CLOVER™
INFOTECH

ESG Report
FY 2021-22

Contents

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01
Introduction

1.1 About Clover Infotech

Clover Infotech, a leading IT services, consulting and business solutions provider has been coauthoring transformational success for leading global enterprises and promising start-ups for over 25 years. We proffer solutions and services across application and technology modernization, cloud enablement, data management, automation and assurance services.

Through a well-defined development, support and quality framework, we consult enterprises on their transformation roadmap and implement business-critical technologies along with the underlying infrastructure. With our in-depth expertise and robust experience in Enterprise Application Services, Data Analytics, Digital Experience Management, Automation solutions and Cloud services, we deliver tangible value for businesses in terms of operational efficiency, cost-effectiveness, intelligent automation and information security.

Having served some of the Fortune 500 companies globally and many of the leading Banks, Financial Services, Insurance, Payments, Telecom, and Retail companies in India, we have consistently contributed towards embellishment of their technology, agility and efficiency while harnessing innovations.

Clover Infotech is an Oracle Platinum Partner. We are focused partners for platform and infrastructure cloud services, as well as ERP cloud. Our 3000+ employee strong company has focused practice teams handling Oracle, Microsoft and open-source technology areas.

We take pride in a strong pan-India presence. We also serve our customers in Europe, the Middle East and Africa through our Dubai office.

Partners

ORACLE   IBM   ■■ Microsoft

Awards and Recognition

ORACLE
PARTNER OF THE YEAR
ORACLE CLOUD INFRASTRUCTURE
2019

To be the leading provider of reliable and consistent technology services that enable our clients to achieve a competitive edge.
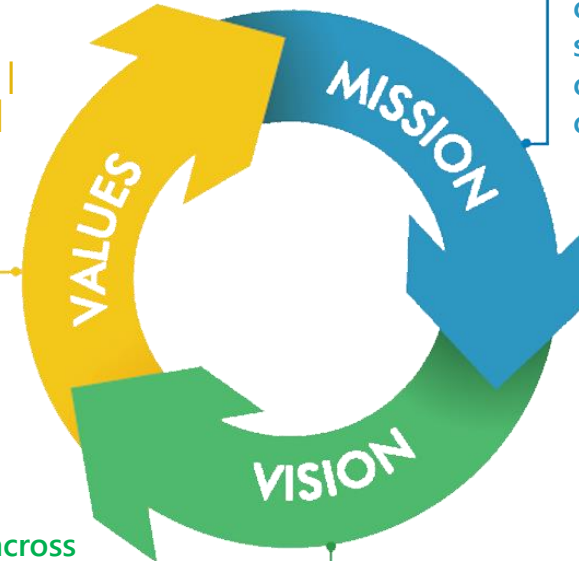
Integrity | Commitment | Excellence | Innovation | Teamwork

MISSION

VALUES

VISION

To be the most trusted partner to businesses across the globe by making them technology independent

1.2 Quality Management System

ISO 9001:2015 certified

Clover Infotech is certified and externally audited to the globally recognized ISO 9001:2015 Quality Management System (QMS) standard. We consistently provide services that meet customer and applicable statutory and regulatory requirements. We enhance customer satisfaction through the effective application of the Quality Management System including processes for improvement of the system and the assurance of conformity to the customer. This gives customers confidence in us as a vendor and in our capability to manage the critical BFSI applications and tech landscape.

Our Approach

Quality Management practice is an essential success factor of our organization. We demonstrate our commitment to quality by continuing our journey towards zero errors, dedicated customer support and continual improvement of the quality management system. We are committed to operate according to the requirements of the international quality standards.

Deliver zero error customer support

Meet International Quality Management Standards

Work on continual improvement

We ensure, through periodical internal audits and yearly third-party audits, that our business is meeting with the international quality standards.
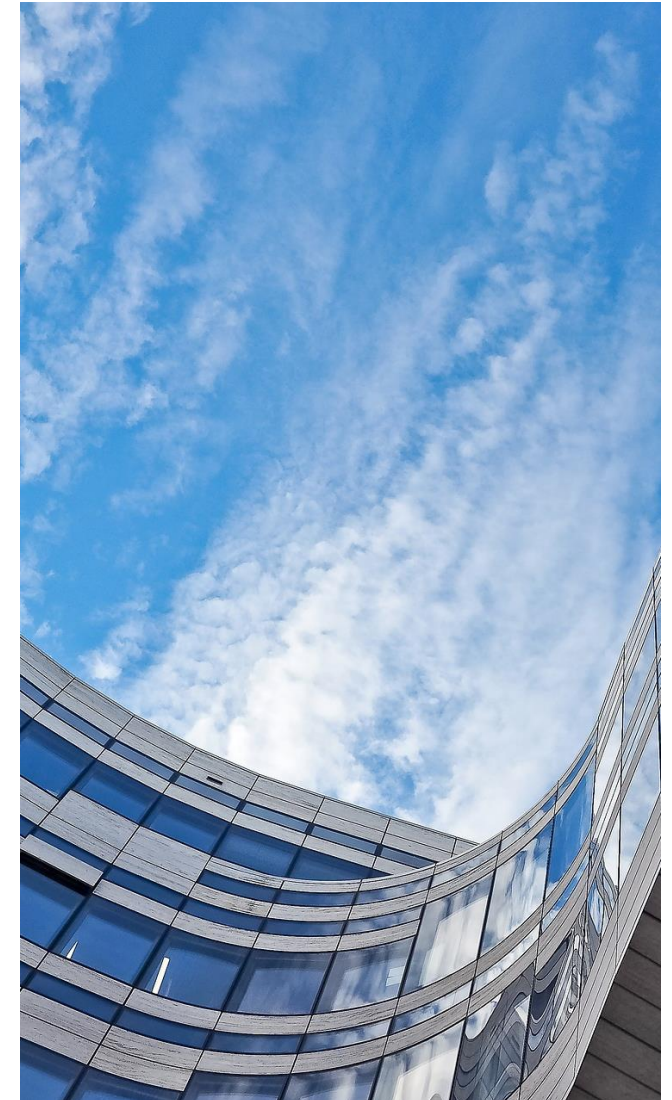
1.3 Message from the Chairman

Dear Stakeholders,

Life has come a full circle for us in the last two years. The power of resilience that we exhibited as a global community is noteworthy. We were quick to identify the root cause of the pandemic and devise measures to ensure safety of our fellow beings. We could get a vaccination ready and ensure its last-mile reach within a few months of the outbreak of the pandemic. This bears strong testimony to our advancements in healthcare, medicine, logistics, digital technologies and data.

