



June 23, 2023

NUCLEUS SOFTWARE EXPORTS LTD.

CIN : L74899DL1989PLC034594

Corporate Office

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| | |
|--|---|
| The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex Bandra (E) Mumbai-400051. Fax Nos. 022-26598236/237/238 | The Listing Department Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street Mumbai-400001 Fax No. 022-22722061/41/39 |
|--|---|

Dear Sir,

Sub: Regulation 34(2)(f) - Business Responsibility and Sustainability of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. 2015 ("Listing Regulations")

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Regulation) Regulation 2015, Please find the Copy of **Business Responsibility and Sustainability Report for FY 2022-2023**.

This for your information and records.

Thanking You

Yours Sincerely

FOR NUCLEUS SOFTWARE EXPORTS LIMITED

**(POONAM BHASIN)
COMPANY SECRETARY**

Registered Office

33-35 Thyagraj Nagar Mkt, New Delhi - 110003

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Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. [Details of the listed entity](#)

| | | |
|---------|--|--|
| Sl. No. | Corporate Identity Number (CIN) of the Listed Entity | L74899DL1989PLC034594 |
| 1. | Name of the Listed Entity | Nucleus Software Exports Limited |
| 2. | Year of incorporation | 1989 |
| 3. | Registered office address | 33-35, Thyagraj Nagar Market, New Delhi-110003 |
| 4. | Corporate office address | A-39, Sector 62, Noida- 201307, Uttar Pradesh |
| 5. | E-mail: | investorrelations@nucleussoftware.com |
| 6. | Telephone | 0120-4031-400 |
| 7. | Website | www.nucleussoftware.com |
| 8. | Financial year for which reporting is being done | FY 22-23 |
| 9. | Name of the Stock Exchange(s) where shares are listed | National Stock exchange and Bombay Stock Exchange |
| 10. | Paid-up Capital | ₹ 26.77 Crore |
| 11. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Ms. Poonam Bhasin, Company Secretary and Compliance Officer 0120-4031-400 poonam@nucleussoftware.com |
| 12. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosures under this report are made on a standalone basis |

II. [Products/services](#)

13. 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. | IT Software, Services and related activities | Service Provider of leading & transaction banking products to financial service industry | 100% |

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

| S. No. | Product/Service | NIC Code | % of total contributed Turnover |
|--------|---|----------|---------------------------------|
| 1. | Software application development and maintenance, IT consulting Service | 2601 | 100% |

III. [Operations](#)

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

| Locations | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | NA | 5 | 5 |
| International | NA | 2 | 2 |

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16. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|--------|
| National (No. of States) | 15+ |
| International (No. of Countries) | 50+ |

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

43.6%

c. A brief on types of customers

Nucleus provides lending and transaction banking products to global financial leaders. It powers the operations of 200+ Financial Institutions in supporting retail and corporate lending, cash management, mobile and internet banking.

IV. Employees

17. Details as at the end of Financial Year:

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) | 1,717 | 1,284 | 75% | 433 | 25% |
| 2. | Other than Permanent (E) | 25 | 22 | 88% | 3 | 12% |
| 3. | Total employees (D + E) | 1,742 | 1,306 | 75% | 436 | 25% |
| WORKERS | | | | | | |
| 4. | Permanent (F) | - | - | - | - | - |
| 5. | Other than Permanent (G) | - | - | - | - | - |
| 6. | Total workers (F + G) | - | - | - | - | - |

b. Differently abled Employees and workers:

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|--|-----------|----------|------------|----------|------------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 6 | 2 | 33% | 4 | 67% |
| 2. | Other than Permanent (E) | NIL | NIL | | NIL | |
| 3. | Total differently abled employees (D + E) | 6 | 2 | 33% | 4 | 67% |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | - | - | - | - | - |
| 5. | Other than permanent (G) | - | - | - | - | - |
| 6. | Total differently abled workers (F + G) | - | - | - | - | - |

18. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|---------------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 10 | 3 | 33% |
| Key Management Personnel (KMP)* | 1 | 1 | 100% |

- Key Management Person excludes Board of Directors

19. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

| | FY 2023 (Turnover rate in current FY) | | | FY 2022 (Turnover rate in previous FY) | | | FY 2021 (Turnover rate in the year prior to the previous FY) | | |
|---------------------|--|--------|-------|---|--------|-------|---|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 15% | 17% | 16% | 35% | 37% | 36% | 15% | 14% | 15% |
| Permanent Workers | - | - | - | - | - | - | - | - | - |

