. 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, as part of the corporate governance practices, the Company receives Annual Disclosures/Declaration (as amended from time to time) from its Board members and Key Managerial Personnels on the entities they are interested in. In addition to this all members of the Board along with KMPs and SMPs affirm to the Code of Conduct formulated by the Company whereby they affirm to disclose potential conflicts of interest that they may have regarding any matter, if any, at the Board Meetings and any Director having such conflict of interest will abstain himself/herself from discussions and voting on the concerned matter.

Further, all related party transactions and engagements are reviewed by the Audit Committee, Board and the Auditors of the Company on a quarterly basis. Moreover, all the related party transactions and engagements in the last financial year and the preceding years were done on an arm's length basis and the Company did not engage in any transactions that could be considered as material in accordance with the Company's Policy on Materiality of and Dealing with Related Party Transactions.

Company's Code of Conduct for Board Directors and Senior Management and Policy on Materiality of the related party transactions are available on the website of the Company and can be accessed at <https://www.ethoswatches.com/investors-information/corporate>.

## Principle 2 | Businesses should provide goods and services in a manner that is sustainable and safe

### Essential Indicators

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

Considering the Company's nature of business, R&D outlay and capital expenditure were confined to investments in information technology. Accordingly, investments were made by way of addition to capital assets in the form of Information Technology infrastructure e.g. equipment, software and communication networks to give impetus to the Company's digital initiatives. The new technology additions expanded the scope of digital operations, introduced greater process efficiency as well as reduced the total consumption of paper across the Company departments. For environmental sustainability, we have initiated investment on energy efficient equipment deployment (Variable Refrigerant Flow/5 Star rated Air Conditioners), LED lighting, LED signage, waterless urinals, sensor-based taps and aerators fitted taps etc.

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 investment will be made available in our BRSR from FY 24 onwards.

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

#### b. If yes, what percentage of inputs were sourced sustainably?

Yes. To achieve goals and ensure ethical conduct, it is empirical that the suppliers share Company's values and vision; and raise the sustainability standards in the supply chain. The Company acknowledges that long-term sustainable development of its suppliers is critical to their joint success. In line with the Company's commitment, the Company has formulated a Sustainable Procurement Policy which is an extension of its values and is applicable to all the suppliers.

Company's Sustainable Procurement Policy is available on the website of the Company and can be accessed at <https://www.ethoswatches.com/investors-information/corporate>.

#### 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.

The Company is in Retail Sector. It procures the product from its supplier and deliver the same to its customer. The Company has started its Certified Pre-owned business in FY 19. In this segment, Company procure the pre-owned watches from customer, refurbishes the same to the fullest and supply to its intended customers. This helps in managing the recycle of the products.

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.

Extended Producer Responsibility (EPR) is not applicable to the entity's activities as the Company is in retail sector.

### Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain(Yes/ No) If yes, provide the web-link.
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Not applicable. The Company is engaged in retail and luxury products and does not manufacture any such products.

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 action taken to mitigate the same.

Name of Product/Service	Description of the risk/ concern	Action taken
-------------------------	----------------------------------	--------------

No, the Company does not perform life cycle assessments for its products so there were no social or environmental concerns observed.

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).

The Company operates in Luxury Retail segment and therefore, the recyclable or reusable wastes are limited to corrugated boxes, bubble wraps and papers. Corrugated boxes find their further uses in the warehouses of the Company for the further storage purposes. The rest is sold as commodity to recyclers. Wherever possible the Company asks the vendors to reduce bulky packaging on the products and also encourages the use of packaging material which is recyclable or reusable. Altogether, percentage of recycled or reused input material to total material (by value) is negligible.

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

	FY 2022-23			FY 2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	The Company operates in Luxury Retail segment and therefore, the recyclable or reusable wastes are limited to corrugated boxes, bubble wraps and papers. Corrugated boxes find their further uses in the warehouses of the Company for the further storage purposes. The rest is sold as commodity to recyclers. Wherever possible the Company asks the vendors to reduce bulky packaging on the products and also encourages the use of packaging material which is recyclable or reusable. Altogether, percentage of recycled or reused input material to total material (by value) is negligible.					
E-waste (in kgs)	Nil	Nil	605.4	Nil	Nil	Nil
Hazardous waste	No hazardous or other waste is generated as the Company is into Retail Industry.					
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
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The Company does not manufacture the product and hence there is no reclaim. However, Company has pre-owned business section, where it procures the watch from customers those who want to sell it. Thereafter, the Company refurbishes the same watch as good as new at its state of the art service centre and make available to its prospective customers.