While no amount of appreciation will suffice for the efforts and sacrifices made by our medical and frontline workers, this period has also seen companies of all sizes going through a steep maturity curve. They have managed myriad challenges such as a completely remote working model, managing the security of their data and technology infrastructure, disrupted supply chains, shortage of manpower etc. in an admirable fashion.

The last two years have also humbled us and made us value our environment and society. At Clover Infotech, the values of 'Integrity, Commitment, Innovation, Teamwork, and Excellence' are our true north and the essential ingredients of 'trust' that we garner from our customers, employees, investors, and stakeholders. We will continue to accord utmost importance to the environment, society and our standard of governance. A quick glimpse of our activities across these areas is as below:

We are extremely judicious in the usage of resources for running our operations. We have processes to optimize the usage of electricity, water, and other resources on a daily basis. We are committed to the cause of leaving a cleaner and greener planet for the subsequent generations. Through a project named 'Sun for Life', we have distributed solar lanterns in the remote areas of Zanskar, Ladakh across hostels, schools, and monasteries. We have moved our own financial systems to the cloud in our endeavour to reduce the per-user carbon footprint. We have been advocating the importance of optimizing the technology footprint across our client base and have been playing a key role in helping them to achieve their carbon neutrality targets and sustainability goals.

Clover Infotech provides financial aid to the Tapia Charitable Trust (TCT). TCT has been doing a lot of work in the field of education, healthcare, and taking care of the less fortunate children. It has been working with various NGOs striving relentlessly to enhance lives in the above-mentioned areas. TCT also donates to charitable hospitals for purchase of high-end medical and diagnostic equipment and health care facilities to the poor and needy patients. Direct medical aid has also been given to individuals in case of emergencies. TCT has been donating food and clothes to old age homes. Through TCT, Clover Infotech has been working on providing daily food packets and ration kits to the underprivileged in Mumbai and in the remote villages of Maharashtra.

As part of our fight against COVID-19, we carried out a free vaccination programme in association with the Breach Candy hospital to enable residents of a village near Mumbai to get vaccinated. We also conducted two free vaccination drives for our employees and their family members to get vaccinated within the comfortable confines of our office space.

The unprecedented adoption of digital technologies has also mandated the need for training and skilling the human capital to adapt to the 'new normal'.

1.3 Message from the Chairman

I am proud to say that we are constantly inducting fresh talent (to the tune of 5%-6% of our workforce) and skilling them through our knowledge and training arm – Clover Academy. We are committed to reskilling talent and augmenting job creation.

I am glad to share that we have stuck to our core values at all times and ensured the highest levels of integrity and transparency in our operations. Our board comprises people who are well-aware of their fiduciary responsibilities and bring along diverse expertise across finance, technology, and business management. Our financials are reviewed and approved periodically. In addition, we have the requisite ISO certifications and have ensured that we have adhered to all the compliance norms applicable to us. Our CEO has showcased the company's commitment to creating a sustainable planet by signing a strategic Environmental and Occupational Health and Safety policy.

This is important for us as we are committed to doing the best we can for our most precious asset - our human capital.

I am proud of the way our company has navigated the unprecedented tectonic shift brought about by the pandemic in our professional and personal lives. We have emerged stronger and have grown bigger. We have made ESG a central part of our growth and development as an organization. We look at it as an opportunity to ensure that we always abide by our core values and stay true to it amidst the VUCA (volatile, uncertain, complex, ambiguous) world that we live in today.

I take this opportunity to wish all our stakeholders a better and brighter future.

Javed Tapia
Chairman, Clover Infotech

1.4 Message from the CEO

Dear Stakeholders,

The recent pandemic has indeed been tough and testing for each one of us and we were called upon to innovate, reinvent, redesign and rediscover our abilities to battle the odds.

Today, we are still standing, having served and delivered the needs of our various clients. This only serves as living proof of our "Never say die policy" and the relentless hard work and focus of our employees while catering to our clients. Through it all, our prime target was to put our client's needs to the fore and this attitude has been active in their confidence to trust us with more. Companies, very rightly, have transformed manifold having used our highly developed digital solutions, especially in areas like cloud, data and analytics.

Our greatest strength, our employees, skilled and empowered to unleash cutting edge technologies in a quick and remote mode, were ready to be of service and deliver. I am proud to say that Clover Infotech was up and ready for the challenge.

The Covid pandemic indeed took us by surprise. We didn't see it coming. However, the world climate change has been lurking in the background of our minds for several decades now. Sadly, it took a pandemic to shake us out of our complacency and set us actively wanting to address all that is damaging the environment and its inhabitants. To stem the progress of global warming, as called for in the Paris Agreement, harmful emissions need to be reduced by 45% by the year 2030 and necessarily reach Net Zero by 2050.

Keeping this in mind, our prime focus will be the use of renewable energy and reducing greenhouse gas emissions. Clover group's solar company Clover Solar Pvt. Ltd. endeavors to keep our Planet - Clean and Green. Our investment and development do not only lie in cutting edge technology but in our employees as well. We have made it a standard to harness 'new mother power' as here lies strategic, mature, and creative minds that would normally lie dormant given their attrition to start families. This has in fact been a successful formula for us. While we boast of a 500+ women workforce, we are proud to say that 10% of these are new mothers.

In our continued work to save the planet, issues like the conservation of water, the marine ecosystem and biodiversity conservation need to be closely looked at.

We need to ensure less dependency on external sources of water supply and actively promote proper water management especially at locations where there is a scarcity of the precious commodity. Electricity is another area for conservation. We are very encouraged to watch the growing number of companies using Environment, Social and Governance (ESG) criteria as the basis of their business. We see this as a critical tool for success as companies make transparent disclosures on their ESG commitments. We have always been willing partners to this trend.

I would like to conclude by saying that individuals and companies in the world and planet we live in are at a juncture where they will choose the right road to tread upon. This will indeed decide the inheritance we choose to leave for our future generations and theirs. I can only wish for wisdom and discernment in choosing that right path.

Kunal Nagarkatti
CEO, Clover Infotech

1.5 Report Profile

Purpose of ESG reporting

ESG reporting is the disclosure of environmental, social and corporate governance data. As with all disclosures, its purpose is to shed light on a company's ESG activities while improving investor transparency and inspiring other organizations to do the same.

About This Report

Clover Infotech will publish an ESG Report on an annual basis. This is the first edition of our ESG Report for the FY 2021-22.

In this report we have highlighted three areas of ESG (Environmental, Social and Corporate Governance) showcasing how sustainable and responsible we are and aim to continue to be.

