

# **SUSTAINABILITY REPORT**

**ADDVERB**



# **Technological Ecology**

Addverb's dedication to sustainability is a proactive choice, and we remain committed to creating enduring value and meaningful impact across all facets of our endeavours. We strive to provide reliable and transparent information regarding our Environmental, Social, and Governance (ESG) initiatives. Our goal is to empower our stakeholders with the insights they need to make informed decisions pertaining to our operations. We view this Report as a powerful tool, facilitating clear communication of our ESG initiatives, achievements, and advancements in disclosing relevant material topics that shape our sustainability journey. Addverb is also referred to as 'We' and 'Our Company' across this Environment, Social, and Governance Report (Report).

## Reporting Period, Scope, and Boundary

The information shared in this Report predominantly consists of our activities within India, with a clear distinction unless explicitly mentioned otherwise. The reporting period spans from 1<sup>st</sup> January 2023 to 31<sup>st</sup> December 2023, and the data is presented on a standalone basis.

## Responsibility Statement

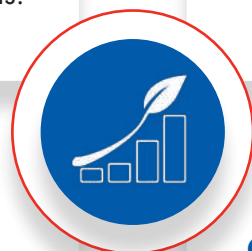
This Report has been meticulously crafted by the senior management at Addverb. The content within is both accurate and directly pertinent to our stakeholders.

## Channel for Feedback

We value the feedback of our stakeholders to improve our Sustainability Reporting disclosures. For any questions or recommendations, please feel free to reach out to us at:- [automate@addverb.com](mailto:automate@addverb.com).

## Cautionary Statement

This report contains forward-looking statements regarding Addverb's future events, but there's a risk they may not be accurate. Readers should avoid excessive reliance on these statements, as various factors could cause actual results to differ from predictions.



HUMAN | ROBOT | POSSIBILITIES



## Technological Ecology

At Addverb, our idea of sustainability is to create a world where progress aligns harmoniously with the planet and ecological systems. The theme of our sustainability Report, 'Technological Ecology,' resonates with our Company's efforts to redefine the vital relationship between the products we create and the environment.

Our relentless pursuit signals a paradigm shift, wherein we will craft robots and automation systems that would enhance, not exploit, nature's balance. We strive to design and deploy solutions that not only reduce ecological impact but, more significantly, actively contribute to the well-being of the planet.

We realise that sustainability requires a collective effort and hence aspire to meet modern business needs with a deep focus on design principles and technological innovation that create a vibrant symbiosis with nature.

In our journey of 'Technological Ecology', our commitment is a pledge for a future where each innovation prioritises ecological balance and embodies environmental stewardship, thereby creating a thriving, resilient future for all.

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**Addverb** is a leading global robotics company headquartered in Noida, Uttar Pradesh, India. Our Company specialises in delivering innovative material handling automation solutions with a unique blend of robots, automation systems, and intelligent software for warehouses and factories. It has been a pioneer in shaping the future of fulfillment by designing and delivering creative warehouse automation solutions that help businesses scale their operations to meet the demand for efficient, reliable, and accurate deliveries. Addverb started its journey in 2016, and has become a market leader by onboarding customers ranging from new-age startups to Fortune 500 companies across multiple sectors.

Our eventful journey would not have been possible without the incredible support of our workforce. Their passion, talent, experience, and courage have been instrumental in setting us apart as leaders. We cherish them as the **'Humans of Addverb'** and are committed to providing an inclusive work environment where they can thrive.