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

#### Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	440	440	100	440	100	-	-	-	-	-	-
Female	94	94	100	94	100	94	100	-	-	-	-
<b>Total</b>	<b>534</b>	<b>534</b>	<b>100</b>	<b>534</b>	<b>100</b>	<b>94</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Non Permanent employees</b>											
Male	14	14	100	14	100	-	-	-	-	-	-
Female	2	2	100	2	100	2	100	-	-	-	-
<b>Total</b>	<b>16</b>	<b>16</b>	<b>100</b>	<b>16</b>	<b>100</b>	<b>2</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

##### 2. Details of retirement benefits, for Current FY and Previous FY.

	FY 2022-23		FY 2021-22	
	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.81 %	Y	99.76 %	Y
Gratuity	100 %	Y	100 %	Y
ESI	6.18 %	Y	9.67 %	Y

##### 3. Accessibility of workplaces

**Are the premises / offices of the entity 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 duly recognizes the principles laid down under United Nation Convention on Rights of Persons with Disabilities and Rights of Persons with Disabilities Act, 2016 for empowerment of persons with disabilities. Retail stores and Backend Offices of the Company are located at various malls across the country whereby all kinds of facilities including accessible infrastructure, accessible washrooms, accessible transportation, accessible information and technology are provided to the persons with disabilities.

##### 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.

Yes, in pursuance of section 21 of Rights of Persons with Disabilities Act, 2016 read with relevant rules made thereunder, the Company has equal opportunity policy in place which is available on the website of the Company and can be accessed at <https://www.ethoswatches.com/investors-information/corporate>.

The Company duly recognizes the principles laid down under United Nation Convention on Rights of Persons with Disabilities and Rights of Persons with Disabilities Act, 2016 for empowerment of persons with disabilities. Retail stores and Backend Offices of the Company are located at various malls across the country whereby all kinds of facilities including accessible infrastructure, accessible washrooms, accessible transportation, accessible information and technology are provided to the persons with disabilities.

##### 5. Return to work and retention rates of permanent employees that took parental leave.

Gender	Return to work	Retention rate
Male	Nil	Nil
Female	1	100 %
<b>Total</b>	<b>1</b>	<b>100 %</b>

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.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent employees	Yes, Ethos is committed to developing a culture where it is safe for all employees to raise concerns about any unacceptable practice and any event of misconduct or violence of law in force.
Other than permanent employees	In line with the commitment and legal requirements, Ethos has established Vigil/ Whistle Blower Mechanism and formulated policy- <ol style="list-style-type: none"> <li>To provide a mechanism for employees of the Company to report any instance of unethical behaviour, actual or suspected fraud. To safeguard the confidentiality and interest of such employees / other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.</li> <li>To appropriately communicate the existence of such mechanism, within the organization and to outsiders.</li> </ol> Further, the Company has formulated a policy to create a mechanism for prevention, prohibition and redressal of sexual harassment so that women can work with dignity and equality in a safe environment. The policies mentioned above are available on the website of the Company and can be accessed at <a href="https://www.ethoswatches.com/investors-information/corporate">https://www.ethoswatches.com/investors-information/corporate</a> .

Note: The Company does not have permanent/ other than permanent workers

7. Membership of permanent employees in association(s) or Unions recognised by the listed entity

The Company focuses on establishing a positive and transparent relationship with its employees by prioritizing their welfare, fair compensation, and a safe working environment to encourage a collaborative work culture.

It recognizes employees' right to assemble, communicate and join associations of their choice in matters related to their employment within the purview of its policies and procedures. The Company respects the rights of the employees to associate or not associate through internal employee resource groups and seek representation, to bargain or not to bargain collectively in accordance with local laws.

8. Details of training given to employees

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and safety measures		On Skill up gradation		Total (D)	On Health and safety measures		On Skill up gradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Male	26	1	3.85%	25	96.15%	23	3	13.04%	20	86.96%
Female	26	1	3.85%	25	96.15%	23	3	13.04%	20	86.96%
<b>Total</b>	<b>52</b>	<b>2</b>	<b>3.85%</b>	<b>50</b>	<b>96.15%</b>	<b>46</b>	<b>6</b>	<b>13.04%</b>	<b>40</b>	<b>86.96%</b>

Note : The above details relates to number of training programs conducted during the year.