The data has been sourced from our core internal processes related to HR, Administration, Finance, and other relevant processes. This report has come of consultation and participation of Clover Infotech employees both managerial and non-managerial.

Scope and Boundary

Business
Clover Infotech Pvt. Ltd.

Geographies
India | Asia Pacific | Middle East

Scope of Reporting

Environmental Performance Indicators
India

Employee Metrics
All geographies

Social Performance Metrics
Primarily India

1.6 Our ESG strategy

We have made a conscious effort to chart our visions and ambitions for our commitment by 2030. This gives us a bird's eye view of our committed progress.

Environment

Vision: To save the planet with technological innovations and conservation methods

Climate
Actively support the journey towards a low-carbon world
Ambition
- Maintaining carbon neutrality across Scope 1, 2 and 3 emissions every year
- Reducing absolute Scope 1 and 2 greenhouse gas (GHG) emissions by 50%
- Reducing absolute Scope 3 GHG emissions by 10%
- Engaging clients on climate actions through our solutions

Waste
Reduce, reuse and recycle to minimize waste, including e-waste
Ambition
- Drastically reducing, in a phased manner, waste to landfill

Water
Follow up on our water footprint; increase water availability in the communities where we operate
Ambition
- To maintain continued efforts to enhance our water conservation abilities

Social

Vision: Social action with a futuristic vision.

Reaching out to the community
Reach out, support, uplift
Ambition
- To encourage the community to clean the environment while rejuvenating biodiversity.

Diversity and inclusion
Encourage diversity and promote inclusion
Ambition
- Bringing about a gender mix in our workforce at Clover Infotech, with a 20% women ratio by 2025

Employee wellness and career growth
Bettered careers for our budding and growing workforce
Ambition
- Providing the best inhouse employee experience and to be lauded as being among the best employers.

Governance

Vision: Keeping our values to the fore while protecting the interests of our stakeholders.

Corporate governance
Lead the field and get noticed for premium corporate governance
Ambition
- Staying focused on our stakeholder's interests through our accredited and widely diverse Board
- Conforming to strong compliance and undeterred integrity practices
- Involving our stakeholders through various initiatives and transparent communication

Data privacy
Keeping secure the stakeholder's data
Ambition
- Maintaining high data privacy standards across all operations

Information management
Keeping strong the 'digital trust' of our stakeholders
Ambition
- Be acknowledged as a forerunner in our information security practices

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02
Managing Our Environmental Footprint

2.1 Environment Management

ISO 14001:2015 certified

Commensurate with criteria from the International Organization of Standardization (ISO), Clover Infotech is certified to apply the environmental management system in line with the ISO 14001:2015 standard at our Mumbai, Navi Mumbai and Pune locations.

Governance

Our Environmental, Occupational Health & Safety (EOHS) Managing Committee supported by the senior management is responsible for environmental management, including strategy, resourcing, competence, awareness, communication, and approval. The Clover Infotech Quality team ensures performance evaluation and continual improvement.

Clover Infotech's EOHS team manages annual strategies, policies, objectives, and metrics, and reviews monthly progress. The EOHS Committee establishes risk–mitigation strategies and also develops and deploys standards, programs, and procedures to reduce environmental risks. Our EOHS team performs monthly formal reviews across locations to examine data, discuss the progress of the improvement projects, and set expectations for the next period.

Training

We offer training to all our employees to ensure our global workforce is equipped with the skills and knowledge to perform their functions safely and with zero harm to the environment. This includes job specific and site-specific training, on the job training, and specialized training that includes the prevention of land pollution, management of hazardous waste and other waste, handling of chemicals while cleaning, and other topics related to the environment. Training and awareness include engaging our team members in incident investigations to identify potential improvements, and to assist in the implementation and ongoing improvement of management systems.

Evaluation

Risk Assessments

All Clover Infotech sites conduct internal environmental risk assessments annually. To meet the requirements of ISO 14001:2015, we evaluate potential risks associated with our IT and Non-IT processes, including machinery, hardware and consumer supplies. We also assess our use of energy, water, E-waste, and waste management. Our final goal is to proactively identify, mitigate, and manage potential environmental hazards using programs, procedures, and engineering controls.

Audits

The Clover Infotech Quality team conducts periodical internal audits. As part of these audits, Clover Infotech locations are required to demonstrate compliance with the ISO 14001:2015 Environmental Management System standard. Audited non-conformances are categorized according to the severity.

The accredited ISO certification body also conducts third party audits every year to evaluate Clover Infotech EOHS management system. Corrective actions are tracked till the ISO Certification Body indicates that our corrective actions are satisfactory. In 2022, a sampling of compliance and management systems were audited. A formal report was issued, and no nonconformities were identified.

Validation

To ensure reliable, accurate, and complete reporting, the Clover Infotech Quality team also conducts internal data audits of our Mumbai, Navi Mumbai and Pune locations. The internal auditors check for defined roles and responsibilities, current processes/ procedures, monitoring, measuring and data trails.

2.2 Transformation to Net Zero

Our net focus is the pursuit of net zero goals which are in keeping with and complement science-based emission reduction targets across all processes.

The Paris Agreement gave birth to an official and binding international treaty on climate change. There were 196 Parties at COP 21 in Paris, on 12 December 2015 who pledged support to the treaty that came into being on 4 November 2016.

India takes great pride in being part of this treaty. As is required, our goal is to limit global warming to well below 2 and bettering it to 1.5 degrees Celsius, compared to the pre-industrial levels.

A major challenge that looms large over countries like India is that they are exposed to large scale climate variability and are subject to enhanced risks from climate change. Only few countries in the world are as vulnerable as India. With its huge population, it is dependent on the growth of its agrarian economy, its vast expansive coastal areas and the Himalayan area. It is estimated that in the current situation, all 196 Parties to the Paris Agreement together would result in a sizable increase of almost 14% in global greenhouse gas emissions by 2030, compared to 2010 levels. This is definitely a worrying situation.

Though not the largest, India is one of the major greenhouse gas emitters and a part of a group of 10 who contribute over two-thirds of global emissions. Industrial goals, stringent action and the active support of the government can absolutely head towards achieving net zero by 2050 and build net zero economies. This is undoubtedly a tall but achievable task. With science affirming a shrinking window of opportunity, it is imperative that plans must include urgent actions to cut carbon emissions and reach net zero by 2050. Unfortunately, there is no compromise here.

To achieve this, Clover Infotech will do the following:

- In our baby steps towards the greater goal our endeavor will be to first transform our business practices by remodeling our functions, processes and services enabling them to contribute towards the meeting of the net zero goal. Our leadership must serve greatly as an impetus to all around us to work towards our common good.