V. Holding, Subsidiary and Associate Companies (including joint ventures)
20. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/ subsidiary/ associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 1. | Nucleus Software Solutions Pte. Ltd. | Subsidiary | 100% | No |
| 2. | Nucleus Software Inc. | Subsidiary | 100% | No |
| 3. | Nucleus Software Japan Kabushiki Kaisha | Subsidiary | 100% | No |
| 4. | Nucleus Software Netherlands B.V. | Subsidiary | 100% | No |
| 5. | Nucleus Software Ltd. | Subsidiary | 100% | yes |
| 6. | Nucleus Software Australia Pty. Ltd. | Subsidiary | 100% | No |
| 7. | Nucleus Software South Africa Pty. Ltd. | Subsidiary | 100% | No |

VI. CSR Details
21. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

(ii) Turnover (in Crores) – ₹ 584.73 Crores

(iii) Net worth (in Crores) – ₹. 587.89 Crores

VII. Transparency and Disclosures Compliances
22. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|---|---|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any at ir@nucleussoftware.com | Nil | Nil | Nil | Nil | Nil | Nil |
| Investors (other than shareholders) | Yes, a mechanism is in place to interact and to understand and address their concerns, if any at ir@nucleussoftware.com | Nil | Nil | Nil | Nil | Nil | Nil |
| Shareholders | Yes, Shareholder can register their grievances at designated email Id i.e. investorrelations@nucleussoftware.com They can also register grievance at https://scores.gov.in/scores/Welcom.html | 32 | Nil | Nil | 23 | Nil | Nil |

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| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Employees and workers | The Company following policies to address grievance of employees i.e. - Employees Grievance Redressal Policy - Whistle Blower policy - Policy on Prevention of Sexual Harassment. The link to Whistle Blower Policy is www.nucleussoftware.com | Nil | Nil | Nil | Nil | Nil | Nil |
| Customers | The "Voice of Customer" survey enables us to understand the client's expectations, needs, satisfaction levels and overall experience of working with the Company. The feedback is collected through a survey, which includes a structured questionnaire. The respective teams engage with the customer to implement the improvement actions and can reach us at voc@nucleussoftware.com | Nil | Nil | Nil | Nil | Nil | Nil |
| Value Chain Partners | Yes, a mechanism is in place to interact with community leaders to understand and address their concerns, if any at marketing@nucleussoftware.com | Nil | Nil | Nil | Nil | Nil | Nil |
| Other (please specify) | - | - | - | - | - | - | - |

23. 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 along-with its financial implications.

Please refer Risk Management Report forming part of this Annual Report

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|---|--|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | | |
| 1. | a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | b. Has the policy been approved by the Board? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | c. Web Link of the Policies, if available | www.nucleussoftware.com | | | | | | | | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | N | N | N | N | N | N | N | N | N |

| | | | | | | | | | | | | | | | | | | | |
|---|---|--|-----|-----|-----|-----|-----|-----|-----|-----|---|-----|-----|-----|-----|-----|-----|-----|-----|
| 4. | Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | -ISO/IEC: 27001: 2013 -Export Promotion Council | | | | | | | | | | | | | | | | | |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 6. | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | Department wise specific commitments, goals and targets have been identified at the time of finalisation of annual business plan. Performance against this specific goal and targets are being monitored continuously. | | | | | | | | | | | | | | | | | |
| Governance, leadership and oversight | | | | | | | | | | | | | | | | | | | |
| 7. | Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements | Please refer ESG Section printed elsewhere in this Annual Report | | | | | | | | | | | | | | | | | |
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Board of Directors of the Company. | | | | | | | | | | | | | | | | | |
| 9. | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? | Yes, the Company has committee of Board of Directors for risk management and for making decisions on sustainability issues. | | | | | | | | | | | | | | | | | |
| 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) | | | | | | | | |
| | | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| | Performance against above policies and follow up action | Board of Directors | | | | | | | | | Annually | | | | | | | | |
| | Compliance with statutory requirements of relevance to the principles and, rectification of any non-compliances | Board of Directors | | | | | | | | | Annually | | | | | | | | |
| 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. | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | No, the Company has evaluated the working of its policies internally | | | | | | | | |

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

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| The entity does not consider the Principles material to its business | | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task | | | | | | | | | |
| It is planned to be done in the next financial year | | | | | | | | | |
| Any other reason | | | | | | | | | |

The Company is continuously reviewing its policies to align with the BR principles in full spirit. The assessment for adoption/ implementation of these policies will be continued in next financial year also.