9. Details of performance and career development reviews of employees

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	%( D/C)
Male	440	440	100%	345	345	100%
Female	94	94	100%	79	79	100%
<b>Total</b>	<b>534</b>	<b>534</b>	<b>100%</b>	<b>424</b>	<b>424</b>	<b>100%</b>

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 such system?

Despite the primary activity of Ethos being the sale of luxury watches, the Company acknowledges the significance of ensuring employee safety. Ethos has taken measures to provide a safe working environment for all employees. The Company has equipped both stores and offices with first aid kits, and a doctor is available on call to address any medical concerns. This demonstrates the Company's commitment to maintaining a secure and healthy workplace for its staff. The Company also has a Comprehensive Group Insurance Policy to ensure employee's safety while travelling during the course of their duty.

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

As a retail business Ethos has minimal work related hazards. However, the management has aptly fixed any possible risks to its employees and routinely assesses for the same.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Not Applicable, as the Company does not have workers.

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

Yes.

**11. Details of safety related incidents by the employees, in the following format:**

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

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

- Ethos adheres to the Occupational Safety, Health and Working Conditions Amendment 2020 to prioritize employee safety.
- Employee health and safety are further ensured through benefits such as health and accident insurance.
- Regular sanitization of high-touch areas like doorknobs and desks is carried out to maintain a hygienic workplace.
- Employees undergo regular health check-ups to ensure their well-being.

**13. 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 year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

**14. Assessments for the year**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100 %
Working Conditions	100 %

**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 & safety practices and working conditions.**

Safety related risks are minimized at the workplace given the nature of the Company. However, employee well-being is prioritized and consistent feedback from all employees is collected to assess the health and safety practices and amend them , if needed from time to time.

**Leadership Indicators**

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

Yes, the Company offers Group Personal Accident Insurance and compensatory packages to its employees in case of death and supporting their families to avoid financial difficulties. The Company operates as a luxury watch retailer and has no workers; only employees are eligible for these benefits.

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

Yes, the Company undertakes measures to ensure that statutory dues are deducted and deposited by its value chain partners. The Company requires its partners to provide relevant tax documents such as TDS and GST certificates to ensure compliance with tax regulations. Additionally, the Company conducts periodic audits to ensure that all necessary deductions have been made and remitted to the appropriate authorities. These measures are put in place to ensure that the Company and its value chain partners operate in accordance with legal requirements and avoid any potential legal or financial liabilities. The Company approaches the value chain partners on a regular interval for the reconciliation of the accounts maintained at their ends for plugging the gaps and ensuring proper reconciliation on an ongoing basis.

**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 are rehabilitated and placed in suitable employment or whose family member have been placed in suitable employment**

No such incident reported in current financial year as well as previous year.

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?(Y/N)**

Yes. The Company ensures a smooth transition for all employees. The assistance is provided depending upon the nature of the incident of each employee.

**5. Details on assessment of value chain partners**

The Company requires its value chain partners, such as suppliers etc. to comply with all relevant regulations, including health and safety standards and working conditions. These expectations are clearly outlined in procurement contracts. While no specific assessments focusing solely on health and safety practices have been conducted, the Company conducts regular inspections of its partners to monitor their performance on various parameters, including health and safety compliances.

**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 Company has not identified any area of operation that pose risks or is of concern of health and safety practices from its value chain partners.