- Our joint efforts need to point towards the development of scientific innovations resulting in our contribution towards net zero emissions across the board and channel our capital towards net zero business models, products and services pointing towards a net zero economy.

- Importantly, we will lead dynamic change by working with our valued clients and partners towards the promotion and creation of collaborative platforms that will drive the achievement of net zero.

2.3 Water Conservation

Understanding water use and identifying savings opportunities.

Conservation is the act of protecting Earth's natural resources for current and future generations. 97% of Earth's water is salty ocean water and another 2% is trapped in Earth's ice caps and glaciers. The precious one percent that remains must be used wisely. People often misuse and waste natural resources.

Water conservation has become an essential practice in every part of the world, even in regions where water appears to be enough. Only about 1 percent of the freshwater on Earth is available for people to use for drinking, bathing, and irrigating crops. Many regions of the world are water stressed areas caused by the depletion of underground water sources, lack of rainfall or water pollution.

Water Conservation at Clover Infotech

We have sensor-based water taps to avoid waste of water. Sensors stop the water flow to the taps when taps are not being used. We encourage employees to use reusable water bottles. Even while using packaged water bottles, we use only small packaged water bottles to avoid waste of water. Wastewater generated while refilling water bottles is being used for watering plants in the office premises. The Administration team regularly check faucets and other fixtures for leaks and fixes them promptly. Some locations have faucet aerators installed. We educate employees about the importance of water conservation in different ways. Educational signages are placed across the locations and awareness is created through various trainings. Precooked food is being served in our Canteen. While using evaporative air conditioners, we set thermostats to 24°C.

Understanding water use will identify opportunities for conservation, allow appropriate saving targets to be established, and serve as a benchmark from which water savings can be tracked. Clover Infotech acknowledged the importance of water conservation and we have identified it as a part of our EMS (Environmental Management System) objectives. Our Administration team monitors and tracks water consumption across locations. The Clover Infotech Quality team conducts internal audits to assess water consumption data and determines if there are any improvement areas. This is reported to the top management.

2.4 E-waste Management

E-waste and its adverse effect on human life

More than 45 million tons of electronic and electrical waste is created annually, and this is increasing. E-waste products contain costly components that are of economic value if they are recycled. However, they also contain potentially hazardous substances that may be released directly into the environment. Other hazardous substances may be formed during the recycling process, especially if this occurs in the 'unauthorized' sector where modern industrial processes are not used and where worker protection may be inadequate.

Children are often involved in these processes, exposing them to high quantities of toxic chemicals such as lead, mercury, cadmium and dioxins, many of which can produce adverse neurodevelopmental impacts even at very low exposure levels. An unauthorized processor could cause health hazards to the people who work in such places including children, expectant mothers and their unborn ones and people who live near such centers where high levels of toxic chemicals, mostly lead and mercury, can damage their intellectual abilities.
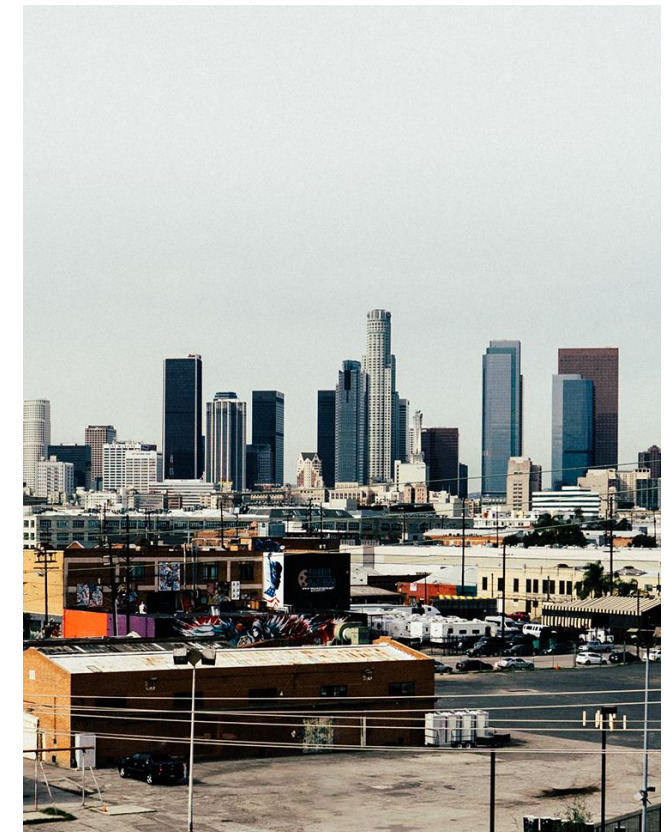
E-waste at Clover Infotech

E-waste Management is an integral part of our commitment towards a cleaner environment and a safe world. We as an IT services and consulting organization generate only electronic, electrical, and office consumables as waste.

Our waste management encourages segregation at source, as well as reuse and recycle as and when possible. All the hazardous and regulated waste is disposed off through government-authorized vendors as per the regulatory requirements.

At Clover Infotech, the lifecycle of all electronics and electrical equipment spanning from procurement to disposal get managed in a manner which conforms to sound environmental norms. This comprises:

- Extending the life of electronic and electrical equipment to postpone / minimize generation of E-Waste
- Preferential working with vendors having sound E-Waste management processes
- Responsible disposal processes conforming to regulatory requirements and best practices

*In the FY 2021-22, Clover Infotech has disposed of **280 kgs** of E-waste through a government authorized handler/ recycler.*

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03
Social and Human Resource Welfare

3.1 CSR activities

Clover Infotech firmly believes in providing a brighter future through charitable activities with the objective of giving back to society, especially to the less fortunate. The company's CSR activities are undertaken through various Trusts/Societies as prescribed under the provisions of the Companies Act, 2013 and are in accordance with the Company's CSR Policy.

About Tapia Charitable Trust

Clover Infotech Pvt. Ltd (CIPL) provides Financial Aid to Tapia Charitable Trust (TCT) for Education, Health Care, Shelter Homes for destitute children, and special facility homes for disabled and physically challenged children managed and run by various NGO's. Tapia Charitable Tapia Charitable Trust also donates to Charitable Hospitals for the purchase of High-end Medical and Diagnostic Equipment to provide Health Care facilities to poor and needy patients. Direct Medical Aid is also given to deserving Individuals and donations are made to Old Age Homes. Tapia Charitable Trust provides daily food packets and ration kits to the poor and needy in Mumbai City as also in remote village areas in the State. Recently Tapia Charitable Trust donated INR 20 Lakhs to Breach Candy Hospital for carrying out a Free Covid Vaccination Programme in a village near Mumbai.