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 awareness programmes |
|-----------------------------------|--|--|---|
| Board of Directors | 6 | New Amendments in Laws, Risk Monitoring and mitigation plan, Regulatory updates, Cyber security and Code of conduct. | 100% |
| Key Managerial Personnel* | 10 | Risk Monitoring and mitigation plan, Code of conduct (business), business ethics, Diversity and Integrity, POSH, Cyber security, Goal Setting, Leadership, Team Building | 100% |
| Employees other than BoD and KMPs | 10 | Risk Monitoring and mitigation plan, Code of conduct (business), business ethics, Diversity and Integrity, POSH, Cyber security, Goal Setting, Leadership, Team Building | 100% |
| Workers | - | - | - |

*KMP includes Board of Directors of the Company.

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.

There are no monetary or non-monetary actions on the Company or its directors/ KMPs with regulators /law enforcement agencies /judicial institutions, in the financial year.

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 Policy is available at Company's Intranet.

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

No such disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.

6. Details of complaints with regard to conflict of interest:

| | FY 2023 (Current Financial Year) | | FY 2022 (Previous Financial Year) | |
|--|-------------------------------------|---------|--------------------------------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | NA | Nil | NA |
| Number of complaints received in relation to issues of Conflict of Interest of the KMP | 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. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Yes

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. The Company receives periodic / ongoing declarations from its Board members, on the entities they are interested in and ensures requisite approvals, as required under the statute as well as the Company's policies, are in place before transacting with such individuals / entities.

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.

| | Current Year Financial | Previous Year Financial | Details improvements of in environmental social impacts and social impacts |
|-------|------------------------|-------------------------|--|
| R&D | - | - | We at present do not separately track R&D spend on ESG. However, our IP and new solution offerings encompass a range of sustainability offerings across sectors. |
| Capex | 0.11% | Nil | We are constructing our own in-house Sewage Treatment Plant |

2. a. Does the entity have procedures in place for sustainable sourcing? If yes, what percentage of inputs were sourced sustainably?

Yes, The Company works towards sustainable sourcing and ensure that the social and environmental performance extends to our supply chain by sharing the expectations with our vendors from time to time. We also promote localization of business by giving preferences to local vendors. The Company is a strong believer in local sourcing when it comes to talent and materials. Procurement of materials from local sources is a smart strategy, we have been following for years, since it reduces time, cost and efforts in procurement, apart from being responsible to the growth of supply base around our locations. Nucleus is committed to do business with environmentally responsible vendors with an objective to safeguard the community, the environment and natural resources

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.

Not Applicable

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

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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?

Life Cycle Perspective / Assessments is not applicable to us since we are not in the product manufacturing segment.

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.

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, amount (in metric tonnes) reused, recycled, and safely disposed.

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

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) |
| Permanent employees | | | | | | | | | | | |
| Male | 1,284 | 1,284 | 100% | 1,284 | 100% | - | - | 1,284 | 100% | 1,284 | 100% |
| Female | 433 | 433 | 100% | 433 | 100% | 433 | 100% | - | - | 433 | 100% |
| Total | 1,717 | 1,717 | 100% | 1,717 | 100% | 433 | 100% | 1,284 | 100% | 1,717 | 100% |
| Other than Permanent employees | | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - | - |

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

NA

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

| Benefits | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|-------------------------|--|--|--|--|--|--|
| | 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 | 1,717 | 100% | Y | 1,436 | 100% | Y |
| Gratuity | 1,717 | 100% | Y | 1,436 | 100% | Y |
| ESI | - | - | - | - | - | - |
| Others – please specify | - | - | - | - | - | - |

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.

Yes, our offices have accessible infrastructure: accessibility principles are integrated into the building and campus infrastructure as part of the design. It is treated as an essential aspect along with other key principles such as productivity, health and wellness, and sustainability. From parking spaces to campus entrances and building-level interventions, accessibility in our infrastructure goes beyond regulatory requirements to ensure our buildings cater to the needs of all users and society.