## Vision

Touching lives by pioneering human-robot collaboration

## Values



### Integrity

Uphold our words and commitment



### Passion

Embrace our work, seek excellence, and radiate positive energy



### Courage

Seek challenges as opportunities and overcome them with tenacity



### People Connect

Enable and enjoy each other's success



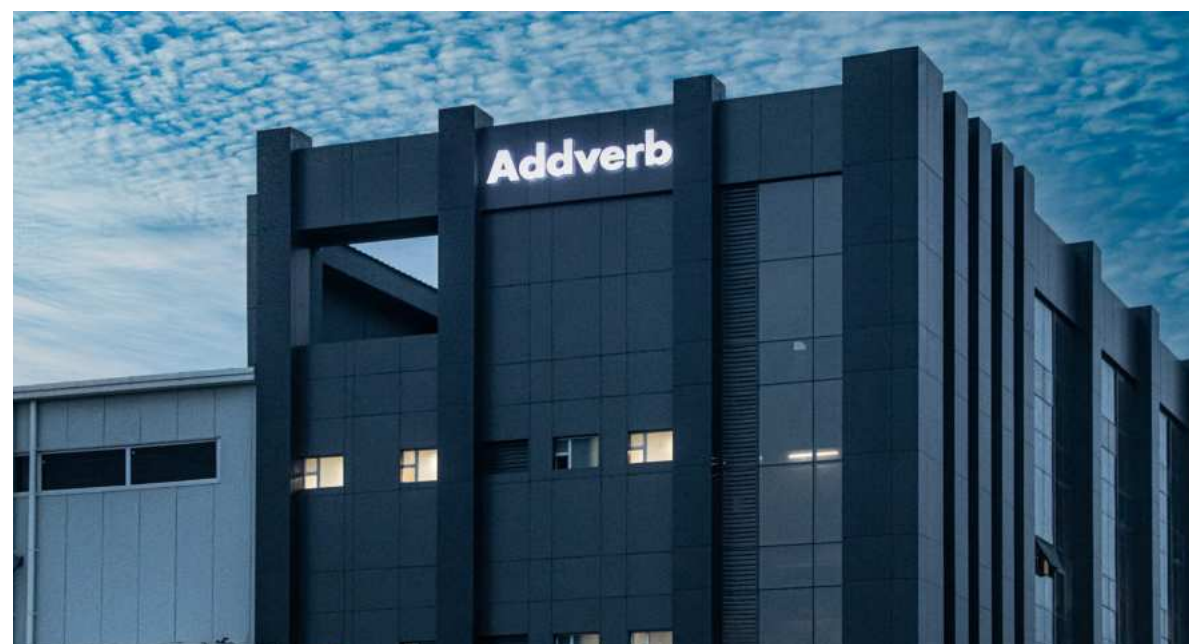
### Innovation

Encourage active experimentation and rapid learning

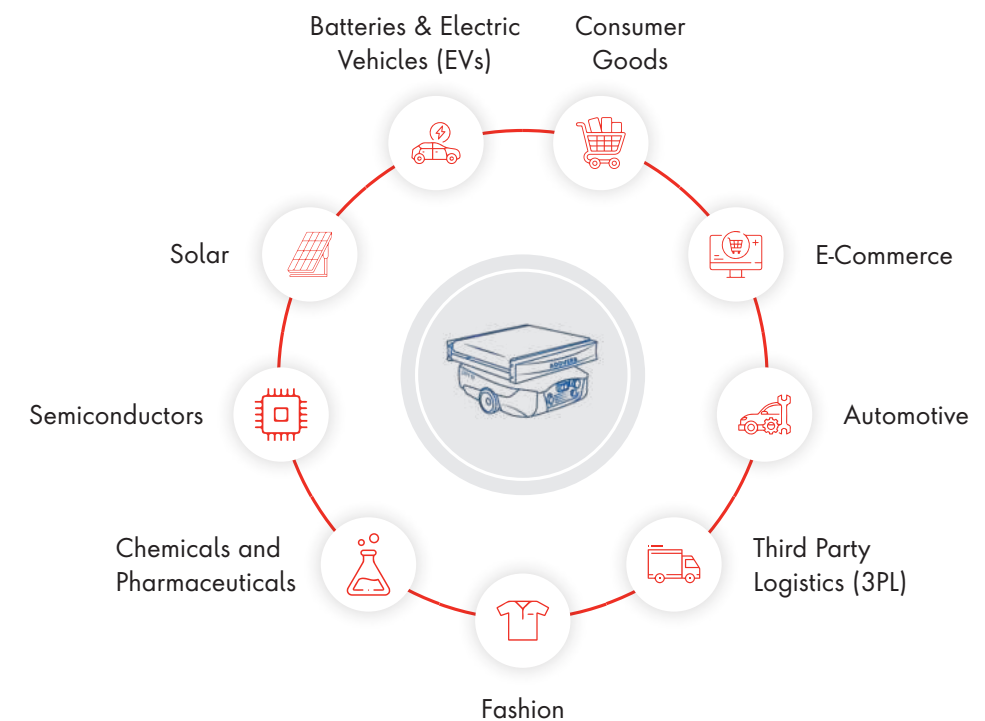


### Customer Centricity

Craft meaningful connections to meet the needs and preferences of customers



## Pioneering Solutions across Multiple Sectors



## Global Footprint



India



Singapore



Australia



USA



Netherlands



Denmark\*



Germany\*



United Arab Emirates\*



Malaysia\*



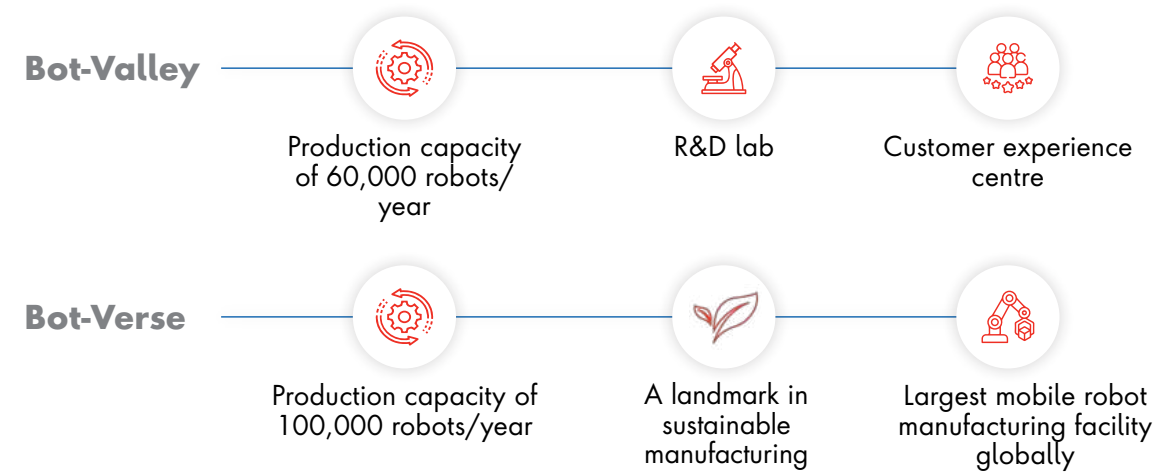
Multi-disciplinary team comprising **700+** technopreneurs\* from **21** nationalities

Manufacturing facilities in two locations: Bot-Valley, Noida & Bot-Verse, Greater Noida, Uttar Pradesh, India

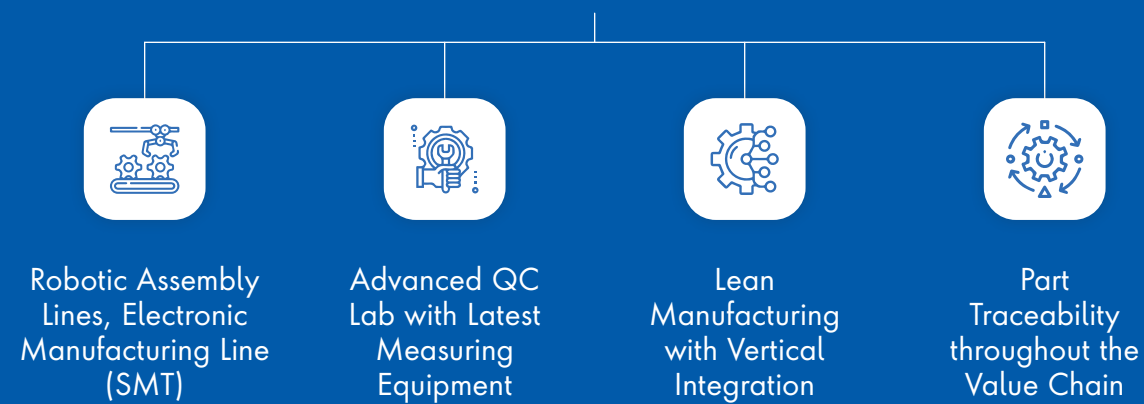
\* At Addverb, we call our employees 'technopreneurs' as they harness the power of technology to solve complex problems in the material handling industry.

\* These are Addverb's branch locations. The rest are our subsidiaries in the mentioned locations above.

## Manufacturing Facilities

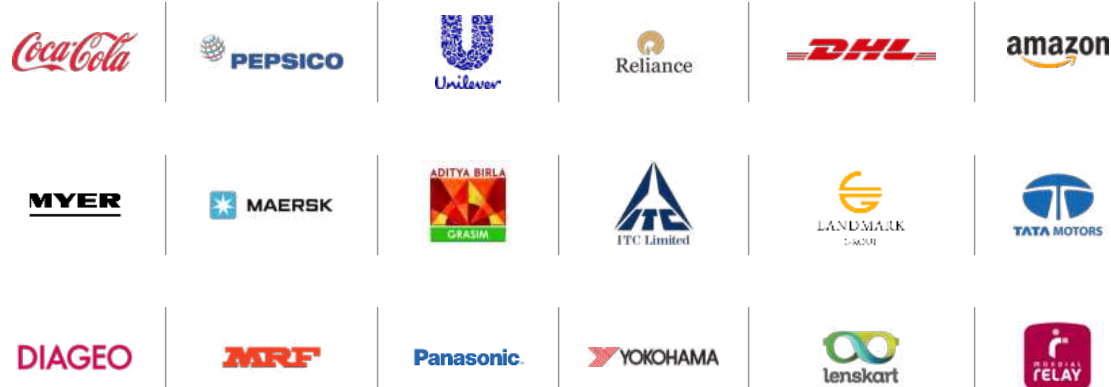


### State-of-the-art Manufacturing



### Esteemed Clientele

350+ Clients



## Product Portfolio

Addverb combines robust hardware and intelligent software to deliver ground-breaking products with extended lifespan and reduced ownership cost. Our automation solutions enhance efficiency, reliability, and accuracy in fulfillment operations across different industries.

### Mobile Robots

- Autonomous Mobile Robot
- Multi-Carton Picking Robot

### Sorting Robots

- Robotic Sorter
- Vertical Sortation Robot

### Software

- Warehouse Management System
- Warehouse Execution System
- Warehouse Control System
- Fleet Management System

### Automated Storage & Retrieval System

- Carton Shuttle
- Mother-Child Shuttle
- Multi-Level Shuttle
- Pallet Shuttle
- Crane ASRS
- 4 Way Pallet Shuttle

### Material Movement

- Rail Guided Vehicle
- Pallet Conveyor
- Case Conveyor
- Vertical Lift

### Picking Solutions

- Pick-to-Light
- Pick-by-Voice
- Goods-to-Person Station



## 4D Approach

Addverb goes beyond product delivery, implementing solutions that exceed expectations. Our advanced manufacturing facilities ensure high-quality robots and automation systems. Efficient project management and lifecycle support help customers overcome challenges seamlessly, ensuring successful project outcomes.

### 1 Discover

We start our customers' warehouse automation journey by benchmarking their performance using our unique framework of product, process, and people to identify challenges and opportunities to improve performance.

- Product
- Process
- People
- Performance

### 2 Design

We combine insights gained from discover phase with our technology expertise to redesign processes that meet our customers' needs.

- Technology Selection
- Layout Engineering
- Simulation
- Process Re-engineering

### 4 Dedicated Support

Our personal connection with customers extends well beyond the project delivery. We offer unwavering customer support after project deployment to ensure utmost customer delight.

- Documentation
- Ramp Up Support
- Spare Parts
- Human Touch

### 3 Deliver

We efficiently deploy the automation solutions using our project management expertise, reducing time and costs, improving quality and safety, and providing real-time progress updates throughout implementation

- Project Management
- World-Class
- Configurable Software
- Digital Twin

## Software Capabilities

### Hardware-Agnostic Integration

- Seamlessly orchestrates diverse automation systems and robots without compatibility issues

### Microservices-Based Architecture

- Modular platform for scalable warehouse digitalisation
- Meets complex automation needs

### Cloud and ERP Integration

- Flexible cloud deployment options
- Effortless integration with any ERP system

### Smart AI-Powered Algorithms

- Self-learning algorithms for real-time performance improvement

## Research & Development

Research & development at Addverb is continuous, contributing to our success in robotics and automation. Our R&D professionals are architects of our competitive edge, innovating consistently. We prioritise investment in R&D to ensure product excellence and set new standards in the industry. With precision and innovation, we strive to redefine excellence in every aspect of customer satisfaction.

**150+**

R&D professionals

**15%**

Percentage of revenue allocated to R&D

**11**

Design grants received

**28**

Patents filed across India, USA, Europe, Australia, and Singapore

### R&D Enhanced through Digital Thread Integration

- Traceability
- Shorter Time to Market
- Transparent Governance & Compliance
- Quality

## Product Lifecycle Management

We've enhanced our R&D with Product Lifecycle Management (PLM), optimising workflows, and boosting efficiencies from conception to disposal. This accelerates development cycles and cuts costs, centralising product information and fosters collaboration. The result: quicker time to market, better quality, and a more strategic, efficient R&D engine.

With the help of PLM, the R&D department has completely gone paperless. All design verifications and approvals occur through workflows developed within PLM, eradicating paper usage and fostering environmental responsibility.