**Principle 4 | Businesses should respect the interests of and be responsive to all its stakeholders**

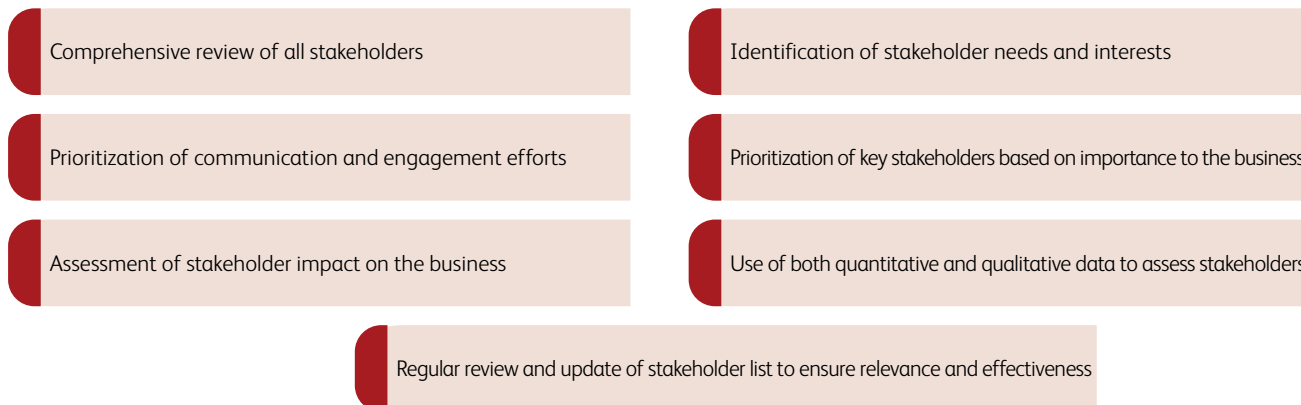
**Essential Indicators**

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

The Company follows a five-step process to identify its key stakeholder groups. Firstly, the Company conducts a comprehensive review of all stakeholders to ensure a thorough understanding of its stakeholder landscape. Secondly, the Company determines the purpose of identifying key stakeholders and sets priorities for communication and engagement efforts. Thirdly, the Company assesses the impact of stakeholders on its business and considers their level of influence, interest, and expectations. Fourthly, the Company identifies the needs and interests of stakeholders to ensure effective communication and engagement. Lastly, the Company prioritizes the list of key stakeholders based on their level of importance to the business.

During this process, the Company takes into account a range of internal and external stakeholders, including customers, suppliers, investors, employees, and the local community. To ensure a comprehensive understanding of stakeholders, the Company uses both quantitative and qualitative data, such as surveys, interviews, and stakeholder mapping. The Company also regularly reviews and updates its stakeholder list to ensure that communication and engagement efforts remain relevant and effective.

**To summarize:**





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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly / others –please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders	No	General Meetings/Emails/ Website/Communication to stock exchanges	Continuous	To inform and discuss Company's performance, their participation and involvement and discussing future prospectus.  Further, to ensure transparency of disclosure and spread awareness about their rights.
Investors	No	Investor calls/ Investor meets/ emails	Continuous	To inform and discuss Company's performance, their participation and involvement and formulate future prospectus.
Customers	No	Direct contact/ email/ SMS/ Newspaper/ Magazines/ Website/ Advertisement	Continuous	To have better connect with them and to ensure proper services to the existing one including but not limited to acquiring new ones.
Government/ Regulatory Bodies	No	Emails/ personal meetings/ Video calls/Website	As per the statutory requirements	Compliance to legal & regulatory obligations. Discussions on policy, regulations & amendments, and approvals.
Community/NGOs/ CSR Organization	Partially Yes	Emails/calls/Direct contacts	As and when required	Support CSR and ESG projects
Employees	No	Direct Contact/ social intranet/ email/employee apps/ townhall meetings/website/ internal meetings	Continuous	To inform employees on key developments within the Company; to involve employees in decision making and aligning them to the shared purpose of the Company's Vision, Values and business strategy; to invigorate employees and enable delivery of the employee promise

### 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 actively consults with stakeholders on environmental, social, and governance (ESG) topics through its various departments, ensuring continuous engagement. The Company gathers feedback regularly and integrates it into its strategy, aligning with its mission and vision. Material issues are internally reviewed, prioritized, and brought to relevant stakeholders for discussion, considering their impact on both the stakeholders and the business.

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 policies and activities of the entity.

Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. The Company conducted a materiality assessment during the ESG reporting process to identify key stakeholders and their concerns. Stakeholder consultation is then carried out to understand their perspective on these issues. Inputs received from stakeholders are considered while developing policies and activities related to environmental and social topics. Such inputs are appropriately considered and relevant and crucial inputs are then implemented by way of a policy formulated by the Board.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company along with parent company has formulated KDDL-Ethos Foundation for fulfilling its Corporate Social Responsibility. The Company independently also engages in dedicated CSR Projects for adding value to the environmental and social sustainability.

