SAMUNNATI FINANCE PRIVATE LIMITED	
Policy	Environment Social & Governance Policy
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1. Introduction

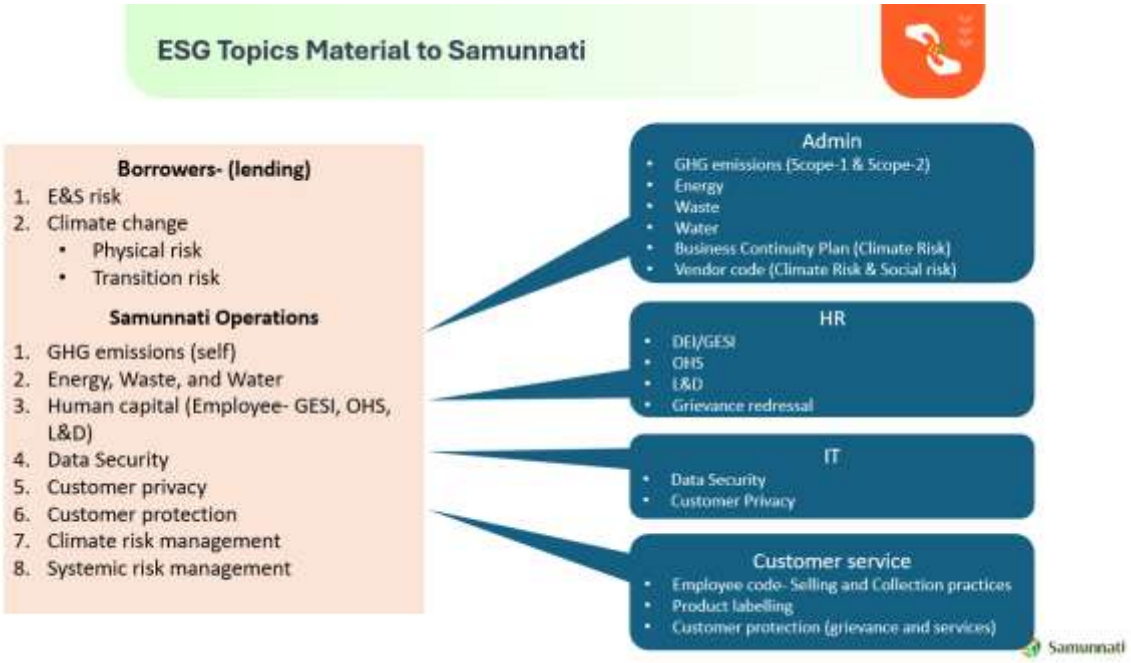
Samunnati's vision of making markets work for smallholder farmers is strongly aligned with sustainable business values. Recognizing the deep interconnection between agriculture and climate, Samunnati acknowledges its pivotal role in climate action and sustainability. In addition, Samunnati continually strives to align with various global best practices and standards pertaining to responsible lending, social inclusion and impact, and sound corporate governance. By integrating sustainability into our core business strategy, the Company constantly enhances its resilience while unlocking new growth opportunities.

1.1. Objective

This Policy aims to incorporate all material Environmental, Social & Governance (ESG) considerations across the Company's operations. It serves as a guiding document for the various functions to formulate and implement ESG-relevant policies and initiatives. The approach towards ESG integration includes the development of a robust governance mechanism, systems for risk management and controls, incorporation of environmental and social considerations into the standard operating procedures of the Company's operations as well as communication and disclosure of ESG performance.

1.2. Scope

This ESG Policy serves as a guiding framework for various ESG considerations and sustainability initiatives across functions. It needs to be read in conjunction with the list of policies in the annexure to this document for a comprehensive understanding of the Company's efforts. The graphic below identifies the material topics to ESG at Samunnati.



The Company adopts a double materiality approach and considers both: (i) the Company's impact on people and planet, and (ii) the impact of ESG factors on the Company's financials. Materiality assessments are undertaken once in three years to ensure relevance and alignment with evolving regulatory environments, stakeholder expectations and sustainability risks.

