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Responsible Business Conduct Policy

Ayekart Responsible Business Conduct Policy

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Things To Keep in Mind While Referring This Policy

The policies and procedures mentioned here shall not remain static or constant, Instead, the nature of this policy shall be dynamic and the policies, procedures or any other guidelines mentioned herein are subject to change as the organisation deems appropriate and necessary. The organisation will notify all the concerns of the new or modified policies, procedures, benefits, or any other guideline via written notice, email, intranet, or other applicable methods.

No provision in this policy and expected Standards of Conduct can be waived without written permission from the CEO, or designee. Such a waiver, if granted, applies only to the employee for whom the waiver was granted at the time of the waiver.

- 1 The Responsible Business Conduct Policy is presented for a approval by the CEO of the Company dated 12th Jan'2022 with suggestion to review the policy on periodic basis or at least once in every 6 months, jointly by MD & CEO, COO and Strategy Head.

2 About Ayekart

Established in December 2020, Ayekart is an integrated supply chain and finance platform which is empowering the traditional businesses and strengthening supply chain ecosystem through finance, technology and services.

2.1 Vision

Establish a glocal MSME supply chain digital ecosystem for trusted hyperlocal delivery

2.2 Mission

- Enable traditional businesses technologically and financially
- Retain and enhance their trust by delivering efficiency and convenience
- Deliver a connected digital hyper-local platform
- Deploy a “stakeholder-onboards-stakeholder” model for scale
- Help increase revenue through cross-sell- expand product and service line
- Replicate across global markets

2.3 Our core values and beliefs

- **Transparency**

(In our business activities, partnerships, collaborations, interactions and communication)

- **Integrity**

(Uncompromising honesty and truthfulness in everything we do)

- **Passion and determination**

(Continuously push ourselves to go beyond boundaries, experiment with unconventional ideas and reinvent ourselves)

- **Collaboration**

(Foster honest and meaningful relationships for mutual growth and advancement)

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3 Introduction

Ayekart Fintech Private Limited was incorporated in December 2020 and commenced its operations in June 2021. Ayekart, with its ground network coupled with technology, is empowering small businesses in the agri value chain with finance, technology and new market avenues. Ayekart platform is designed specially to address the needs of MSMEs, distributors, retailers, farmer producer companies and connects them to the consumers.

The company recognizes its responsibility and accountability towards both the investors and the larger ecosystem in which it operates. Hence, the company's core business strategy and operations are linked to ESG. To promote responsible and sustainable business, the management lays emphasis on economic, social, and environmental performance while keeping in mind the interests of all the stakeholders.

4 Scope of the policy

Sustainability and responsible business is an essential part of Ayekart's strategy. This policy is formulated in accordance with "National Guidelines on Responsible Business Conduct" (NGRBC) by the Ministry of Corporate Affairs, Government of India. Besides serving as a statement of intent towards attaining business sustainability, through key principles laid out, the policy emphasises on holistic commitment towards ESG linked operations and stakeholder engagement.

The company works in complex supply chain networks across India. The company works towards promoting all stakeholders in the value chain to do business sustainably and responsibly, depending on their means and resources.

In line with principles discussed in this policy, the company has enlisted some of its policies (Annexure A), which aid conducting business responsibly.

5 Authority and responsibility

In line with the changes in the regulatory requirements as well as changes in the company's policies / business, this policy will be reviewed and amended from time to time. All the changes will be reviewed and amended by a management committee dedicated to ESG. All the changes made in this policy by the management committee for ESG during a financial year, will be consolidated and put forward for board's approval once in six months. Implementation of this policy will be driven by the management committee for ESG constituting senior employees of the company.

6 Effective date

This Policy shall be effective from March 31, 2023 and shall supersede any prior policy or understanding or statement in this regard.

7 Key principles of Responsible Business Policy

Broadly based on the principles highlighted in the NGRBC, the company has set following principles to conduct its business in a responsible way and integrate ESG into its business operations:

7.1 Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable:

- The company shall ensure appropriate governance structures, procedures and practices for ethical conduct at all levels. It shall also strive to promote the adoption of this principle across its value chain and concerned stakeholders.
- The company shall not engage in practices that are abusive, corrupt or considered as anti-competitive under applicable laws.
- The company shall fulfil its responsibility on financial and other mandatory compliances and disclosures as applicable.
- The company shall promote social welfare activities and sustainability, while minimising the adverse impact of the company's operations on the environment.
- The company shall not practise or tolerate discrimination based on age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease or any other status of individuals which is unrelated to the individual's ability to perform company's work.
- The company shall maintain accounts and records which reflect the true and fair picture of the company's business activities in compliance with the applicable accounting principles and standards for financial reporting.
- The company shall deal with its customers professionally and transparently. The company respects its customers' right to privacy in relation to their personal data. The company shall safeguard its customers' personal data, in accordance with applicable laws. Relevant information sharing and transparency with the stakeholders shall be ensured as applicable.
- The board members and employees of the company shall always act in the interest of the company and ensure that any business or personal association does not create a conflict of interest with their roles and duties in the company or its operations.
- The board members / employees shall comply with all the applicable laws, rules and regulations. The board members / employees shall protect the non-public information about the company.
- The company shall clear all its undisputed applicable statutory dues as per law.