## Principle 5 | Businesses should respect and promote human rights

### Essential Indicators

1. Employees who have been provided training on human rights issues and policy(ies) of the entity, in the following format

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	534	534	100%	424	424	100%
Other than permanent	16	16	100%	17	17	100%
<b>Total employees</b>	<b>550</b>	<b>550</b>	<b>100%</b>	<b>441</b>	<b>441</b>	<b>100%</b>

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)
<b>Permanent</b>										
Male	The Company does not have workers. The Company is in compliance with payment of minimum wages to its employees.									
Female	The Company does not have workers. The Company is in compliance with payment of minimum wages to its employees.									
<b>Other than permanent</b>										
Male	The Company does not have workers. The Company is in compliance with payment of minimum wages to its employees.									
Female	The Company does not have workers. The Company is in compliance with payment of minimum wages to its employees.									

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration /salary/wages of respective category	Number	Median remuneration /salary/wages of respective category
Board of Directors (BoD)	10	11,16,426	2	3,30,923
Key Managerial Personnel (KMP)	3	1,09,07,816	Nil	Nil
Employees other than BoD and KMP	433	5,52,072	94	5,78,634

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 Human Resources (HR) department of the Company is fully responsible for managing the impacts and addressing the concerns of the employees within the organization. HR is committed to creating a work environment that is inclusive, safe and free from any form of discrimination, harassment or unfair treatment. They have a proactive approach towards identifying and addressing employee concerns, and strive to resolve any grievances in a timely and effective manner. HR ensures that all employees are aware of their rights, and they provide a mechanism for employees to report any concerns or issues that they may have. The department works closely with senior management to ensure that policies and practices are in place to support a positive work culture, and that employees are treated fairly and with respect at all times.

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

The Company has a well-established employee grievance redressal system in place, which allows employees to raise any concerns or complaints they may have. Such grievances can be addressed with the HR department or escalated to the senior management for resolution. The Company places great emphasis on ensuring that any grievances are resolved effectively and efficiently, in order to promote a positive and healthy work environment.

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

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

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

The Company has formed an Internal Complaints Committee under the POSH Act. Employees can raise their complaints with this committee and the committee further acts on it while maintaining complete confidentiality of the complainant until the committee arrives at a suitable verdict. The committee also organizes training and sensitization sessions for all the employees regularly in the form of 'induction workshops'.

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

The Company does not currently incorporate human rights requirements within its business agreements and contracts. However, the Company places significant emphasis on the need to protect the human rights of its employees and carries out regular assessments to ensure that these are upheld. This approach is in line with the Company's commitment to ethical and responsible business practices, and reflects its belief that safeguarding human rights is a fundamental aspect of this. While the Company recognizes that there is room for improvement in this area, it remains committed in upholding human rights across all of its operations.

9. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced Labour/Involuntary Labour	100%
Wages	100%
Other human rights related issues	100%

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

Comprehensive assessments are done by the Human Resource department and corrective actions for each significant risk identified are taken. The Human Resources department has formulated mechanism to address the same in case any risks arise.

### Leadership Indicators

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

The Company prioritizes human rights of its employees above all and is crucial to the organization. However, no business process requires any amendments / modifications as the policies and processes that the Company adhere to the requirements of Human rights.

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

For the FY 23 the Company has commissioned human rights due-diligence internally by the HR Department of the Company. The areas covered include child labour, forced labour, discrimination, harassment at workplace, work- life balance, training and education, environmental, occupational health and safety.

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?**

Yes, Company outlets that are situated in malls are accessible to differently abled visitors. Retail stores are leased in shopping malls across the country that try to ensure access to differently-abled employees and visitors.

4. **Details on assessment of value chain partners**

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Sexual Harassment	
Discrimination at workplace	
Child Labour	As of now, none of the value chain partners were assessed during the year. The Company is in the process of devising a mechanism for the same.
Forced Labour/Involuntary Labour	
Wages	
Other human rights related issues	

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

No such cases were reported and hence not applicable.

## 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, in the following format:

Parameter	FY 2022-23 (Units - GJ)	FY 2021-22 (Units - GJ)
Total electricity consumption (A)	3580.98	1876.66
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	444.79	303.89
<b>Total energy consumption (A+B+C)</b>	<b>4025.77</b>	<b>2180.55</b>

No independent assessment/ evaluation/assurance has been carried out by an external agency.

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.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) – the relevant metric may be selected by the entity		

The Company has all its premises at leased locations. The water withdrawal is generally resorted through the invoices shared by the maintenance agency with our various stores.