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, We have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 available on Company's Intranet.

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

| Gender | Permanent employees | | Permanent workers | |
|--------------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | - | - |
| Female | 100% | 100% | - | - |
| Total | 100% | 100% | - | - |

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 Workers | NA |
| Other than Permanent Workers | NA |
| Permanent Employees | Yes |
| Other than Permanent Employees | Yes |

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

NA

8. Details of training given to employees and workers:

| Category | FY 2023 Current Financial Year | | | | | FY 2022 Previous Financial Year | | | | |
|------------------|-----------------------------------|-------------------------------|-------------|----------------------|--------------|------------------------------------|-------------------------------|-------------|----------------------|-------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Employees | | | | | | | | | | |
| Male | 1,284 | 1,284 | 100% | 1,284 | 100% | 1,052 | 1052 | 100% | 1052 | 100% |
| Female | 433 | 433 | 100% | 427 | 98.6% | 384 | 384 | 100% | 384 | 100% |
| Total | 1,717 | 1,717 | 100% | 1,711 | 99.6% | 1,436 | 1,436 | 100% | 1,436 | 100% |
| Workers | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - | - | - | - |

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9. Details of performance and career development reviews of employees and worker:

| Category | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|------------------|-----------------------------------|--------------|-------------|------------------------------------|---------------|-------------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (E) | % (E / D) |
| Employees | | | | | | |
| Male | 931 | 931 | 100% | 872 | 872 | 100% |
| Female | 329 | 329 | 100% | 341 | 341 | 100% |
| Total | 1,260* | 1,260 | 100% | 1,213 | 1,213* | 100% |
| Workers | | | | | | |
| Male | - | - | - | - | - | - |
| Female | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

* This is for eligible employee upto certain grade excludes contract, trainees.

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?

Yes. Occupational Health and Safety Management System has been implemented. Occupational Health and Safety protection is an integral component of the business. The Company herewith :

- a) conducts Health Check ups for its employees at different intervals and also arranges re-creational activities for Employees well being in office premises.
- b) arranges re-creational activities for Employees well being in office premises such as yoga, zumba and gym.
- b) complies with all applicable legal, statutory & regulatory and other required regulations related to Health and Safety;
- c) ensures proper disposal of waste/pollutant/e-waste to minimise impact on environment and risk to employees;

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

We identify occupational health and safety risks proactively, for all existing / new / modified activities, processes, products or services and regulatory changes including routine such as Fire Detection Protection System Management, Hazard Identification, Risk Assessment and Risk Management, People Competency Behaviours etc. As an IT / ITES company, there are no product risks, but there are those related to the provision of services like ergonomics in work and those associated with the operation of utilities and employee commute. Participation and consultation with relevant personnel involved in the activities is ensured during the risk assessments.

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

Yes

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

Yes

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

| Safety Incident/Number | Category | FY 2023 Current Financial Year | FY2022 Previous Financial Year |
|---|-----------|--------------------------------|--------------------------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| | Employees | Nil | Nil |
| Total recordable work-related injuries | Workers | Nil | Nil |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | Nil | Nil |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | Nil | Nil |

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

Our offices are designed with ergonomic workstations and furniture, provision of breakout, recreational and collaboration space as we strive to provide a stress-free work environment to our employees. In our office location, we have provision and maintenance of fire detection alarm, and suppression systems. We also conduct regular mock drills for fire evacuation as well as medical emergencies.

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

| Category | FY 2023 (Current Financial Year) | | | FY 2022 (Previous Financial Year) | | |
|--------------------|-------------------------------------|---------------------------------------|---------|--------------------------------------|---------------------------------------|---------|
| | 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 | Our Office is ISO compliant and have been audited during FY 2023 by qualified internal auditors. |
| Working Conditions | |

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.

No such incident took place during the year.