7.2 Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe:

- The company being a fintech does not consume any raw materials nor produce any tangible goods during its day to day operations. The main activities of the company are around providing financial services and market linkages addressing the need of food and agri value chain. However, the company shall continuously work towards reducing its own carbon footprint while carrying out its activities. The company shall also take initiatives to promote carbon footprint reduction across all the stakeholders.
- The company shall engage its customers, suppliers, employees, and all other stakeholders to adapt to environmentally sustainable practices in all their activities.
- The company shall make its best efforts to dispose all the waste in a responsible manner while adhering to the local laws.
- The company shall adhere to environmental laws, as applicable. The company shall also make its best efforts towards environmental conservation.
- The company shall align its products, business strategy and operations with ESG requirements.

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

- The company is committed towards creating a diverse, inclusive, safe, and thriving workplace for its employees. The company regularly runs employee engagement activities and takes their feedback to achieve this.
- Irrespective of the age, sex, colour, caste, disability, marital status, ethnic origin, race, religion, or sexual orientation, the company shall provide equal opportunities and remuneration to all employees. As per labour laws, the company shall pay wages on time.
- The company shall prohibit and not promote use of child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The company shall uphold the dignity of all its employees and provide a safe and conducive working environment.
- The company shall provide a harassment free working environment with dedicated policies to enforce the same.
- The company shall endeavour to promote up-skilling of all the employees and provide adequate support for the same.

- The company shall make its best efforts to ensure translations of these principles across its value chain and stakeholders.

7.4 Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders:

- The company shall keep in mind the interests of and be responsible towards all its stakeholders including customers, farmers, merchants, investors, lenders, government, shareholders, regulators, value chain partners, employees and the society at large. All the policies created shall consider the impact on the stakeholders and be sensitive towards their interests as well.
- The company shall treat all the customers fairly and equally.
- The company shall have a grievance redressal policy and feedback mechanism for all the stakeholders, as applicable.

7.5 Principle 5: Businesses should respect and promote human rights:

- The company shall recognize and respect the human rights of all stakeholders. Also, wherever applicable, the company shall integrate promotion of human rights in business operations through relevant policies.
- Grievance redressal policy shall be applicable to all the stakeholders whose human rights are impacted by the company's operations.

7.6 Principle 6: Businesses should respect and make efforts to protect and restore the environment:

- The company shall promote sustainable and green initiatives amongst its employees and stakeholders through usage of renewable forms of energy, tree plantation drives, promotion of sustainable agriculture, proper disposal of waste, and through educating communities on sustainable behaviour. The company shall also work towards reducing its carbon footprint.
- The company shall encourage digital methods of communication and operations to discourage paper usage. The company shall promote e-meetings wherever possible to avoid carbon intensive travel.
- The company shall educate and raise awareness amongst its employees and stakeholders on reduction of carbon footprint.
- The company shall abide by all the applicable environmental laws.

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

- The company shall operate within the democratic setup and constitutional framework while also following the ESG guidelines.
- The company shall ensure that its advocacy position is consistent with the principles and core elements contained in the NGRBC.

7.8 Principle 8: Businesses should promote inclusive growth and equitable development:

- The company shall strive towards improving the quality of life of all the stakeholders, especially the farmers and local community.
- The company shall conduct capacity building programs to promote community ownership, protection of human rights, care for the environment, and improved livelihood options.
- The company shall empower SMEs by giving them access to better technology, affordable finance, and exposure to best practices of the sector.
- The company shall strive towards providing employment opportunities to rural youths, an expanded market, and better sourcing of raw materials to SMEs.

7.9 Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner:

- The company shall put customers at the centre of all its agenda and ensure seamless experience across onboarding, disbursement, to closure of deals. The company shall always strive towards creating additional value apart from what is promised.
- The company shall consider the overall well-being of the customers and that of society while serving their needs.
- The company shall have a code of conduct for all its customer facing employees. The company shall also work towards having a fair practice code across geographies.
- The promotional and advertorial collaterals of the company shall not in any manner mislead the customer.
- The company shall train its employees to provide fair services to all the customers and address customers' concerns and take feedback wherever applicable.

- The company's dealings with its customers shall be professional, fair and transparent. Customers' right to privacy in relation to their personal data shall be respected and such data shall be safeguarded, in accordance with applicable laws.

8 Areas to address

While the company is making its best efforts to implement above mentioned principles, some other key areas to address to have a holistic impact are:

- **Value creation for customers:** Build technologies and services to enhance customer experience. Bring even more transparency into the system to gain customer trust.
- **Cyber security / Data privacy:** The Company shall provide best in class systems to ensure cyber security and fraud controls. All sensitive data of customers shall be protected as required by the law.
- **Stakeholder engagement:** Engage with all the stakeholders to create additional value and solve key concerns.
- **Empower local communities:** Promote inclusive growth, equitable development and well-being of local farmer communities.
- **Employee well-being:** Create a thriving, safe and inclusive workplace for all employees, and promote diversity.