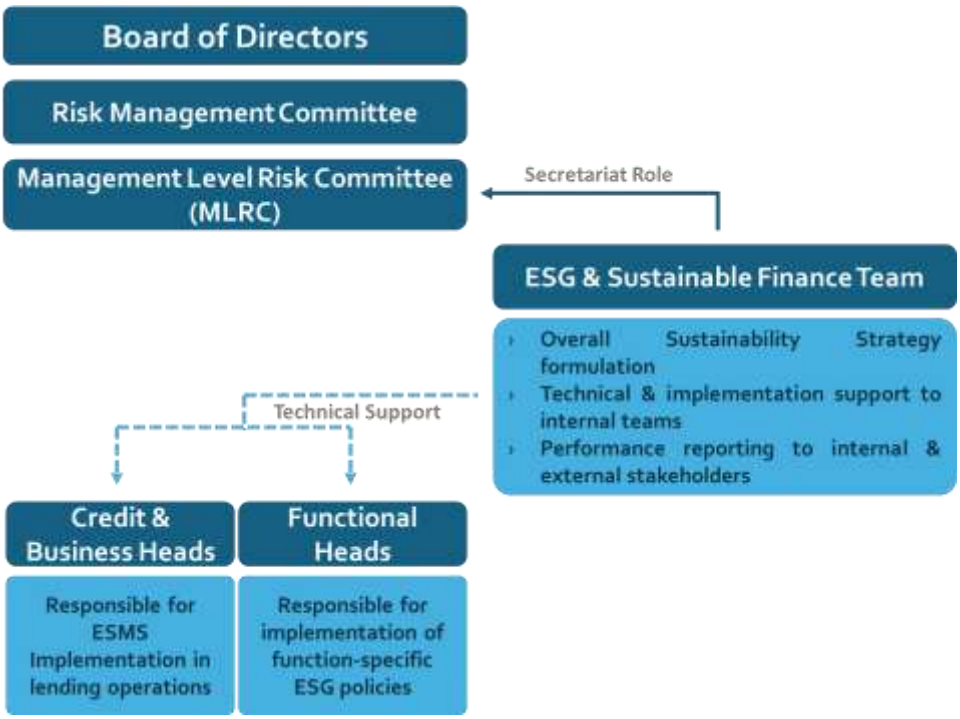
2. Policy Governance

2.1. Governance Structure

The ESG & Sustainable Finance team is primarily responsible for devising the overall sustainability strategy for the organisation and providing technical expertise and implementation support across all levels. Performance reporting to all relevant internal and external stakeholders will also be ensured by the ESG team.

With support from the ESG team, the Business and Credit teams are responsible for the implementation of Environmental and Social Risk Management (ESMS) systems across the company's lending operations. The respective Functional heads are responsible for the implementation of various ESG relevant policies that fall under the scope of their function. The ESG team takes on a Secretariat role and provides quarterly review reports to the Management Level Risk Committee (MLRC) which in turn reports to the Risk Management Committee of the board.

All ESG related policies are reviewed annually, or more frequently subject to regulatory changes or material changes in the operating environment.



Internal Audit Mechanism

The implementation of all policies and processes are periodically monitored through a robust Internal Audit mechanism. The Internal Audit Department (IAD) performs independent assessment of risk and the adequacy of controls to ensure that control environments are operating in a manner commensurate with the risk appetite of the organisation. The IAD reports its finding to the Audit committee on a quarterly frequency. Recommendations are then communicated to the respective teams for necessary action.

2.2. Role of ESG & Sustainable Finance Team`

The ESG & Sustainable Finance Team is responsible for formulating and supporting implementation of the organization's ESG policy. Implementation of ESG policy rests with the respective functional heads while the ESG team provides technical support. The team's broad roles and responsibilities include:

- **Designing the organization's ESG and sustainability strategy** in alignment with identified risks and opportunities.
- **Support defining goals and KPIs** to measure and track the organization's ESG performance effectively.
- **Facilitate integration of sustainability principles across all functions and levels** by developing structured processes, policies, and implementation mechanisms.
- **Reviewing and updating the ESG policy periodically** to stay aligned with evolving industry standards, regulations, and best practices.

2.3. Board Reporting & Policy Review

This policy will be annually presented to the Management Level Risk Committee (MLRC) for review and to the Board for approval. On a quarterly basis, the ESG team will report on performance and operational updates to the MLRC. The ESG team shall also present the Company's Sustainability Report to the MLRC on an annual basis.

3. ESG in Operations

As a Sustainability-focused organisation, Samunnati is deeply committed to conduct its business operations in a sustainable manner. Samunnati is an IMS (Integrated Management System) certified organization and has successfully integrated internationally recognized standards in its operations:

- ISO 9001: Quality Management System
- ISO 14001: Environmental Management System
- ISO 45001: Occupational Health and Safety Management System

These processes ensure a systematic approach to quality, environmental performance, and employee health and safety. Relevant policies and procedures supporting these certifications are implemented across functions, monitored through internal audits, and reviewed periodically to ensure effectiveness and continual alignment with global best practices.