At Clover Infotech, we firmly believe that charity begins at home. Hence, we are actively engaged in contributing towards the welfare of the local community. We make a difference through several

Corporate Social Responsibility (CSR) initiatives. Here's a snapshot of CSR initiatives undertaken by the team in FY'21-22.

- **Khana Jo Ban Gaya Khushiyon Ka Khazana**, an initiative undertaken in May'21 to help the needy during the worst phase of the COVID-19 pandemic.
- **Financial aid for flood relief work** conducted by 'Centre for Transforming India (CFTI)' in Jul'21 at the flood-affected areas in Raigad.
- **Vaccination drive for villagers** and tribals in Alibaug district in Aug'21.
- **Financial aid to Centre For Transforming India** (CFTI) to create and operate COVID care centers across rural Maharashtra.
- Partnered with Catalyst for Social Action (CSA) to support '**Adopt a Home Project**' for 5 Child Care Institutes (CCIs) in Maharashtra & Madhya Pradesh.

3.2 Harnessing Diversity, Promoting Equality, Supporting Gender Balance

We value our employees as our greatest assets and in a country like India, we are blessed with diversity of cultures and an equally strong work force both men and women alike. We are indeed privileged to have, and we respect each individual's talent, experience and ideas that each team member brings to the table. We are proud to say that within our progress we have successfully achieved a 16% women workforce while our aim is to make that at least 20% by 2025. Our mixed backgrounds are a boiling pot of exceptional ideas and innovations that come from all over the country. It is our ongoing commitment to continue to seek out and bring into our workforce the best of minds that envisage our common goals for the future.

Our head of HR, along with her very able team, is responsible for maintaining the fine balance that brings out the best in each member of our team. Another popular source is our employee referral program. Team members are encouraged to draw in other liked minded candidates, thus, enhancing the quality of our workforce. We also have various programs, that assist the female employee at times like when starting a family or other factors that were causing attrition of the women workforce. Addressing this has brought back a lot of respected talent back to our workforce.
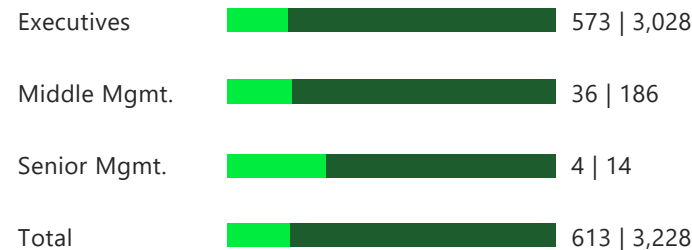
We constantly provide support, training and other initiatives to keep our employees in good mental health and healthy wellbeing.

2025 Diversity, Equality and Inclusion Goals

20% Women in Overall Global Workforce by 2025

Employee Strength
(Grade and Gender-wise Classification)

Grade	Female | Male
Executives	573 | 3,028
Middle Mgmt.	36 | 186
Senior Mgmt.	4 | 14
Total	613 | 3,228

Female   Male

3.3 Employee Engagement

3,841
Team Members

109
Trainings conducted

189 hrs.
Soft Skill & Compliance Trainings

1,122
Employees Upskilled
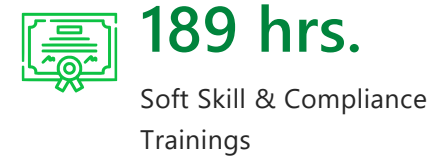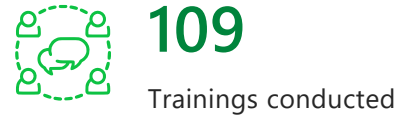
Awards, Rewards and Bonding

Clover Infotech's HR policies award and reward individuals and acknowledge their efforts. The company also ensures that constructive feedback and positive counseling are added during appraisals. The activities mentioned go a long way in bonding not only employer employee relationship but also in creating a camaraderie among employees and clients alike.

- Client based R&R activity initiated
- Internal Spot and tenure awards
- Fun Friday for birthday celebrations
- Several festival celebrations
- Monsoon treks
- Independence Day, Republic Day, World Photography Day virtual contests

Upskilling while upscaling

Clover Infotech spares no expense while upskilling and upscaling their employees. Various ongoing programs and refresher courses are encouraged to hone the skills of its staff. The company has various trainings and seminars to see that its employees are among the best that the market has to offer. Our Academy offers:

- New Technical Trainings OCI, dot Net Core 3.1, ELK, Angular, GoLang, AWS.
- Upskilling programs through quarterly scheduled training (109 training conducted, 1,122 trained in the classroom, Teams/Zoom trainings at a self-paced schedule).
- For specific training where inhouse expertise is unavailable, we source external expertise to conduct the training.
- Re-initiated Aspire and Emerge sessions for Senior delivery members.
- Trainers are both cross skilled and upskilled in various technologies.

3.4 Employee Benefits

Clover Infotech helps team members maintain their health and financial wellbeing through benefits that includes Mediclaim, personal accident insurance, paid maternity and paternity leave, personal time-off, and other employee assistance programs.

Our benefits include:

- Mediclaim Policies covering employees, their respective spouses and children
- A Personal Accident Policy for every employee
- Employee Referral Programs
- Loans & Salary advances in emergency situations