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

No, Company stores are leased in shopping malls which reduces the total water consumption. Moreover, the waste water is further treated by the mall management and property owners wherever possible.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	484	262

No independent assessment/ evaluation/assurance has been carried out by an external agency.

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

Company's stores are leased properties in shopping malls. As of now, Company does not have any project related to reduction in GHG emissions but the Company is in process of implementation.

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

Parameter	FY 2022-23	FY 2021-22
<b>Total waste generated (in kgs)</b>		
Plastic Waste (A)		
E-waste (B)	605.4	Nil
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Other Hazardous waste. Please specify, if any. (G)		
<b>Total</b>	605.4	Nil

The Company operates in Luxury Retail segment and therefore, the recyclable or reusable wastes are limited to corrugated boxes, bubble wraps and papers. Corrugated boxes find their further uses in the warehouses of the Company for the further storage purposes. The rest is sold as commodity to recyclers. Wherever possible the Company asks the vendors to reduce bulky packaging on the products and also encourages the use of packaging material which is recyclable or reusable. Altogether, percentage of recycled or reused input material to total material (by value) is negligible.

No such other waste is generated as the Company operates as a retail company.

No independent assessment/ evaluation/assurance has been carried out by an external agency.

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

The Company primarily operates out of malls and all the waste Management is being managed by the entity responsible for the maintenance operations of the Malls. Considering the nature of business of the Company, there is no hazardous waste that was generated during its Operations.

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:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

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

Name and brief details of project	EIA Notification No.	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes /No)	Relevant Web link
Not Applicable				

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, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is compliant with all the applicable environmental laws/regulations/guidelines prevalent in India.

## Leadership Indicators

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
<b>From renewable sources</b>		
Total electricity consumption (A)	Nil	Nil
Total fuel consumption (B)	Nil	Nil
Energy consumption through other sources(C)	Nil	Nil
<b>Total energy consumed from renewable sources (A+B+C)</b>	Nil	Nil
<b>From non-renewable sources</b>		
Category of waste		
Total electricity consumption (D)	3580.98	1876.66
Total fuel consumption (E)	Nil	Nil
Energy consumption through other sources (F)	444.79	303.89
<b>Total energy consumed from non-renewablesources (D+E+F)</b>	<b>4025.77</b>	<b>2180.55</b>

No independent assessment/ evaluation/assurance has been carried out by an external agency.

**2. Provide the following details related to water discharged**

Parameter	FY 2022-23	FY 2021-22
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
i) To surface water	As all our locations are at leased premises, the water discharged is at the behest of the maintenance agency appointed by the Lessors/ Licensors at the stores who are responsible for treating the water discharge at the location.	
- No treatment		
- With treatment – please specify level of treatment		
ii) To groundwater		
- No treatment		
- With treatment – please specify level of treatment		
iii) To seawater		
- No treatment		
- With treatment – please specify level of treatment		
iv) Others		
- No treatment		
- With treatment – please specify level of treatment		
<b>Total water discharged(in kilolitres)</b>		

No independent assessment/ evaluation/assurance has been carried out by an external agency.

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

**For each facility / plant located in areas of water stress, provide the following information:**

No such area or location has been determined. by the Company to be possessed with water stress.

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

As of now, the Company has no Scope 3 emissions.

**5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remedial 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 outcome of such initiatives, as per the following format:**

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	The Company is into retail business and shall endeavour to take steps to improve resource efficiency . The Company uses its major marketing initiative digitally, relying specifically on the omnichannel platform that it operates on.		

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

By giving our consumers both physical and digital shopping experiences through our Omnichannel model, we want to remain relevant at all the touchpoints of a consumer’s journey. Our Omnichannel content offers endless aisle and our loyalty program have helped us to offer our consumers a comprehensive buying experience across online and offline platforms. The owners of some of the luxury watch brands do not permit their watches to be sold online, but our digital platform features information about such watches online as part of its marketing strategy. Our website is custom-built with what we believe to be content rich, high- quality images and videos. Through our team responsible for e-commerce and web design, our Company has created landing pages for each of its luxury brands, with distinctive brand imagery.

**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.**

The Company strives that its value chain operates without any negative environmental impacts. To ensure this, the Company conduct regular assessments to ensure environmentally conscious practices are being implemented. The Company also suggests corrective measures if needed. The downstream value chain will be governed by the ESG Risk Framework(the formulation for which is underway), which sets the minimum global standards that the Company must meet regarding environmental and social risk management. This framework helps to avoid, reduce, and responsibly mitigate potential business and reputational risks, as well as risks to people and the planet.