## Digital Twin

We use digital twin technology for warehouse automation, creating virtual replicas of physical layouts. Through 3D modelling, customers visualise proposed solutions in a risk-free digital space. It enables cost-effective experimentation and real-time monitoring, for informed decisions and resource optimisation.



## Sustainable Manufacturing

We establish a vital link between technological progress and environmental responsibility through sustainable design which help us to incorporate sustainability at every stage of the product lifecycle. Our manufacturing embraces lean practices to reduce waste and optimise resource use. Our commitment extends beyond our facilities through engagement with suppliers who share our dedication to environmental responsibility.

### Design for Circular Economy and Resource Efficiency

- Robots are manufactured with recyclable materials like steel and ABS plastic, promoting closed-loop recycling.
- Long-lasting design featuring modular components and robust construction reduces waste from frequent replacements.
- Li Titanate batteries with longer lifecycle (up to 10 years), fast charging, and enhanced safety features are chosen to minimise energy consumption.

### Sourcing Materials Responsibly

- Compliance with the ROHS directive ensures the avoidance of materials restricted under these regulations.

### Going Beyond Compliance

- Our manufactured products consistently achieve CE certification, demonstrating our adherence to stringent European safety and environmental standards.
- Certified under EPR (Extended Producer Responsibility) standards, we engage in the global retrieval of plastic and other materials used in our products and packaging.

### Harnessing Smart Software with Advanced Algorithms

- Using advanced algorithmic software anticipates potential malfunctions, enabling scheduled preventative maintenance to minimise unplanned repairs.



## Project Lifecycle Management

The overarching objective is to craft and deliver projects of exceptional quality that not only align with customer expectations but also resonate with the core values of Addverb. Project Lifecycle Management at Addverb comprises five stages meticulously designed to meet the highest standards of quality and customer satisfaction.

### Inception

Defining project objectives, managing scope, conducting interface and organising internal/external kick-off meetings, and preparing a comprehensive Design Acceptance Package.

### Plan

Strategic emphasis on fostering transparency in both cost and quality, crafting a dynamic project schedule, addressing potential risks, and realising objectives to deliver high-quality outcomes.

### Implement

Deployment of resources, diligent reporting with the S-Curve, virtual commissioning, factory acceptance testing, and effective conflict and crisis management for the smooth progress of the project.

### Adapt

Proactive response to change, effective change management practices, and the systematic management of knowledge.

### Closure

Formal conclusion of the project, obtaining stakeholder approval, handing over project deliverables, conducting final testing, and compiling comprehensive documentation.

## Lifecycle Support: End-to-End Excellence

With Addverb, customers gain access to highly specialised and comprehensive support services crafted to meet their unique requirements. Our customer support process is adeptly equipped to facilitate the seamless integration of maintenance procedures, fostering operational success across a diverse array of industries.

### Computerised Maintenance Management System (CMMS)

CMMS serves as the backbone of maintenance operations, providing a centralised platform for streamlining maintenance operations, efficient asset management, preventive maintenance scheduling, real-time tracking of maintenance activities, and optimising overall equipment efficiency.

### Tailored Packages

Our service support offerings are tailored to precisely align with the unique needs and requirements of our customers. We go beyond the standard by providing options for additional features and elevated levels of technical support.

### After-Sales Trainings

After-sales training programmes are tailored to empower customers with the essential knowledge and skills needed to proficiently leverage the capabilities of their installed warehouse automation solutions.

### 24x7 Support

Round-the-clock support ensures that technical assistance and guidance are available to users at any time, addressing issues promptly and minimising downtime.

### Analytics and Insights

Analytics and insights functionality provides customers with data-driven metrics and reports to analyse trends, monitor key performance indicators, and make informed decisions for enhanced operational efficiency.



## Recognitions and Honours

'Best Startup Initiative in the AI Sector' in CY 2022 by the All India Council For Robotics & Automation (AICRA).

Addverb's Dynamo received the 'Products of the Year Readers Choice' Award in the Mobile Robots category by Materials Handling 24/7.

'2019 Indian Warehouse Management Robotics Solutions Enabling Technology Leadership' Award by Frost & Sullivan, India.

'Brandon Hall Global HCM' Award for the Best Development Program for Frontline Leaders.





**We aim to embed sustainability throughout our creations, from design to disposal. Our products minimise waste, energy consumption, and environmental footprint. Our manufactured robots are built to be robust, energy-efficient, with batteries lasting longer to minimise the frequency of replacements and reduce environmental impact."**



## Dear Readers,

I am thrilled to address you all through our first Sustainability Report. While this marks the first official documentation of our sustainability journey, our commitment to environmental, social, and governance (ESG) initiatives has always been an integral part of our Company's ethos.

Over the years, we all have observed a distressing impact on our environment and ecology, resulting in serious issues such as climate change, environmental degradation, loss of biodiversity, and pollution.

As leaders in robotic manufacturing, we recognise our pivotal role in shaping a sustainable future. We're committed to integrating sustainability into our manufacturing, contributing to technological ecology. Our vision focuses on pioneering solutions that meet customer challenges while preserving ecological balance. Our internal processes, such as lean manufacturing and stringent controls, propel us on the trajectory towards technological ecology, with each passing day bringing new advancements and innovations.

We leverage crucial insights from materiality assessments and stakeholder engagement to strategise and advance our sustainability strategy.

We aim to embed sustainability throughout our creations, from design to disposal. Our products minimise waste, energy consumption, and environmental footprint. Our manufactured robots are built to be robust, energy-efficient, with batteries lasting longer to minimise the frequency of replacements and reduce environmental impact.

Additionally, our AI-enabled software empowers robots and automation systems to optimise routes and material flow for enhanced efficiency. It ensures opportunistic charging and limits excessive charging of robots, optimising energy usage. Moreover, our ASRS solutions capture and repurpose energy during descent, further conserving energy. Our intelligent software systems actively monitor equipment and aid in preventive maintenance, increasing the product's lifecycle.

We are dedicated to minimising the impact of our operations on the environment and mitigating climate change by actively working to reduce GHG emissions. To achieve this, we harness solar energy as a sustainable alternative, thereby decreasing our dependence on non-renewable sources. Additionally, all our facilities are equipped with energy-efficient machinery to ensure responsible power consumption.

In line with our commitment to ecological sustainability, we strategically undertake tree-planting initiatives and cultivate green belts in specific areas. This not only contributes to ecological restoration but also enhances the overall environmental balance, aligning with our broader goal of fostering a greener and more sustainable future. Furthermore, we proactively implement measures to reduce our reliance on freshwater resources by initiating groundwater recharge. We have also created a bioretention pond to enhance sustainable water management.

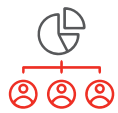
We are equally devoted to fostering a workplace that values and nurtures our greatest asset—our people. Our Diversity, Equity, and Inclusion (DEI) vision, and Code of Conduct uphold our commitment to an inclusive, equal-opportunity workplace. We invest in employees' professional development, promoting 'Lifetime Employability' for continuous growth and competency development.

As we look ahead, innovation and sustainability stand as inseparable pillars guiding our trajectory. We will continue to innovate, integrate, and improve our production processes, actively creating a future where we thrive by making responsible and forward-thinking choices.

Best regards,

**Mr. Sangeet Kumar**  
Co-Founder & CEO

We value fostering strong connections with our stakeholders and acknowledge the profound influence these relationships wield on our business dynamics. We are committed to prioritising their long-term interests by actively engaging through various channels to enhance our operational processes. This positions us to surpass the evolving demands and expectations of our diverse stakeholder community.

| Stakeholder Group                                                                                        | Relevant Material Topics                                                                                                                                                                                                                                        | Channels of Engagement                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Shareholders</b><br> | <ul style="list-style-type: none"> <li>Responsible Innovation</li> <li>Data Management and Cybersecurity</li> <li>Corporate Governance</li> <li>Climate Change and Emissions</li> <li>Anti-Corruption and Bribery</li> </ul>                                    | <ul style="list-style-type: none"> <li>Annual Reports</li> <li>Shareholder meetings</li> </ul>                                                                                                                                                                                                                                                                                                                                     |
| <b>Investors</b><br>    | <ul style="list-style-type: none"> <li>Responsible Innovation</li> <li>Data Management and Cybersecurity</li> <li>Corporate Governance</li> <li>Climate Change and Emissions</li> <li>Anti-Corruption and Bribery</li> </ul>                                    | <ul style="list-style-type: none"> <li>Emails</li> <li>Phone calls</li> <li>Board and shareholders meetings</li> <li>Online meetings</li> <li>Website</li> </ul>                                                                                                                                                                                                                                                                   |
| <b>Customers</b><br>  | <ul style="list-style-type: none"> <li>Responsible Innovation</li> <li>Data Management and Cybersecurity</li> <li>Product Safety and Quality</li> <li>Climate Change and Emissions</li> <li>Anti-Corruption and Bribery</li> </ul>                              | <ul style="list-style-type: none"> <li>Seamless customer service through regular engagement such as emails/calls/SMS/sales and solutions engineers/on-site employees</li> <li>Email marketing campaigns</li> <li>LinkedIn Emails</li> <li>Digital marketing channels –social media, PR, Google and LinkedIn advertisements and other advertisements</li> <li>Channel partners</li> <li>Events and exhibitions</li> </ul>           |
| <b>Employees</b><br>  | <ul style="list-style-type: none"> <li>Employee Safety, Well-Being and Satisfaction</li> <li>Responsible Innovation</li> <li>Data Management and Cybersecurity</li> <li>Corporate Governance</li> <li>Training and Development</li> <li>Human Rights</li> </ul> | <ul style="list-style-type: none"> <li>Town hall meetings with senior management</li> <li>Training &amp; development initiatives</li> <li>Periodical emails and SMS</li> <li>Power marathons like Hackathons</li> <li>Digital application for employees</li> <li>HR portal</li> <li>Employee engagement activities</li> <li>Rewards/recognition &amp; appreciation for performance</li> <li>Periodical review mechanism</li> </ul> |