3.1. Environment

Energy & Emissions

Samunnati is committed to minimizing its environmental impact and will invest in energy efficient technologies and reduce energy consumption where possible. The Company will measure and report its annual GHG emissions as well as energy consumption across all its operations.

Resource Efficiency & Waste Management

The Company's primary resource consumption and waste generation is limited to paper, plastic, and e-waste. Samunnati strives to minimize its resource use and waste generation. All other bulk waste will be segregated into dry and wet waste where possible, to promote responsible processing and disposal. All e-waste will be managed in accordance with applicable regulations and disposed of through certified e-waste recyclers.

Sustainable Natural Resource Management

Samunnati will promote sustainable management of living natural resources (including natural and plantation forestry, agriculture, animal husbandry, aquaculture, and fisheries) among its customers through adoption of industry best practices. The Company will also engage in land-based agribusiness and forestry projects on unforested land or converted land to promote sustainable NRM practices and conserve local biodiversity.

Refer Associated Policies:

Part I E&S Policy

3.2. Workforce & Employment Practices

Employees form the backbone of the organisation, and their satisfaction and well-being are of utmost importance for the sustained success of the business. As with every other function, Samunnati brings its inclusive approach to all its HR operations. A comprehensive set of HR policies ensure optimum experience of employees throughout the employee lifecycle. Key focus areas include but are not limited to:

- Employee health, safety, & wellness

- Employee satisfaction
- Employee Grievance Redressal Mechanism
- Employee Code of Conduct
- Equal Opportunity Employment
- Learning & Development

Refer Associated Policies:

HR Policy
POSH Policy
Whistleblower Policy
Employee Code of Conduct

3.3. Customers

Samunnati was established with the core mission of making markets work for farmers. Since inception, the Company has remained steadfastly customer-centric, with its products, services, and operational frameworks designed to address the needs of farmers, farmer collectives and agribusinesses.

All processes and policies are structured to enhance the overall customer experience while safeguarding their rights and interests at every stage of engagement. The following policies exemplify this commitment:

Fair Practice Code

Samunnati's Fair Practice Code was implemented with three basic objectives:

1. Promote fair practices by setting minimum standards in dealing with customers.

2. Increase transparency and thereby set clear service level expectations for customers.

3. Foster customer confidence in the Company.

The Company ensures transparent communication of product terms, channels and processes for redressal in case of grievances, responsible lending practices including setting a fair rate of interest and penalties, treating customers fairly and respectfully during collection and recovery.

Customer Grievance Redressal Policy

Samunnati is committed to delivering high standards of customer service and ensuring fair, timely, and transparent resolution of customer grievances. Our Customer Grievance Redressal policy establishes a structured, three-tier grievance redressal mechanism that enables customers to provide feedback or lodge complaints through clearly defined channels. It affirms the customer's right to have their concerns heard and addressed in a prompt and equitable manner.

Refer Associated Policies:

Fair Practice Code
Customer Grievance Redressal Mechanism Policy
Interest Rate Policy & Loan Pricing Framework

3.4. Cyber Security & IT Governance

As an entity handling large amounts of sensitive client information, the Company has strong focus on Information & Cyber Security. Samunnati's Information Security is built on maintaining confidentiality, preserving data integrity, ensuring availability and access for authorized teams, and upholding authenticity across all forms of information. These measures collectively strengthen our IT governance framework, ensuring security, compliance, and operational continuity.

Refer Associated Policies:

IT Policy
Information Security & Cyber Security Policy
Cloud Governance Policy
Privacy & Disclosure Policy

3.5. Supply Chain Partners

The Company relies on a wide array of partners and service providers, which are essential to fulfilling our business needs. Our supply chain includes a diverse range of vendors offering products and services in areas such as technology, consulting, labour, energy, and office supplies, with suppliers spanning from local small enterprises to global organisations. All vendors, outsourcing partners, and supply chain entities are expected to align with Samunnati's ESG principles and are encouraged to incorporate these considerations into their operations.

Refer Associated Policies:

Vendor Management Policy
Outsourcing Policy
IT Outsourcing Policy

3.6. Community & Society

The Company is committed to contributing meaningfully to the transformation of India's agricultural ecosystem. Its community engagement initiatives are driven through the Samunnati Foundation, the Group's non-profit arm. Samunnati Foundation focuses on creating long-term value for farmers, rural communities, and the broader agriculture sector. It aims to provide sustainable support, monitor programmatic outcomes, and

adapt strategies to ensure scalable, inclusive, and impactful community development interventions.