- Pro-active eye/health check ups
- Health Awareness Programs
- ESIC as per the Employees' State Insurance Act
- PF, Pension as per the Provident Fund Act
- Gratuity for eligible employees
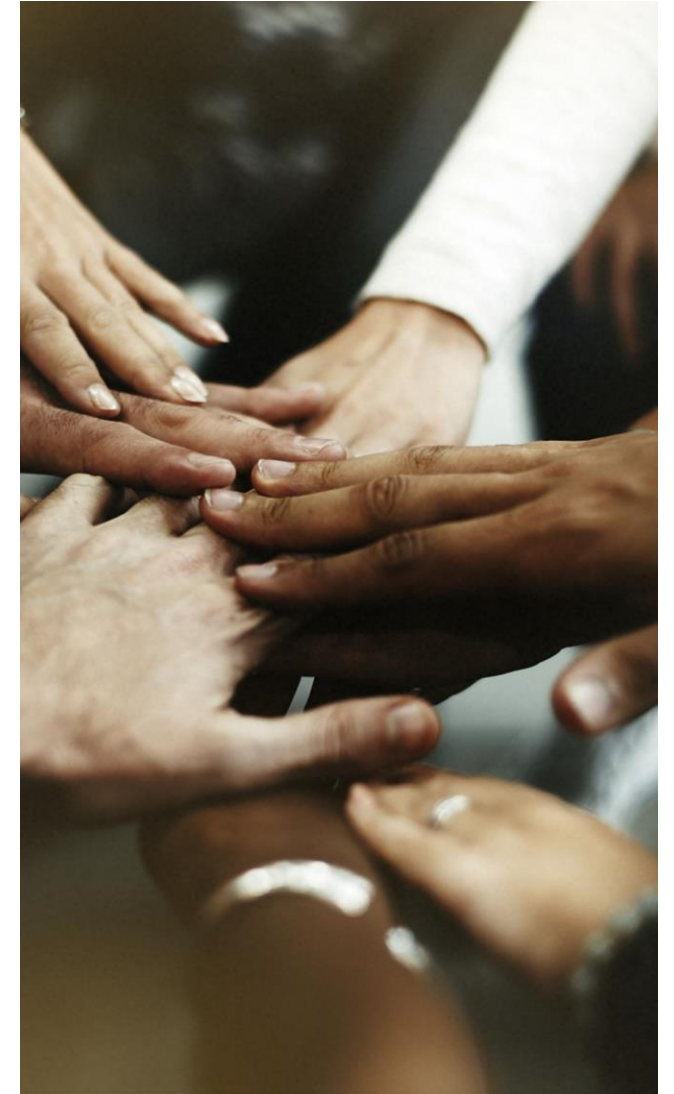
3.5 Employee Retention

Challenges "The Big Quit"

The HR focus on employee retention has been well thought of and retention of employees has been achieved by career growth in mind.

Among the top IT companies in India, there has been a flurry of hiring activities happening in the last six months. Reports on the trend showed a rising attrition and a high demand for technically skilled manpower. Why are employees quitting in such large numbers? Employees with good technical skills have had the time to sit back and re-evaluate their work and life balance while accepting jobs.

HR has had to rethink their strategies while either holding onto or hiring new skilled manpower. They have had to importantly create data as to how many people were quitting, why they were quitting, what could be done to stop it and which sector formed the highest turnover risk.

The key would be to develop programs and rethink conditions that would retain manpower. One of the things that HR discovered was the question; Are company leaders and department heads spending enough time with their subordinates?

Are they being encouraging by reinforcing companies' objectives, discussing progress, and talking to their subordinates about the importance of each one's role in the overall picture?

Team Managers must learn to make changes and be more flexible in their leadership style and move with the times. While handling resignation situations and appraisal conversations they should:

- Analyze the issue totally
- Think Retention strategies
- Include Employee Progress in Appraisal conversation

Focus on retention at Clover Infotech

Career Growth – The HR focus on employee retention has been well thought of and retention of employees has been achieved by career growth in mind.
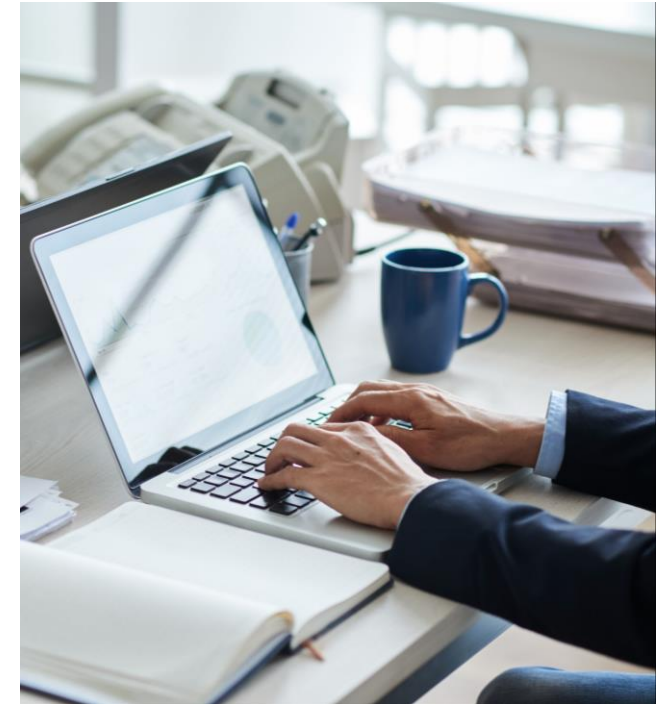
Change of Role – HR has also looked at employees wanting to change departments at work. This has also been accommodated if the skill sets remain the same.

Financial Retention – There have been cases of financial retention as well where the market values for a particular technical skill have changed.

3.6 A Safe & Healthy Workplace

ISO 45001:2018 certified

Commensurate with criteria from the International Organization of Standardization (ISO), Clover Infotech is certified to apply an occupational health and safety management system in line with the ISO 45001:2018 standard at our Mumbai, Navi Mumbai and Pune locations.

Governance

The governance of Health & Safety lies with the Environmental, Occupational Health & Safety (EOHS) Managing Committee consisting of the senior management who determine Policy, Objectives and Guidelines to achieve them. This framework includes Strategy, Resourcing, Competence, Awareness, Communication and Approval. The Clover Infotech Quality team ensures performance evaluation and continual improvement.

The Clover Infotech EOHS team manages annual Strategies, Policies, Objectives, Metrics and reviews monthly progress. The Safety team establishes risk–mitigation strategies, and develops and deploys standards, programs, and procedures to reduce occupational health and safety related risks. In addition, the Clover Infotech Administration team closely monitors and reviews all the safety controls across the locations and scrutinizes every incident and conducts a root–cause analysis.

The Safety team includes designated team members from different departments. This committee performs periodic walkthroughs to evaluate safety and potential areas of risk and to continuously improve and demonstrate our commitment to health and safety. They meet on a quarterly basis to assist with hazard identification and risk assessments, investigate incidents, implement the EOHS policy, identify opportunities for continuous improvement of the EOHS Management Systems and takes an active role in Safety Awareness and training.

Training

We offer safety training through mock drills to all our employees. This equips them with the required skills and knowledge which will help them in an unfortunate emergency at the office premises. It ensures that they are safely removed from the hazardous area. The Clover Infotech HR team conducts Ergonomics and Stress Management training to our global workforce to perform their functions safely. The Clover Infotech Administration team who also look after safety measures have an emergency preparedness plan in place which all employees can refer to. The Evacuation Layout plan is posted across the locations to guide all employees during an emergency.

Evaluation

Risk Assessment
Clover Infotech conducts annual risk assessments to evaluate the EOHS management system and identify any potential risks or safety hazards. Each year we consider the likelihood of a given occurrence and proactively mitigate risks and hazards through operational controls, required monitoring and measurements, procedures and engineering controls.