| Stakeholder Group                                                                                                       | Relevant Material Topics                                                                                                                                                                                                                               | Channels of Engagement                                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Government and Regulators</b><br> | <ul style="list-style-type: none"> <li>Data Management and Cybersecurity</li> <li>Corporate Governance</li> <li>Product Safety and Quality</li> <li>Climate Change and Emissions</li> <li>Anti-Corruption and Bribery</li> <li>Human Rights</li> </ul> | <ul style="list-style-type: none"> <li>Emails</li> <li>Government portals</li> </ul>                                                             |
| <b>Community</b><br>                 | <ul style="list-style-type: none"> <li>Corporate Governance</li> <li>Climate Change and Emissions</li> </ul>                                                                                                                                           | <ul style="list-style-type: none"> <li>Emails</li> <li>Phone calls</li> <li>In-person meetings</li> </ul>                                        |
| <b>Value Chain Partners</b><br>      | <ul style="list-style-type: none"> <li>Responsible Innovation</li> <li>Corporate Governance</li> <li>Product Safety and Quality</li> <li>Anti-Corruption and Bribery</li> <li>Human Rights</li> </ul>                                                  | <ul style="list-style-type: none"> <li>Emails</li> <li>Phone calls</li> <li>Annual supplier meetings</li> <li>Online/offline meetings</li> </ul> |

## Embedding Sustainability in Company Culture

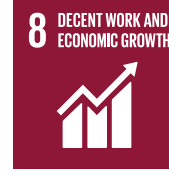
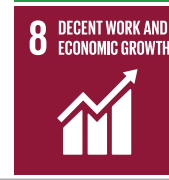
- New employees take the IMS policy pledge, gaining an understanding of our commitment to sustainability goals and clarification of their roles.
- Organisational objectives are translated into functional and departmental goals and then allocated to team members as objectives and key results.
- Employees in key departments (manufacturing, maintenance, safety, and HR) are regularly informed about sustainability goals through IMS internal audits (every four months) and external audits (annually).
- Customer audits, conducted as needed, aligning with sustainability goals and initiatives.



At Addverb, materiality assessment shapes our sustainability strategy, in line with our vision of technological ecology. The gained insights guide precise strategies to address identified concerns. Aligned with GRI standards 2021, we follow GRI 3, 'Material Topics,' gathering stakeholder inputs to evaluate issues' potential impact on our Company's economic, environmental, and social performance. We focus on disclosing information on these topics to address stakeholder concerns while prioritising impactful sustainability aspects.

 Positive
  Negative

| Material Topics                   | Relevance                                                                                                                                                                                               | Type of Impact                                                                      | Management Approach                                                                                                                                                                                                                                                                         | Alignment with SDGs                                                                   |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Responsible Innovation            | Innovation helps us to stay ahead of the competition, reduce the cost of technology, and improve product safety and quality.                                                                            |    | We continually strive to evolve our processes and adopt new technologies to stay relevant in the industry.                                                                                                                                                                                  |    |
| Data Management and Cybersecurity | Data breaches may lead to non-compliance and loss of stakeholder trust. Moreover, our intellectual property (IP) may be jeopardised, potentially resulting in business losses.                          |   | We have implemented a policy for information and data security to safeguard our systems against cyber risks. Oversight of related matters falls under the responsibility of the Chief Information Security Officer.                                                                         |   |
| Corporate Governance              | Strong governance improves our reputation, decision-making processes, risk management, and long-term sustainability. It helps create a culture of integrity, transparency, and accountability.          |  | We ensure adherence to the highest standards of corporate governance by implementing stringent policies and establishing committees to oversee all its operations. We also make sure that all our employees and value chain partners are aware of our policy commitments on a ground level. |  |
| Product Safety and Quality        | We operate in a sector where maintaining product standards and quality is essential. Negligence may result in workplace hazards. This may result in product recalls, lawsuits, and reputational damage. |  | We are dedicated to the consistent delivery of top-quality products and the enhancement of our quality management processes, as evidenced by our possession of ISO 9001:2015 certification.                                                                                                 |  |

| Material Topics                      | Relevance                                                                                                                                                                                                                                                                                                                                                         | Type of Impact                                                                        | Management Approach                                                                                                                                                                                                                                                                                    | Alignment with SDGs                                                                                                                                                            |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Climate Change and Emissions         | Considering climate change is crucial to enhance our reputation and attract environmentally conscious clients.                                                                                                                                                                                                                                                    |    | In the long run, initiatives taken by us for integrating sustainable practices on climate change can have a positive impact in the long run. Hence, our goal is to conduct our operations while minimising our carbon footprint and mitigating actions that can contribute to climate change.          |                                                                                             |
|                                      | We generate emissions during our operations, and our primary facilities are located in an area with elevated pollution levels. These emissions also pose health risks to our employees and the surrounding communities. Failure to manage these emissions properly may lead to regulatory non-compliance and unwanted health impacts for surrounding communities. |    | We combat climate change by monitoring and reducing our carbon footprint, particularly from generators and employee vehicles. We also utilise solar power for our energy requirements.                                                                                                                 |                                                                                                                                                                                |
| Anti-Corruption and Bribery          | Anti-corruption practices are essential for maintaining ethical business standards. Any instances of corruption can jeopardise our reputation and erode the trust of our stakeholders. If not monitored properly, such practices may even lead to legal disputes.                                                                                                 |    | We maintain a strong anti-corruption stance through a comprehensive Code of Conduct, a whistleblower policy, and transparency in related party transactions. We also ensure due diligence in business relationships to uphold ethical standards and prevent corrupt practices.                         |                                                                                            |
| Training and Development             | Training and development of employees is critical to the nature of the industry. Lack of training may lead to poor product quality and safety hazards.                                                                                                                                                                                                            |  | We follow a philosophy of 'Learning by Solving Problems' to foster the development of our employees. We conduct various training courses aimed at honing the skills of our employees. We are also contributing to job creation in the STEM (Science, Technology, Engineering, and Mathematics) sector. |                                                                                           |
| Employee Well-Being and Satisfaction | Employee satisfaction results in increased staff retention, heightened productivity, and a nurturing work atmosphere, contributing to overall business success.                                                                                                                                                                                                   |  | We prioritise employee well-being through various benefits such as health check-ups, employee recognition initiatives, and cultural celebrations, among others, along with sports events, contributing to a positive work environment.                                                                 | <br> |
| Human Rights                         | Upholding human rights is a moral and legal necessity. Non-compliance may cause severe financial penalties and even imprisonment for senior leaders.                                                                                                                                                                                                              |  | We adhere to all regulatory requirements related to human rights and have a Code of Conduct that emphasises an inclusive and safe workplace, providing equal opportunities. All of our employees are treated fairly without any biases and are provided with equal opportunities to learn and grow.    |                                                                                           |