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 has identified all the individuals, organisations and Institutions who are associated with the Company as its Stakeholders

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

| Stakeholder Group | 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 |
|------------------------------|---|---|---|
| Investors | Quarterly publication of results, Newspaper advertisements, Email, Website, Analysts/Investor Calls, Annual General Meetings, Stock Exchange intimations etc. | Annually/Half yearly/ Quarterly/ Event basis | Compliance, Governance practices |
| Employees | Open house, one-on-one counselling, Conference Calls, team meetings, Phone calls, Meetings, operations and assessments reviews etc. | Regularly | Day to day activities / Conduct of business |
| Customers | Email, Meetings, Project-related calls and meetings; project management reviews; relationship meetings and reviews; executive meetings and briefings; customer visits; responses to RFIs/RFPs; sponsored events; mailers; newsletters; brochures etc. | Regularly | Business/Project related |
| Suppliers, Service Providers | Email, Meetings, Phone calls, Websites empanelment process etc. | as and when required | Business/Project related |
| Regulatory Bodies | Emails, Meetings, Submission forms/ returns / intimations etc. | Annually/Half yearly/ Quarterly/ Event basis | In relation to Compliances with applicable laws |

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.

Meeting Environment, Social and Governance criteria has been an important goal for the Company. With this belief in mind, the Company has set up Nucleus Software Foundation(NSF), a Trust. This Trust works along with CSR Committee of the Board of Directors on economic environment and social topics. The CSR Committee then places the feedback before the Board.

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.

The Company takes inputs from stakeholder consultation and continuous improvement of the policies are made accordingly.

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

Nil

PRINCIPLE 5 Businesses should respect and promote human rights
Essential Indicators

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

| Category | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|------------------------|-----------------------------------|--|-------------|------------------------------------|--|-------------|
| | Total (A) | No. of employees / workers covered (B) | % (B / A) | Total (C) | No. of / employees workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 1,717 | 1,717 | 100% | 1,436 | 1,436 | 100% |
| Other than permanent | 25 | 25 | 100% | 305 | 305 | 100% |
| Total Employees | 1,742 | 1,742 | 100% | 1,741 | 1,741 | 100% |
| Workers | | | | | | |
| Permanent | - | - | - | - | - | - |
| Other than permanent | - | - | - | - | - | - |
| Total Workers | - | - | - | - | - | - |

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

| Category | FY 2023 Current Financial Year | | | | | FY 2022 Previous Financial Year | | | | |
|-----------------------------|-----------------------------------|-----------------------|-----------|------------------------|-----------|------------------------------------|-----------------------|-----------|------------------------|-----------|
| | 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 | 1,717 | - | - | 1,717 | 100% | 1,436 | - | - | 1,436 | 100% |
| Male | 433 | - | - | 433 | 100% | 384 | - | - | 384 | 100% |
| Female | 1,284 | - | - | 1,284 | 100% | 1,052 | - | - | 1,052 | 100% |
| Other than Permanent | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Workers | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |
| Other than Permanent | | | | | | | | | | |
| Male | - | - | - | - | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - |

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

| | Number | Male | Number | Female |
|---|--------|---|--------|---|
| | | Median remuneration/ salary/ wages of respective category | | Median remuneration/ salary/ wages of respective category |
| Board of Directors* (BoD) | 4 | 14,906,585 | 1 | 4,882,572 |
| Key Managerial Personnel (excluded MD, CEO and ED)# | - | - | 1 | 5,127,161 |
| Employees other than BoD and KMP | 1,302 | 1,416,900 | 434 | 1,123,934 |
| Workers | - | - | - | - |

*Remuneration to Chief Executive Officer and Managing Director (CEO and MD) has been included in BOD

#Key Management Personnel includes Company Secretary (CS)

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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

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

This is forming part of in the Equal opportunity policy and Grievance Redressal Policy.

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

| | FY 2023 Current Financial Year | | | FY 2022 Previous Financial Year | | |
|-----------------------------------|-----------------------------------|---------------------------------------|---------|------------------------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | Nil | Nil | Nil | Nil |
| Discrimination at workplace | Nil | Nil | Nil | Nil | Nil | Nil |
| Child Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Forced Labour/Involuntary Labour | Nil | Nil | Nil | Nil | Nil | Nil |
| Wages | Nil | Nil | Nil | Nil | Nil | Nil |
| Other human rights related issues | Nil | Nil | Nil | Nil | Nil | Nil |

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

The following policies govern the mechanism of redressing complaints

- a. *Policy on Prevention of Sexual Harassment*
- b. *Equal Opportunity Policy*
- c. *Grievance redressal Policy*

8. Do human rights requirements form part of your business agreements and contracts?

Yes , as per applicable labour laws.

9. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour | We internally monitors compliance for all relevant laws and policies pertaining to these issues at 100% of its offices |
| 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.