Refer Associated Policies:

CSR Policy

3.7. Transparency & Stakeholder Engagement

Samunnati understands the importance of a proactive approach to stakeholder engagement. The primary stakeholder groups have been classified based on their degree of influence and priority. The frequency, channel, and nature of engagement are determined based on the identified categories.

The important stakeholder groups for Samunnati include but are not limited to:

- Customers
- Regulatory Authorities
- Employees
- Investors

Samunnati ensures full compliance with all statutory financial and non-financial reporting requirements mandated by regulatory authorities. In addition, the Company publishes its Sustainability Report to demonstrate its commitment to ESG principles and to transparently disclose its performance on key ESG / sustainability metrics. The reports will align with GRI standards and be guided by global standards and frameworks such as Task Force on Climate-related Financial Disclosures (TCFD), Sustainability Accounting Standards Board (SASB) and United Nations Sustainable Development Goals (UN SDGs).

Refer Associated Policies:

Part II E&S Policy: ESMS

3.8. Good Corporate Governance

Samunnati upholds independence, responsibility, transparency, professionalism, accountability and adherence to code of ethics as the basic tenets of corporate governance. The Company is committed to highest standards of corporate governance to maximize long-term stakeholders' value through sustained growth and value creation.

The Company's Corporate Governance policy aligns with all applicable regulations, various standards, guidelines, and circulars issued by relevant authorities including but not limited to the Ministry of Corporate Affairs (MCA), Securities Exchange Board of India (SEBI), and the Reserve Bank of India (RBI).

Refer Associated Policies:

Corporate Governance Policy
Fit & Proper Policy
Policy on Compensation of KMPs & Senior Management
Compliance Policy
KYC AML Policy
Anti-Bribery and Anti-Corruption Policy

4. Sustainable Lending

As a sustainability-focused NBFC, Samunnati has developed tools and frameworks to engage in sustainable lending practices. The Company has a proven track record of raising thematic capital and has a growing portfolio of green and social assets. To guide the allocation and management of its sustainable assets, Samunnati has developed a Sustainable Finance Framework. The Company also employs a rigorous Environmental & Social Management System (ESMS) to identify and manage E&S risks and opportunities across its entire portfolio.

4.1. Sustainable Finance Framework

Samunnati's Sustainable Finance Framework guides the Company's sustainable lending activities. Proceeds from thematic bonds and other sustainable finance instruments shall be exclusively dedicated to the set of eligible activities mapped in the framework. It aligns with the guidelines and principles from:

- ICMA – Green Bond Principle (GBP)
- Climate Bond Initiative – Green Bond Taxonomy
- ICMA – Social Bond Principle (SBP)
- ICMA – Sustainability Bond Principle

The framework is subject to periodic reviews by the ESG team to realign with changing standards and taxonomies.

Refer Associated Documents:

Sustainable Finance Framework

4.2. E&S Risk Management

Samunnati understands the importance of E&S Risk Management in its lending activities. The Company's E&S Risk and Opportunity assessment is tightly integrated into the credit appraisal process. Samunnati's ESMS processes ensure continuous monitoring, timely identification and course correction of risks in the system.

Refer Associated Policies:

Part II E&S Policy: ESMS

Annexure of Supporting Policies

I. Exclusion List
II. Sustainable Finance Framework
III. Part I of E&S Policy
IV. Part II of E&S Policy: ESMS Framework
V. Fair Practice Code
VI. Interest Rate Policy & Loan Pricing Framework
VII. CSR Policy
VIII. Policy on Employee Volunteering
IX. Vendor Management Policy
X. Outsourcing Policy
XI. IT Outsourcing Policy
XII. IT Policy
XIII. Information Security & Cyber Security Policy
XIV. Cloud Governance Policy
XV. Privacy & Disclosure Policy
XVI. Customer Grievance Redressal Mechanism Policy
XVII. HR Policy
XVIII. POSH Policy
XIX. Whistleblower Policy
XX. Employee Code of Conduct
XXI. KYC AML Policy
XXII. Anti Bribery & Corruption Policy
XXIII. Corporate Governance Policy
XXIV. Fit & Proper Policy
XXV. Policy on Compensation of KMPs & Senior Management
XXVI. Compliance Policy