# CORPORATE GOVERNANCE

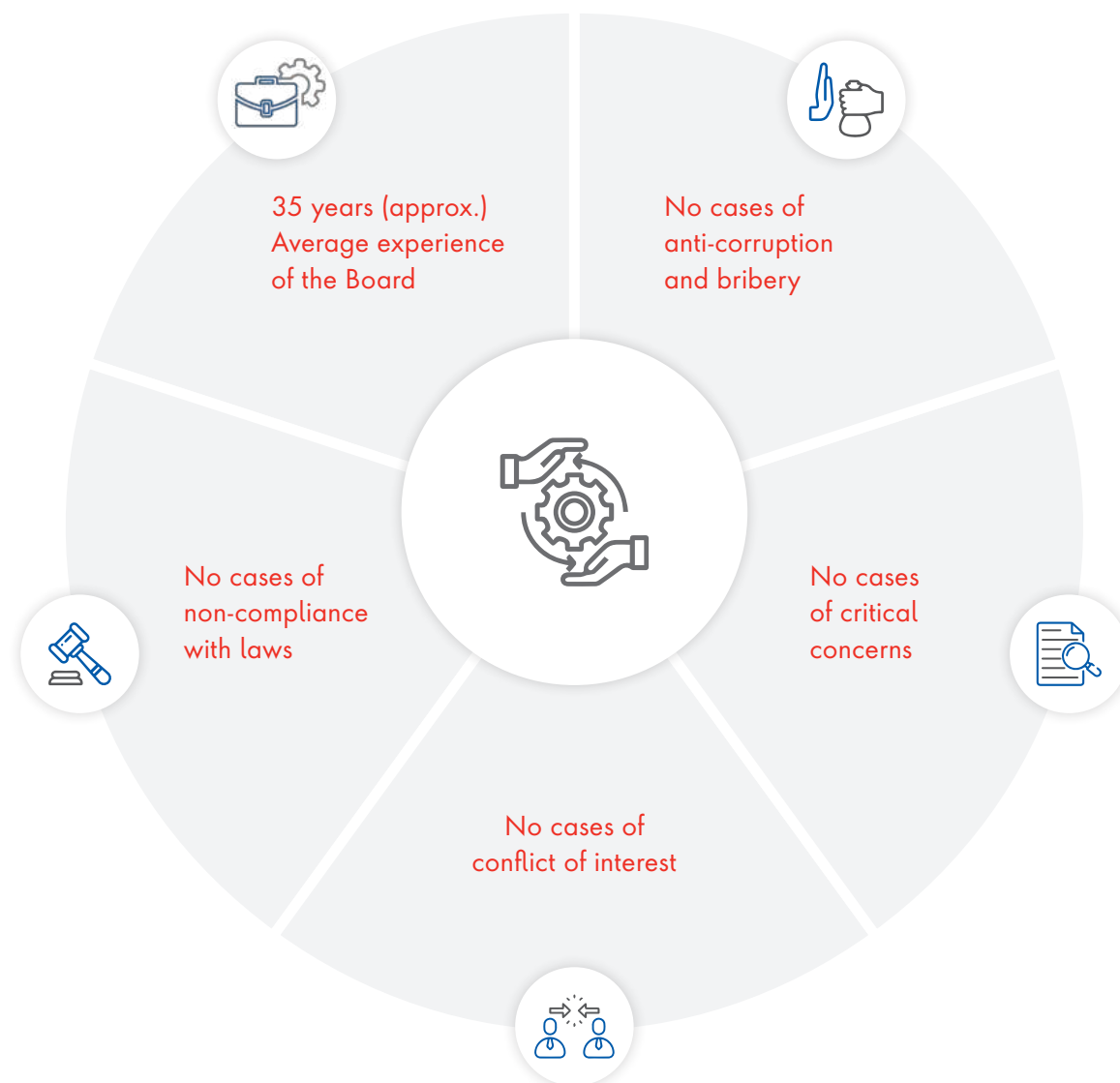


At Addverb, we believe that sound corporate governance forms the basis for creating a lasting institution that drives sustainable growth and safeguards stakeholder interests. We adhere to the highest standards of corporate governance practices based on Indian laws and are aligned with global best practices that help maintain transparency and accountability, creating value for all our stakeholders. Our governance structure ensures the separation of execution and systematic oversight by clearly demarcating the responsibilities of different stakeholders, including the Board, management, and shareholders, and providing a compliance and policy framework for transparent reporting, seamless functioning, and ethical business conduct. We have a diverse Board that offers a fresh perspective and a resilient policy framework that fosters integrity, effective leadership, and a proactive risk management approach that protects us from unforeseen uncertainties, streamlines operations, and drives sustainable growth.

Our Board of Directors oversees the implementation of optimal corporate governance, with established committees and policies driving sustainable growth. The Board conducts thorough reviews of financial and business strategies ensuring integrity and compliance. Furthermore, we have separated the roles of the Chairman and CEO, to proactively mitigate conflict of interest, promoting better governance and accountability.

We maintain a list of related parties to identify potential conflicts of interest proactively. In agenda circulation, we highlight the 'Nature of Interest' to transparently communicate any conflicts. Stakeholders are informed of any conflicts through the Annual General Meeting (AGM) notice, ensuring transparency and disclosure.

At Addverb, we rigorously monitor legal compliance risks via our dedicated tech portal. This platform systematically reports and tracks all requirements, ensuring comprehensive coverage and minimising oversight of regulatory obligations.



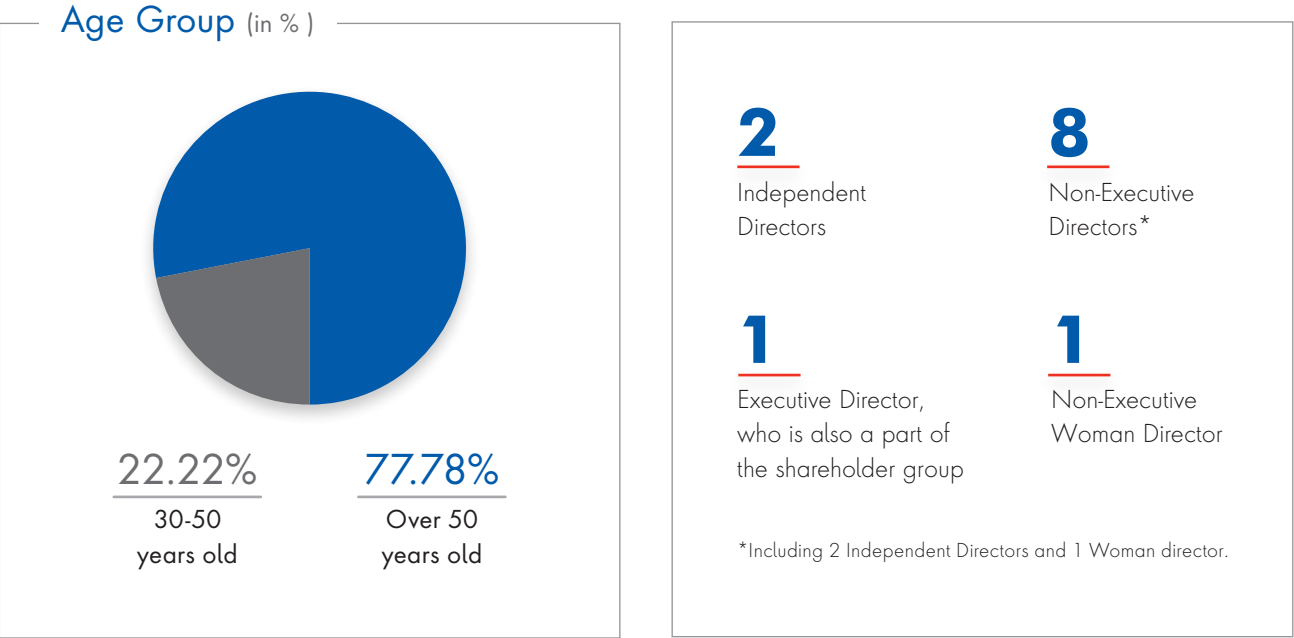
## Governance Structure



Our Nomination and Remuneration Committee (comprising two Independent and one Non-Independent member) plays a vital role in the appointment of proficient directors with the aim of establishing a Board featuring diverse backgrounds and experiences pertinent to our operations. We have a policy for the selection of directors and determining directors' independence that serves as a guideline for the NRC Committee. Once the director is appointed, the subsequent confirmation is contingent upon receiving approval from the shareholders. The NRC committee continually reviews the necessary skills, expertise, competence, knowledge, and experience required for the Board as per our remuneration strategy.



\*The POSH, DEI, and Safety Committee operate autonomously and don't have members from the Board.



Performance Assessment of the Board

At Addverb, routine Board meetings serve as a vital cornerstone, offering a dedicated platform for thorough discussions and decision-making. Shareholder meetings further reinforce transparency with our esteemed stakeholders. All the quarterly and annual statements undergo detailed scrutiny, promoting a comprehensive understanding of our financial performance and strategic direction. Our strategic initiatives and objectives are systematically presented to the Board for approval, and the resolutions are circulated in advance, facilitating thorough discussions on different facets before obtaining final approvals. We have laid out a well-defined policy for assessing the performance of the Board, committees, and individual directors, encompassing both Independent and Non-Executive Directors. The annual performance evaluation process is carried out through an independent portal, ensuring confidentiality and providing directors with the freedom to complete evaluations without constraints.

Our Nomination and Remuneration Committee (NRC) conducts the annual performance evaluation of the Board, committees, and individual Directors on annual basis. Simultaneously, the Independent Director led the annual performance evaluation of the Chairperson, Non-Independent directors, and the entire Board. In this process, the Board, and the committees conduct self-evaluation and submit their evaluation reports to the Nomination and Remuneration Committee. Following the submission, the NRC consolidates the evaluation reports and shares them with the Board. The Board then reviews the performance of each Committee based on the evaluation reports it received. A consolidated performance evaluation report was subsequently submitted to the Chairman for further review and feedback from each director, ensuring a comprehensive and constructive assessment process.