No concern/risk is identified during these assessment.

Leadership Indicators

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

At Nucleus, our commitment to a values-based ethos is embodied in our Code of Conduct and Ethics. It is available at Nucleus Intranet. We want to continue to build a culture of compliance, where everyone feels they are doing the right thing and prioritizing legal and ethical choices.

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

We adopts a zero-tolerance approach to issues related to human rights. We follows all government regulations and regulatory policies and comply to local laws through its policies and standards

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, premise/office of the entity accessible to differently abled visitors

4. Details on assessment of value chain partners:

| | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------------|--|
| Sexual Harassment | All value chain partners are expected to adhere to the CoC, which does not tolerate any form of harassment, whether sexual, physical, verbal or psychological. However, Nucleus does not conduct any formal assessment for the same. |
| Discrimination at workplace | 100% of value chain partners were assessed. |
| Child Labour | |
| Forced Labour / Involuntary Labour | |
| Wages | |
| Others – please specify | Not Applicable |

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

NA

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 2023 (Current Financial Year) | FY 2022 (Previous Financial Year) |
|---|--|---|
| Total electricity consumption (A) | EB 1,621,824 Kwh | EB 1,533,184 Kwh |
| Total fuel consumption (B) | DG 121,420 Kwh | DG 96,000 Kwh |
| | 174,013 Kwh Solar Generation | 181,970 Kwh Solar Generation |
| Total energy consumption (A+B+C) | 1,917,257 Kwh | 1,811,154 Kwh |
| Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) | 0.3 wh/ Rs | 0.4 wh/ Rs |
| Energy intensity (optional) – the relevant metric may be selected by the entity | - | - |

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

No

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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:

Being the technology solutions company, we do not fall under the PAT scheme as DCs

| Parameter | FY 2023 (Current Financial Year) | FY 2022 (Previous Financial Year) |
|---|--|---|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | 20,588 KL | 18,292 KL |
| (iii) Third party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 20,588 | 18,292 |
| Total volume of water consumption (in kilolitres) | 20,588 | 18,292 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.004 Ltr/Rs | 0.004 Ltr/Rs |
| Water intensity (optional) – the relevant metric may be selected by the entity | | |

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

No

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

Waste water from the RO plant is being recycled to conserve water and used internally for horticulture irrigation. We are also constructing our in-house new Sewerage Treatment Plant in Noida premises, which will help treat water from the sewer discharge, sludge and the storm drainage and will be diverted to horticultural land for irrigation.

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

We being an IT consulting services and business solutions company does not have significant air emissions.

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

Since Nucleus is an IT Company, our production process involves the release only of a trace amount of GHGs which we are not tracking at present.

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

Yes, we are taking following measures to ensure the reduction in Gas emissions

- Strong measures are being observed to ensure that no equipment is left in a switch on mode during non-working hours unnecessarily.
- Use of AAC blocks in construction for keeping the load and pressure on air-conditioning minimal.
- Installation of chillers graded with VFD in HVAC plant to reduce energy consumption immensely has been and is being done.
- Usage of Solar energy as a power source.
- We maintain a good tree to land ratio of 30 percent in Noida Campus where trees are planted to ensure greenery and maintain balance.

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

| Parameter | FY 2023 (Current Financial Year) | FY 2022 (Previous Financial Year) |
|--|--|---|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | NA | NA |
| E-waste (B) | 5.274 | 0.69 |
| Bio-medical waste (C) | NA | NA |
| Construction and demolition waste (D) | NA | NA |
| Battery waste (E) | NA | NA |
| Radioactive waste (F) | NA | NA |
| Other Hazardous waste. Please specify, if any. (G) | NA | NA |
| Other Non-hazardous waste generated (H) . Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | NA | NA |
| Total (A+B + C + D + E + F + G + H) | 5.274 | 0.69 |

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 | 5.274 | 0.69 |
| (ii) Re-used | - | - |
| (iii) Other recovery operations | - | - |
| Total | - | - |

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

| Category of waste | | |
|---------------------------------|----------|----------|
| (i) Incineration | - | - |
| (ii) Landfilling | - | - |
| (iii) Other disposal operations | - | - |
| Total | - | - |

Note: independent assessment/ evaluation/assurance has been carried out by an external agency (Y/N).

No

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.