Audits
The Clover Infotech Quality team conducts periodical internal audit in which Clover Infotech locations are required to demonstrate compliance with the ISO 45001:2018 EOHS Management System standard. Audit non-conformances are then categorized according to the severity. The accredited ISO certification body also conducts third party audits each year to evaluate the Clover Infotech EOHS management system. Corrective actions are tracked till the ISO Certification Body indicates that our corrective actions are satisfactory. In 2022, a sampling of compliance and management systems were audited. A formal report was issued, and no nonconformities were identified.

Validation
To ensure reliable, accurate, and complete reporting, Clover Infotech Quality team also conducts internal data audits of our Mumbai, Navi Mumbai and Pune locations. The internal auditors check for proper roles and responsibilities, current processes/ procedures, monitoring and measuring, operational controls and data trails.

3.7 Wellness – Our Focus

The company places high focus on a wellness culture of safety and provides a safe environment for employees while complying with the highest levels of health and safety management systems which go above mandatory requirements. We have reached these levels by encouraging safe work practices and continued alertness while at work and reporting any untoward incidents and accidents to the Administration team. Remedial measures are almost immediate while resolving all incidents reported.

Our 3A formula on ensuring safety is 'Awareness, Action and Alertness'. Awareness starts with our induction training and continues through regular safety instructions posted all over the premises along with a mandatory yearly training. Action is performed through various drills and safety campaigns that happen on a regular basis throughout the year on various themes. Alertness is encouraged through the reporting of any untoward incident at all times. These programs have proved very encouraging among employees and associates alike having resulted in a Zero workplace accident situation.

Our well curated webinars are on
- Mental Health
- Financial Wellness
- Natural Immunity Building
- Women's Holistic Wellbeing

Our well-constructed trainings are on
- Stress Management
- Ergonomics
- Environmental Management
- Occupational Health and Safety Management

Our extensive, informative campaigns are on
- Health & Safety awareness

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04
Corporate Governance

4.1 Code of Conduct

The Code of Conduct policy was prepared, and the document was approved of by the management. It was circulated among the employees. As its awareness is of prime importance, it is included as a part of the HR induction training and is available on the HRMS portal for easy reference.

A well-defined document, it has recorded every possible breach and has addressed it holistically. Since employees come from various diverse backgrounds, it serves both as a guide and a set of rules to follow for a harmonious and safe workplace environment.

Importantly, it covers major points of concern like personal and work ethics, conflict of interest and a zero-tolerance policy among the many important aspects of conduct.

We are very proud to note that as a result of this very inclusive document, incidents that would have breached the code are very far and few. Since any breach would result in strict disciplinary action, the need for such has not come up yet. Rules remain the same right from the top to the bottom and stand fair for every employee regardless of post or position.

This promotes a very safe and secure work environment that every employee sees as just. An ideal working situation for any individual working with the company. HR also sees that the general wellness and a healthy work environment is maintained. This largely contributes to the code of conduct staying unbreached.

4.2 Finance and its ESG Role

As a business, we need to use our resources effectively and judiciously so we can operate in a sustainable manner to consistently produce an operational profit and sustain our activities for the long-term. With smart growth, efficient operations and sound economic decisions, we create long-term value for our stakeholders and the wider society.

The role of finance being involved in the implementation and execution of their company's environmental, social and governance (ESG) framework is important and necessary. Their part is integrating the objectives into existing planning and reporting processes, by provisioning data and by breaking down overall framework into relevant KPIs or metrics. Finance works across functions and business units and is in a position to lead an organization's ESG reporting and data management programs.

Finance is upgrading its existing skills and framework to drive the organization's ESG agenda towards:
• Investor engagement
• Financial management
• Governance and risk management
• Cross functional integration
• Process effectiveness
• Internal and external reporting

Finance - Crucial Sustainability Enabler

ESG performance improvements and reports show investors how a company mitigates risks and generates sustainable long-term financial returns. ESG transparency was a key focus for companies in 2021 and beyond. Investors are increasingly considering ESG issues to help manage investment risks.

The terms "ESG" and "sustainability" are used interchangeably, especially when it comes to benchmarking and disclosing data. Sustainability is an umbrella term for many green concepts and corporate responsibility, while ESG has become the preferred term for investors and the capital markets.

A. Investment - Demonstrating commitment to ESG puts us in a better position to secure capital investments
• Increasing top-line growth
• Reducing costs
• Decreasing investor, regulatory and legal interventions

B. Risk - Part of the overall enterprise risk management is to monitor, mitigate and address ESG risk, understand the financial and non-financial risks of ESG issues and also be aware of the opportunities that come with recognizing and managing ESG risks.

C. Management Strategy - Incorporating ESG into strategy and value management
• Establishing sustainability guiding principles that will steer investment decisions to create value.
• Prioritizing strategic initiatives by incorporating ESG drivers into business cases and quantifying sustainability impacts.
• Driving ownership, accountability and organizational influences across the business.

D. Reporting - Demonstrating ESG efforts to stakeholders
Finance enables non-financial metrics to carry the same weight as financial results when evaluating ESG Process.
Common ESG metrics:
• Greenhouse Gas Emissions
• Water management
• Environmental footprint

This growing awareness indicates a fundamental shift in the way long-term business success is perceived; extending beyond traditional financial reporting to include ESG factors.

4.3 Risk Management

Identification of Risk

The Top Management establishes the guidelines of Risk Management to the department heads which helps them to identify most significant ESG risks and opportunities with regard to our company and its industry. All department heads who have complete oversight on the functioning of various processes identify and consider external and internal issues affecting the company. Also included are the needs and expectations of interested parties. We undertake a range of business activities, its process documents and day to day Clover Infotech operations necessitating us to identify, measure, control, monitor and report risks effectively.

The board and management consider risk management a key part of Clover Infotech's corporate governance structure. The Administration/Safety department conducts regular reviews of the organization's activities for identifying, assessing, and responding to climate-related risks and opportunities. The risk management process is also reviewed on an annual basis, normally during management review meetings. The overall risk assessment includes evaluation of ESG and climate-related risks and is normally presented at the top management meetings.