Adherence to Legal Requirements

Our tech portal serves as a platform where our designated employees can access information about their compliance obligations. Additionally, our compliance team actively identifies and addresses company-wide potential risks, instilling a culture of transparency and accountability. Employees are required to report whether they have completed the compliance requirements on the specified date.



We firmly believe that our success is measured not only by our financial achievements but also our ethical foundations. Our Code of Conduct is based on our values that forms an integral part of our culture and acts as a north star, enabling employees across all levels to navigate decisions towards ethical choices and responsible actions. It aligns with principles of fairness, honesty, and respect, forming part of employees' contracts. It fosters an inclusive workplace, incorporating human rights best practices to ensure consideration for at-risk or vulnerable groups.



To keep up with evolving technology trends and emerging ethical considerations, our Code of Conduct also covers sustainability, data privacy, responsible use of AI, algorithmic bias, and digital risks.

Additionally, we have instituted a 'Vigil Mechanism/Whistleblower Policy' with the aim of providing a mechanism for the directors and employees of our Company to raise concerns in the event of any violations of legal or regulatory requirements, unacceptable practices, and instances of misconduct. We are determined to provide effective protection for whistleblowers and create a supportive and open work culture where employees are not only aware of how to report a wrongful action but also have confidence in the reporting procedures.

### Addverb takes the following steps to ensure commitment to business ethics:

- ✓ Code of Conduct training via workshops and modules
- ✓ Promotes anti-bribery to supply chain partners
- ✓ Secretarial, HR, Legal, and Compliance teams ensure regulatory compliance
- ✓ Uses technology for transparent expense tracking
- ✓ Emphasise fair dealing
- ✓ Manage conflict of interest
- ✓ Vigil Mechanism
- ✓ POSH policy
- ✓ Ensure transparency and quality in public disclosures
- ✓ Data Privacy policy
- ✓ Responsible use of AI, algorithmic bias, and digital risks
- ✓ Anti-corruption policy
- ✓ Whistleblower policy

To know more about our vigil mechanism, click here. <https://addverb.com/wp-content/uploads/2023/06/Vigil-Mechanism-or-Whistleblower-Policy.pdf>

## Policy Architecture

We believe in creating a lasting business institution by empowering community and healthy planet. Our policies, emphasising inclusivity, transparency, ethics, and responsible practices, are accessible to employees and supply chain partners. All policies are approved by the Board or the Chief Human Resources Officer (CHRO) and accessible on our HR Portal for employee convenience. Our policies continuously evolve and are reviewed, ensuring they remain relevant and effective.



Certain policy commitments are publicly accessible. You can view them by clicking on the following link: <https://addverb.com/investor-relation/>

## Risk Management

We have a meticulous and forward-thinking approach to identifying, assessing, and mitigating potential risks that fortify our resilience and pave the way for sustainable growth. We have standard operating procedures outlining a comprehensive approach to the identification and assessment of various risks, protecting stakeholders from potential financial risks, and instilling confidence in our functioning. All the respective departments in our Company remain vigilant and pay close attention to the risks that may arise in functioning within their specified scope.

# PIONEERING A SUSTAINABLE FUTURE



At Addverb, environmental conservation is not just a choice but a legacy that we craft for the planet, its ecosystem, and the generations to come. As a company manufacturing and deploying robots and automation systems, we understand our direct and indirect environmental impacts and, hence, strive to integrate sustainability principles into the way we operate.

Addverb is committed to curbing emissions through comprehensive monitoring and effective reduction measures. We've developed green belts and plantations to maintain ecological balance and enhance ecosystems. Energy efficiency is increased through efficient equipment and proactive maintenance, with solar energy meeting our in-house energy needs. Our robots and automation systems consume less energy and have longer battery cycles, minimising environmental impact.

Water conservation is also paramount to us. We've implemented water harvesting systems, STPs, and ETPs to recycle and repurpose water. Additionally, a bioretention pond is in place for recharging groundwater and flood prevention.

Effective waste management is a pressing challenge, affecting the environment and causing pollution. At Addverb, we've developed a thorough waste management strategy. Our e-waste is managed by authorised vendors, and we implement eco-friendly packaging by repurposing shredded wastepaper.

- Successfully achieved the FY 2022-23 EPR target of 3 metric tonnes.
- Sources ROHS (Restriction of Hazardous Substances)-compliant and lead-free materials.
- Certified under ISO 14001:2015 for effective environmental management system.
- Zero liquid discharge at manufacturing plants.
- The power factor improved from 0.88 to 0.99 over the span of two years.
- Educate customers and provide necessary information through product manuals for responsible end-of-life disposal.
- Fulfilled 17% and 12% of energy demand from renewable sources during CY 2023 and CY 2022, respectively.
- Embrace sustainable manufacturing practices, encouraging longer product, battery life and waste circularity.

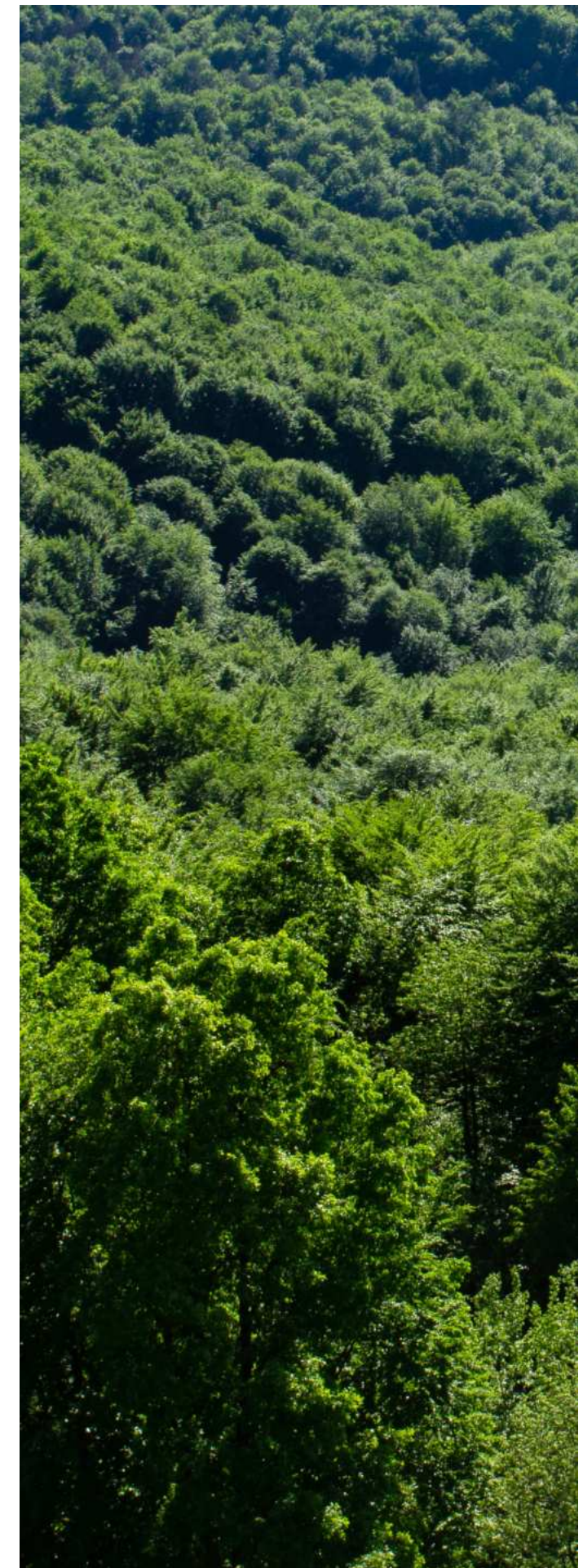


## Managing Emissions

Given the harmful impact of human activities and urbanisation on the environment, monitoring and reducing carbon footprint has become increasingly vital. Rise in greenhouse gas emissions, driven by fossil fuel burning and industrial processes, hastens climate change, leading to challenges like rising temperatures and extreme weather events. Realising this, we've initiated efforts to reduce our carbon footprint. We monitor GHG emissions from both direct and indirect sources, including goods and services acquisition, waste management, and employee travel. This evaluation helps us track and mitigate our environmental impact.

| Particular                                       | CY 2023<br>(TCO <sub>2</sub> e) | CY 2022<br>(TCO <sub>2</sub> e) |
|--------------------------------------------------|---------------------------------|---------------------------------|
| Scope 1                                          | 1,158.79                        | 1,211.10                        |
| Scope 2                                          | 2,148.43                        | 943.27                          |
| Scope 3                                          | 863.96                          | 624.89                          |
| Total Emissions                                  | 4,171.18                        | 2,779.26                        |
| Emission Intensity<br>(TCO <sub>2</sub> e/lakhs) | 0.116                           | 0.074                           |