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

31.5% of the suppliers were assessed for environmental impacts.

**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.

1 (One)

- b. Number of affiliations with trade and industry chambers/ associations.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Retailers Association of India	National

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

Name of authority	Brief of the case	Corrective action taken
There was no case of anticompetitive conduct from the Company.		

**Leadership Indicators**

1. Details of public policy positions advocated by the entity

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify)	Web Link, if available
1	Yes	As per the policy	Yes	Annually	<a href="https://www.ethoswatches.com/investors-information/corporate">https://www.ethoswatches.com/investors-information/corporate</a>

**Principle 8** | Businesses should promote inclusive growth and equitable development

**Essential Indicators**

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes /No)	Relevant Weblink
Not Applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format

Sr No	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

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

The Company believes in serving its customers and the community and have a robust grievance redressal mechanism. Customers can reach out to the team through various channels of communication. A dedicated phone number and email ID have also been allocated for customers to register their grievances.



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	Nil	Nil
Sourced directly from within the district and neighbouring districts	Nil	Nil

Note : As the Company is in the business of retail of premium and luxury watches, all our products are imported and hence not applicable.

### 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)

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

Sr No	State	Aspirational District	Amount Spent(in INR Lakhs)
1	New Delhi	New Delhi	0.20
2		PAN INDIA	2.00
3		PAN INDIA	11.96*
4		PAN INDIA	9.28
5	Uttar Pradesh	Ghaziabad	2.50

\*Through KDDL-Ethos Foundation

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

The Company has implemented Corporate Sustainability Policy which profusely provides preferences to purchase from suppliers comprising marginalised/vulnerable groups as well.

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

The procurement is based on many factors owing to the requirement of the organisation from time to time.

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

The overall percentage is negligible.

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

S. No.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Nil				

Note: Company has purchased the IPR from its parent company, KDDL Limited during the year pursuant to Deed of Assignment of Trademarks.

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.

Name of authority	Brief of the case	Corrective action taken
Nil		

6. Details of beneficiaries of CSR Projects

Sr No	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	“Cauvery Calling” project, as a part of Million Tree project	As on date 74,595 saplings planted	100
2	Ecobricks Christmas Tree Project	approximately 20 to 30 persons	100
3	Promoting training and education	approximately 20 to 30 persons	100
4	‘Unspecified’ - Through KDDL-Ethos Foundation	To be determined	100%

**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.

There are various mechanisms to receive and respond to consumer complaints and feedback on the website:

1. There is a dedicated Customer care number on the Home page
2. Online order helplines are there on the Home page
3. There is dedicated HELP CENTRE page which has all the helpline numbers and email addresses for customer feedback, grievances and Complaints
4. There is a dedicated REPAIR AND SERVICE page providing relevant options to the customer to request a call back or get in touch. Complaints received via social media are shared with complaints@ethoswatches.com internally and are addressed in a timely manner.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

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	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	Nil	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Nil	Nil	Nil	Nil	Nil	Nil
Restrictive Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Unfair Trade Practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	

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 Technology (IT) policy.

trends and on time delivery of goods ordered by customers. The Company has a robust IT policy in place to ensure safety of cyber security. The Company constantly seeks to improve upon this IT policy.

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.

The Company strives for a thriving customer experience by providing advertisements that are in line with the market

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

- Ethos Watches Website
- Ethos Watches Instagram Handle

- Ethos Watches Facebook Handle
- Ethos Watch Boutiques YouTube Channel
- Ethos Watch Boutiques LinkedIn

Sold on:

- Tata Cliq
- Ajio
- Nykaa Fashion
- Amazon India

**2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company utilises their communication channels with customers about the safe and responsible usage of their products, this includes during the time of sale if the product poses any risks.

**3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The Company maintains a regular catalogue of all products offered on their website, and the physical stores. This catalogue is updated regularly with the products in demand being highlighted. The Company also offers personalised updates to customers.

**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.**

Yes, it does. Over and above the product information that is mandatory, we display the below information for enhancing consumer experience

1. Product attributes
2. Videos
3. Descriptions
4. Images

Did your entity carry out any survey with regard 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)

No such surveys were conducted.

**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**

Nil