Being a financial software products and services company, we do not produce any hazardous and toxic chemicals in our product and processes. Only E-waste is generated, for which we have a policy with our vendor to buy back the waste and recycle it at their end.

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:

No

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

Not Applicable

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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,

Yes

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:

(Kwh)

| Parameter | FY 2023 (Current Year) Financial | FY 2022 (Previous Financial Year) |
|---|--|---|
| From renewable sources | | |
| Total electricity consumption (A) | 1,74,013 Kwh Solar Generation | 1,81,970 Kwh Solar Generation |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total energy consumed from renewable sources (A+B+C) | 1,74,013 Kwh | 1,81,970 Kwh |
| From non-renewable sources | | |
| Total electricity consumption (D) | 16,21,824 Kwh | 15,33,184 Kwh |
| Total fuel consumption (E) | 1,21,420 Kwh | 96,000 Kwh |
| Energy consumption through other sources (F) | | |
| Total energy consumed from non-renewable sources (D+E+F) | 17,43,244 Kwh | 16,29,184 Kwh |

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No

2. Provide the details related to water discharged:

No wastewater is discharged as such. It is diverted to horticultural land for irrigation.

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

Not Applicable, we are not in water stress areas.

4. Please provide details of total Scope 3 emissions & its intensity.

Since Nucleus is an IT Company, our production process involves the release only of a trace amount of GHGs which we are not tracking at present.

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 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 outcome of such initiatives, as per the following format:

| Sr. No | Initiative undertaken | Outcome of the initiative |
|--------|---|---|
| 1. | Sewerage Treatment Plant is being constructed | This will help treat water from the sewer discharge, sludge and the storm drainage and will be diverted to horticultural land for irrigation. |

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

Business continuity risk is a key risk for organizations like ours for successfully running our operations. We are working on putting in an effective Business Continuity Plan (BCP) to ensure the maintenance or recovery of operations, including service delivery to our customer, when confronted with adverse events such as a disruption or failure of our systems or operations in the event of a Fire, major earthquake, weather

event, cyber-attack, terrorist attack, or other catastrophic event which could cause delays in completing sales, providing services, or performing other mission-critical functions. A significant portion of our research and development activities and certain other critical business operations are located in Noida, India (our corporate headquarters) which is adjacent to the national capital of India, Delhi. Here it may be worthwhile to mention that, according to a seismic zoning map issued by the Bureau of Indian Standards and quoted in the National Disaster Management (NDM) report, Delhi belongs to Zone IV, a severe intensity seismic zone. Any catastrophic event that results in the destruction or disruption of any of our critical business or information technology systems could harm our ability to conduct normal business operations.

To counter this risk, we have setup an Online disaster recovery site to replicate our IPR (Source code) in different seismic zone and backup copy on tape. In addition to this we are also having Disaster Recovery setup for few customers in different seismic zone who has agreement with Nucleus for business continuity and uninterrupted support though this facility is not in place for all the customers. The Company is continuously investing in security of its operations & processes and evaluating the risks on periodic basis. We are an ISO 27001: 2013 (ISMS) certified organization, which reflects our focus and commitment to increase adherence to secure practices. More so for business continuity, the growth of any product business is directly linked to the install base and the feedback of existing customers. These two factors are key for the purchase decisions of prospective customers.

Hence a large negative impact on Company's reputation can be a big setback. The Company enjoys is well recognized to offer great business values to our customers enabled by our business platforms.

On the security front, strict procedures are in place to control the level of access to Data centers and other sensitive areas. Access to the premises is controlled through Biometric access control systems and proximity cards. The Company has invested significantly in a state-of-the-art network infrastructure for managing its operations and for establishing high-speed redundant links to overseas destinations. Additionally, the Internet filtering tools prevent any type of non-business usage over Internet within office and outside office. We have implemented Data loss prevention on mail gateway and laptops to safeguard the company IPR.

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 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.

Detailed as below

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

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1 | Software Technology Park of India. | National |
| 2 | Electronics and Computer Software, Export Promotion Council | 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.

Nil

Leadership Indicators

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

No such policy advocated by the entity.

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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.**

Not Applicable to the Company, however the Company along with Nucleus Software Foundation has been conducting internal assessments on voluntary basis to monitor and evaluate its strategic CSR programs.