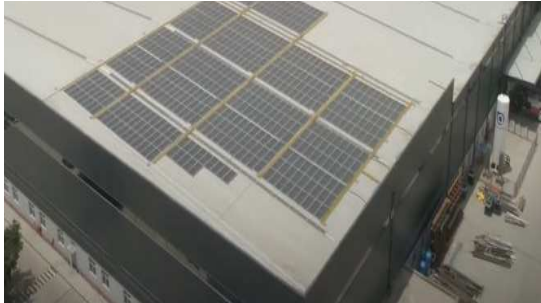
| Scope 3                                         | CY 2023<br>(TCO <sub>2</sub> e) | CY 2022<br>(TCO <sub>2</sub> e) |
|-------------------------------------------------|---------------------------------|---------------------------------|
| Category 1 (Purchase Goods/Services)            | 17.91                           | 12.20                           |
| Category 2 (Capital Goods)                      | 2.31                            | 1.02                            |
| Category 3 (Fuel and Energy-Related Activities) | 365.23                          | 160.36                          |
| Category 5 (Waste Generated)                    | 1.86                            | 2.47                            |
| Category 6 (Flight Travel + Hotel Stay)         | 412.20                          | 384.39                          |
| Category 7 (Employee commuting)                 | 64.45                           | 64.45                           |



Our carbon footprint increased mainly due to expanding our manufacturing facility and production capacity. Despite this, we've mitigated a significant portion through diligent implementation of various measures aimed at achieving balance. These measures are detailed below:

Combatting Emissions through Solar Power Generation

We aim to reduce reliance on traditional energy sources and minimise our carbon footprint. We harness the power generated through solar panels (600 kWh) across our premises to provide clean energy, supporting our commitment to 'Technological Ecology'.



Restoring Ecosystems using Miyawaki Technique



We recognise the vital role of native flora and fauna and hence at our manufacturing facility, Bot-Verse, we've implemented the Miyawaki technique to create a micro forest of native tree species. This innovative Japanese method mimics natural ecosystems, rapidly establishing mature forests and attracting diverse wildlife.

| Efforts                                |                                            | Impact Created                                           |
|----------------------------------------|--------------------------------------------|----------------------------------------------------------|
| <b>Micro forest</b>                    |                                            | <b>2°C</b><br>Reduction in ambient temperature           |
| <b>3,000+</b><br>Trees planted         | <b>192,000</b> Pounds<br>Carbon absorption |                                                          |
| <b>Lawn &amp; periphery tree cover</b> |                                            | <b>0.25</b> million Pounds +<br>Annual carbon absorption |
| <b>1,587</b><br>Trees planted          | <b>79,000</b> Pounds<br>Carbon absorption  | Habitat to <b>30+</b> native species                     |

We mitigated **746.65** TCO<sub>2</sub>e and **278.40** TCO<sub>2</sub>e of GHG emissions by utilising renewable sources in CY 2023 and CY 2022, respectively.

\*EPA's GHG Emission Factors Hub, CEA's CDM - CO<sub>2</sub> Baseline Database User Guide Version 19, and Defra have been used for the purpose of GHG emissions calculations.

Energy Management

Energy conservation is crucial in robotic manufacturing and automation due to its significant implications. We've integrated energy-efficient technologies across supply chain and product lifecycle, reducing environmental footprint to support global climate initiatives. Prioritising green energy sources like solar, our products are designed for maximum output with optimised energy use. Our solutions enable customers to conserve energy and space while maximising output.

| Energy Consumption within the Organisation                        | CY 2023 (GJ) | CY 2022 (GJ) |
|-------------------------------------------------------------------|--------------|--------------|
| A. From Renewable Sources (A+B)                                   | 3,266.03     | 1,217.80     |
| Total Electricity Consumption (A)                                 | 3,266.03     | 1,217.80     |
| Total Fuel Consumption (B)                                        | 0            | 0            |
| B. From Non-Renewable Sources (D+E)                               | 15,476.81    | 9,190.48     |
| Total Electricity Consumption (D)                                 | 9,397.73     | 4,126.09     |
| Total Fuel Consumption (E)                                        | 6,079.08     | 5,064.39     |
| C. Total Energy Consumption (Renewable and Non-Renewable Sources) | 18,742.84    | 10,408.28    |
| D. Energy Intensity (GJ/lakhs)                                    | 0.522        | 0.278        |

At Addverb, we have been taking various measures to consume less electricity and implementing practices that save energy within our premises. Some of these measures are:

|                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  Improved power factor from 0.88 to 0.99.                                                                                                                                                                                                                             |  Installed energy efficient IE3 standard induction motors.                                                                                                                                                                                                                                     |
|  Implemented auto cut timer system and motion sensors for ACs.<br> Maintaining AC temperatures at 24°C for optimal comfort, energy efficiency, and environmental sustainability. |  Optimising manufacturing processes.<br> The paint shop is run on alternate days based on the full-day load. The approach can be extended to other machinery and heavy equipment for improved efficiency. |
|  Implemented Lux controllers to avoid unnecessary power consumption on shop floors.                                                                                                                                                                                   |  Utilise LED lighting and Energy Star-certified appliances in our offices.                                                                                                                                                                                                                     |
|  Executing preventive maintenance as per monthly charter to minimise equipment breakdown and optimise energy use.                                                                                                                                                     |  Reduced compressed air consumption through daily checks of air outlet points on the shop floor.                                                                                                                                                                                               |

Through renewable sources, we were able to meet 17% and 12% of our energy demand in CY 2023 and CY 2022, respectively.

Water and Effluent Management

We understand global water challenges like scarcity, depletion, and pollution. Proactively, we've established sustainable water management, reducing dependence on freshwater through rainwater harvesting by the renowned 'Rain Man of India', Mr. Sekhar Raghavan.

We recycle water from Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) for gardening, conserving water and minimising freshwater demand. These practices mitigate water-related risks and promote responsible water usage in our operations.

Total Water Withdrawal and Consumption

| Category                              | CY 2023<br>(Megalitres) | CY 2022 **<br>(Megalitres) |
|---------------------------------------|-------------------------|----------------------------|
| Water Withdrawal<br>(Third-Party)     | 10.65                   | 6.20                       |
| Water Consumed*                       | 10.65                   | 6.20                       |
| Water Intensity<br>(Megalitres/Crore) | 0.030                   | 0.017                      |

\*Our Company's premises are zero liquid discharge premises. The data for water withdrawal and consumption is the same.  
\*\*The drinking water consumed in CY 2022 assumed to be the same as in CY 2023.

In CY 2023, we successfully fulfilled 32% of our water demand, respectively, by utilising treated water.



Rainwater Harvesting Brilliance: The Unique Touch of India's Rain Man

Mr. Sekhar Raghavan, known as the 'Rain Man of India,' is a renowned expert in rainwater harvesting for two decades. He has exclusively designed our rainwater harvesting systems, bringing his unparalleled expertise to the forefront for sustainable utilisation of water.

Bioretention Pond

Bot-Verse, Addverb's manufacturing facility, boasts an 800 KL bioretention pond, a groundbreaking solution for water management. Beyond mere water storage, this innovation actively aids groundwater recharge, fostering local ecosystems. Moreover, its efficiency in managing stormwater runoff ensures a pivotal role in flood prevention, exemplifying a new benchmark in sustainable manufacturing practices.

Treating Effluents Responsibly

Efficient effluent management is crucial for environmental protection and compliance. Our advanced facilities feature a 15 KL Effluent Treatment Plant and a 25 KL Sewage Treatment Plant, ensuring thorough wastewater treatment. Treated water is repurposed for internal gardening and irrigation, aligning with our dedication to sustainable water management. This practise supports 183 plants in Bot-Valley and an additional 1,587 plants in the periphery of Bot-Verse through resourceful water use.

460 KL

Rainwater harvesting set-up capacity

235 KL

Bot-Valley

225 KL

Bot-Verse

4,670,742 Litres (approx.)

Rainwater harvested

Equipped overhead tanks with pump-controlled water level sensors

Repurposing both process and sewage water for gardening purposes



## Waste Management

At Addverb, our waste management focuses on designing products and batteries for extended lifespans, reducing frequent waste generation. Preventive maintenance prolongs system life, minimising hazardous waste. We prioritise responsible sourcing, using non-virgin plastic and lead-free alternatives for environmentally conscious manufacturing.

We've established robust waste disposal systems, recording data during monthly safety meetings. Quarterly dispatches of hazardous waste to government-approved vendors ensure proper disposal. Dedicated waste trolleys facilitate organised handling, and we hold all necessary authorisations for hazardous and e-waste from the Pollution Control Board.