Evaluation

Evaluating ESG and climate-related risks and opportunities has become an increasingly important

Risk type	Description	Mitigation Plan
Legal Compliance	It is an important part of our risk assessment. Non-compliance of any legal or any other regulation could have substantive financial impact.	Our Legal team regularly consults legal consultants to get updates on the new amendments and applicable acts. Our team also maintains a Legal Register which gets evaluated and reviewed periodically.
Waste Management	Waste Management plays an important role in Environment Management. Non-adherence of Waste Management rules could contribute to land, air and water pollution.	The Administration team follows rules made mandatory by the local municipal authorities while performing waste management.
E-Waste Management	E-waste needs to be processed by authorized recyclers. An unauthorized processor could cause health hazards to the people who work in such places including children, expectant mothers and their unborn ones and people who live near such centers where a high levels of toxic chemicals, mostly lead and mercury can damage their intellectual abilities.	E-Waste Management Operational Control Procedure is in place. E-Waste is being processed by authorized vendors.
Climate Related Risk	While assessing environment related risks, we identified some emergency situations as possible risks being situated at coastal cities like Mumbai and Navi Mumbai - Cyclone, Storm, Flood during rain	The Administration Team has designed an Emergency Preparedness Plan for such emergency situations which is accessible to all employees. Periodical Mock Drills are conducted to train employees to act in such situations.
Climate Related Risk - Potentially Chronic Risk	This risk is currently not classified as chronic but could have the potential to become a chronic event due to climate change. NASA predicts a rise in sea-levels which could prove a significant risk in the future.	As is our commitment to the Environment, we undertake CSR activities which contribute towards Environment Management.
Workplace environment, Health, Safety and Security	Our study has shown these to be the risks: Work related Stress, Ergonomics, Wrong Workplace furniture, Inadequate lighting, Lack of destressing workplace activities, Clean drinking water, toilet and canteen facilities	Strong Control measures have been put into place addressing each issue mentioned. Awareness is created about various issues and discussed with the employees on a regular basis.
Pandemic Situation	Risks like the recent Covid-19 pandemic situation could resurface – Non-operational Workplace, Disruption in the business, Lack of communication with employees, Employees falling victim to the situation/sickness, Non-compliance of local authority Health and Safety guidelines	We arranged vaccination drives for employees and their immediate families. • Extended our hand to our community through CSR activities • Provided a work from home facility • The HR team had a daily two hour on call Support session for our employees. • Also arranged Health related webinars to help employees to handle mental and physical health • Held Awareness sessions for Do's and Don'ts

part of Clover Infotech's overall risk management processes. These factors impact strategy, financial conditions, and all aspects of Clover Infotech's value chain.

Each risk is evaluated based on internal and external conditions and takes deemed likelihood, estimated financial impact, time horizon and mitigation activities into consideration.

4.4 Information And Cybersecurity

ISO 27001:2013 certified

Clover Infotech is certified and externally audited to the globally recognized ISO 27001:2013 Information Security Management System (ISMS) standard. This framework covers cyber security, data security, privacy, and physical/environmental security related controls, thereby covering people, equipment, access, process, and technology.

Our Approach

As a leading IT services and consulting company, we are committed to strengthen information security, and to implement measures that protect our company against illicit activities, including cyber-attacks and malware.

Clover Infotech with the help of Vulnerability Management identifies vulnerabilities, breach attempts, and possible criminal activity by third parties. These activities are covered by our process for cybersecurity risk management. To date, we have experienced no cybersecurity incidents that resulted in any material adverse effect to our business or operations.

Governance

The Clover Infotech IT Infrastructure team periodically review management of Information Technology (IT) risks, including those relating to business continuity, cybersecurity, malware, regulatory compliance, and

data management. The Clover Infotech IT Infrastructure team briefs the Clover Infotech Quality team on cybersecurity matters and briefs the top management on these issues at least annually.

Clover Infotech's Chief Information Security Officer manages the cybersecurity risks identified in the Risk Management process. This includes performing an initial risk assessment considering the organization and its context and understanding the needs and expectations of interested parties. It prioritizes the most likely and impactful risk elements and recommends appropriate measures to mitigate the risk.

Training

We offer several training initiatives as part of our program for cybersecurity training and compliance. The Clover Infotech IT Infrastructure team along with all Clover Infotech team members are trained to identify cybersecurity issues and to escalate them to correct owners.

Auditing

The accredited ISO certification body also conducts third party audits each year to evaluate the Clover Infotech Information Security Management System.

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05
Clover's ESG Performance

5.0 Clover's ESG Performance

Absolute Emission Profile (tons of CO2 eq.)

Source	FY 2021-22
Scope 1	
Refrigerant	424.449
Scope 2	
Purchased Electricity – India Offices	586.000
Scope 3	
Employee Commute	2.425
Business Travel	16.868
Work From Home Emissions	103.500

Total Energy Consumption (MwH)

Source	Fuel	FY 2021-22
Non-renewable	Purchased Electricity	651.113

Water Consumption (Litres)

Source	Q3 FY'21-22	Q4 FY'21-22
Private Water	12,339	13,034

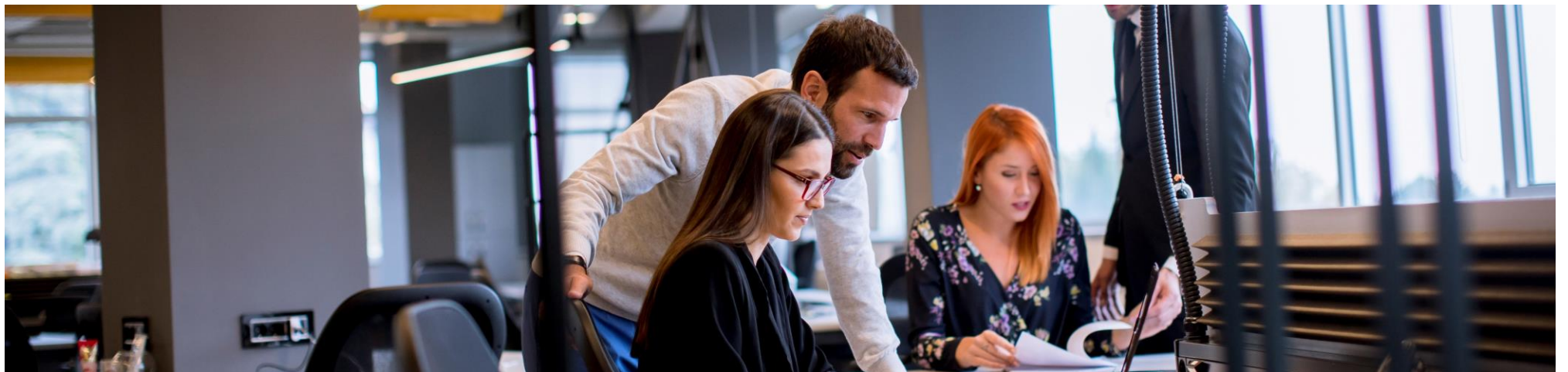As a part of an ISO 14001:2015 initiative, we have started tracking our water consumption.

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