The Company has set up the Nucleus Software Foundation (NSF), a Trust for the purposes of undertaking CSR activities of the Company. This Foundation, established in 2014 as a Section 25 Company works towards its stated mission: "Empowering underprivileged with essence of education and thereby better livelihood and better life".

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

Kindly refer Annexure- G of Director Report

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

We have internal mechanisms to address employee and staff grievances using proper hierarchy and following escalation matrix. In addition to Grievance Redressal, the stakeholders also have the option of sharing their concerns with us via the email ir@nucleussoftware.com, also mentioned on our website. We have open-houses every quarter wherein all the queries and questions of the employees are discussed and addressed.

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

| Name of authority | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
|--|---|---|
| Directly sourced from MSMEs/ small producers | 7.41% | 5.21% |
| Sourced directly from within the district and neighbouring districts | We do not track this. Also this metric is not material for our sector | We do not track this. Also this metric is not material for our sector |

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:**

Nucleus Software Foundation (NSF) worked towards its aim to make the educational quality standards better for the underprivileged children studying at government primary schools and NGO aided schools, through its benchmark remedial program, NSF Hybrid Learning Program. The main focus remained Education i.e., prevention of learning loss in early childhood education. During the year NSF took initiatives to teach in village areas of 5 districts in Madhya Pradesh namely, Dewas, Khandwa, Betul, Chhindwada, and Mandla. The remedial program of Maths and English was launched for a large number of Adivasi children at Madhya Pradesh through NSF partner organisation "Parivaar". Apart from the Khandwa district in Madhya Pradesh, the CSR projects undertaken by the Company do not fall under the purview of designated aspirational districts.

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**

The Company has Procurement Policy in place which discourages discrimination with any vendor on the basis of gender, nationality, ethnicity, religion, disability etc. In accordance with local legislations and best practices, the Company procurement process is transparent, objective and non-discriminatory in the selection of its vendors. However, we do not have preferential policy in place to purchase from suppliers comprising marginalized/vulnerable groups.

- (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.

No IP related disputes to report.

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|--|---|--|
| 1 | Education of underprivileged – MP Parivaar Kutirs (300)- Dewas, Khandwa, Betul. Chhindwada, Mandla | 20,000 | 100% |
| 2 | Education of underprivileged- 27 learning centers in Dehradun | 600 | 100% |
| 3 | Education of underprivileged- Vaishali Ghaziabad at NGO- Samriddhi Vaishali | 80 | 100% |
| 4 | Remedial Studies- 14 Government Schools at Noida | 700 | 100% |
| 5 | Women empowerment- Villages in suburbs of Chennai | 250 | 100% |
| 6 | Scholarships for kids of CRPF Martyrs | 27 | 100% |

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

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

Customers have multiple channels for raising complaints and feedback– account managers, client engagement managers, regular connects meetings, email and escalation matrix etc.

2. Turnover of products / services as a percentage of turnover from all products / services that carry information about Environmental and social parameters relevant to the product, Safe and responsible usage, Recycling and / or safe disposal.

Not Applicable

3. Number of consumer complaints in respect of data privacy, advertising, cybersecurity, delivery of essential services, restrictive trade practices, unfair trade practices: Nil

4. Details of instances of product recalls on account of safety issues: 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. Nucleus is committed towards protecting the data of customers and all its employees. The principles regarding data privacy are available on our website at <https://www.nucleussoftware.com/privacy-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.

None

Leadership Indicators

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

The information on our product & services offerings is available on our company's website: <https://www.nucleussoftware.com>

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

The Product team uses policy shared with customer during any new release. Support documents like product-write-ups, product usage manual is also shared with the customers during the implementation stage.

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

We have a dedicated Cyber Information Security and Information Security Management System (ISMS) team who work on major incidents or disruption of services. CIS team inform the customer as per our internal incident management policy and process for any risk/disruption of service

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 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?**

Not Applicable, being a technology solutions company, displaying product information on the product over and above what is mandated as per local laws is not applicable to us.

Yes, the "Voice of Customer" survey enables us to understand the client's expectations, needs, satisfaction levels and overall experience of working with the Company. The feedback is collected through a survey, which includes a structured questionnaire. The respective teams engage with the customer to implement the improvement action.

5. **Provide the following information relating to data breaches:**

- a. **Number of instances of data breaches along-with impact :** *Zero*
- b. **Percentage of data breaches involving personally identifiable information of customers.** *Nil*