### Total Waste Generated

| Category (Unit: Tonnes) | CY 2023 | CY 2022 |
|-------------------------|---------|---------|
| Hazardous Waste         | 5.659   | 2.245   |
| Non-Hazardous Waste     | 5.838   | 2.602   |

### Total Disposed Hazardous Waste

| Category (Unit: Tonnes)                | CY 2023 | CY 2022 |
|----------------------------------------|---------|---------|
| Incineration (Without Energy Recovery) |         |         |
| i. Onsite                              | 0       | 0       |
| ii. Offsite                            | 2.016   | 1.685   |
| Landfilling                            |         |         |
| i. Onsite                              | 0       | 0       |
| ii. Offsite                            | 3.493   | 0.56    |

### Total Disposed Non-Hazardous Waste

| Category (Unit: Tonnes)                   | CY 2023 | CY 2022 |
|-------------------------------------------|---------|---------|
| Landfilling                               |         |         |
| i. Onsite                                 | 0.018   | 0.027   |
| ii. Offsite                               | 0       | 0       |
| Disposal Operations (Except Incineration) |         |         |
| i. Onsite                                 | 0       | 0       |
| ii. Offsite                               | 5.82    | 2.58    |

## Celebration of the World Environment Day

On 5<sup>th</sup> June 2023, we commemorated 'World Environment Day' under the theme 'Putting ecosystem restoration on a pedestal'. On this significant occasion, we conducted a range of activities at our customer sites, including speeches, environmental awareness rallies, and plantation drives.



Addverb works closely with customers to understand their requirements and challenges, crafting automation solutions that address operational complexities they face and helping them gain a sustainable competitive advantage. Our customer-centric approach enables us to delve deeply into understanding customer requirements, fostering a symbiotic partnership that allows us to conceptualise and deliver unparalleled automation solutions. We actively engage with our suppliers to create favourable outcomes for customers and prioritise innovation in our products.



This year, we commissioned our second greenfield robot manufacturing factory, 'Bot-Verse,' in India. One of the largest mobile robot manufacturing facilities globally, it spans 60,000+ sq. m. Bot-Verse is a lean, green and digital manufacturing facility, featuring solar-powered production, energy efficiency, and water conservation initiatives like a bioretention pond and a micro-forest. Employee well-being is prioritised with on-premises childcare, open spaces, and ergonomic workstations. The factory was inaugurated by the Honourable Chief Minister of Uttar Pradesh, Shri Yogi Adityanath.

We hold ISO 9000 (Quality Management) certification, in line with our dedication to upholding rigorous quality management practices.

## Driving Innovation through Software Development Centres



### SDC in Noida

The centre focuses on cutting-edge enterprise software solutions for our expanding robots and automation systems. The SDC accelerates our software development efforts, delivering more value to global customers.



### SDC in Pune

The Software Development Centre (SDC) enhances the service network and leverages talent across South and West India. It provides various software solutions globally and drives innovation.

## Partnerships

We strategically align and collaborate with industry leaders, forging powerful partnerships to develop transformative solutions for our customers. This positions us for sustained success in the dynamic landscape of modern logistics.

| Partners                                                                              | Purpose of the Partnership                                                                                                                                                                                                                                                                               |
|---------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | We partnered with Kardex to merge our advanced warehouse automation technology and software with Kardex's compact storage system expertise. With this synergy, we have the potential to provide a more efficient and streamlined storage and retrieval process, optimising overall warehouse operations. |
|  | By integrating our automation technology with ABCO's storage systems, the partnership aims to deliver top-tier warehouse automation solutions with a focus on the consumer goods industry.                                                                                                               |
|  | Our partnership with Zion aims to provide innovative solutions for full-service supply chain integration, enhancing visibility, efficiency, and overall performance.                                                                                                                                     |
|  | Our partnership with Element Logic is directed towards providing accessible end-to-end warehouse automation solutions, achieved through the integration of automated storage systems with mobile robots.                                                                                                 |

## Approach to Cybersecurity and Data Privacy

At Addverb, data security is paramount. We maintain a detailed Information and Data Privacy Policy, and hold ISO 27001 certification for information security management. Routine security audits, active firewall, and cybersecurity systems, along with a crisis management plan, are in place. Oversight is handled by the Chief Information Security Officer, ensuring robust protection.

We also focus on the following areas to achieve our cybersecurity goals:

- Conducting comprehensive risk assessments
- Implementing robust data encryption protocols
- Enforcing strict access controls
- Providing employee security awareness training
- Conducting regular audits and assessments
- Securing third-party collaborations
- Leveraging advanced security technologies
- Establishing robust monitoring and logging practices

There have been no instances of data breaches during the reporting period.



## Solving Customer Grievances

We provide comprehensive support throughout our product's lifecycle, providing a high-quality customer experience. Customers can raise grievances through multiple channels like our Computerised Maintenance Management System, calls, or site support teams. These complaints are routed to our expert service team via a tech platform for prompt resolution.

Faulty spare parts under warranty are managed by our customer excellence team, providing replacements and arranging engineer visits as necessary. Residential support contract holders receive solutions from the OSS team. Any dissatisfaction with spare parts is addressed by our Company's spare parts team.

Issues can escalate per the provided matrix, ensuring clear paths to resolutions.



### Features of Customer Service Support

-  Well-trained customer service professionals
-  24/7 customer support involving three levels—L1, L2, and L3 teams
-  Harnessing technology platforms and data analytics for customer insights and informed decision-making
-  Conducts preventive maintenance and site audits for equipment longevity and performance
-  Prompt onsite assistance for technical issues or service requirements
-  After-sales customer support portal with real-time support tracking, site performance monitoring, and convenient spare parts access

Moreover, we consistently conduct customer surveys to gather valuable insights, ensuring ongoing improvement and enhancement of our services.

# NURTURING HUMANS OF ADDVERB



Addverb dedicates considerable thought, time, and effort to creating an inclusive workplace for its employees. We strongly advocate for a positive 'Work-Life Integration,' acknowledging the substantial time employees spend at the workplace. To cultivate talent and innovation, we have shaped our policies, practices, and philosophies to establish a culture grounded in passion, courage, and people connect.

We prioritise diversity, inclusion, and employee well-being through initiatives and committees. Learning and development are continuous with tailored journeys and collaborations with platforms like Harappa Education, THORS, and Udacity. We also support employees' higher education opportunities.

Employee Profile#

| Category          | CY 2023 | CY 2022 |
|-------------------|---------|---------|
| Local Employees   | 718     | 700     |
| Foreign Employees | 2       | 0       |

# The employee profile data is linked to Addverb India employees only. In Addverb's international subsidiaries, there are a total of 41 employees.

Addverb’s Human Resource



Imbibing a culture of appreciation

Provides monetary and non-monetary rewards across various categories:

- Rookie of the Year Award
- Dream Team
- Sidekick Salute
- Wall of Fame
- Bazinga (Extraordinary Win Award)



Prioritising occupational health & safety

- Established a safety committee
- Performs Hazard Identification and Risk Assessment (HIRA) across all processes
- Encourages reporting of potential unsafe events and conditions



Addressing employee grievances and maintaining transparent communication

- Quarterly CEO communication and monthly departmental communication by HODs, providing an open forum for employees
- Established employee grievance portal



Encouraging professional development

Adheres to the ‘Learning by Solving Problems’ approach

- Provides opportunities for its employees to apply their learnings
- Promotes continuous learning by encouraging employees to take up professional courses from institutes like BITS, Pilani
- Nominates employees for executive courses from renowned institutes like ISB,IIM, XLRI



Enhancing employee satisfaction

- Takes the initiative spanning areas like celebrations, employee well-being, and benefits

\*The Human Resources data only comprises employees associated with Addverb Technologies Limited based in India.

22%

Female workforce

720

Total employees

95%

Employees aged less than or equal to 40 years

25.94

Average training hours per employee in CY 2023

46.13

Average training hours per employee in CY 2022

18,457.51

Total training hours in CY 2023

26,201.22

Total training hours in CY 2022

100%

Eligible employees received performance and career development reviews

No cases of fatalities have occurred as a result of work-related injuries.



Employee Diversity

 Male

 Female

| Gender Diversity | CY 2023                                                                           |                                                                                   | CY 2022                                                                             |                                                                                     |
|------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                  |  |  |  |  |
| Percentage       | 78%                                                                               | 22%                                                                               | 75%                                                                                 | 25%                                                                                 |

Employee Diversity Per Employee Category

Gender Diversity

| Category                     | CY 2023                                                                             |                                                                                     | CY 2022                                                                               |                                                                                       |
|------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
|                              |  |  |  |  |
| Board of Directors           | 100%                                                                                | 0%                                                                                  | 100%                                                                                  | 0%                                                                                    |
| Managerial Team (CM & Above) | 90%                                                                                 | 10%                                                                                 | 93%                                                                                   | 7%                                                                                    |
| Executive Team               | 76%                                                                                 | 24%                                                                                 | 73%                                                                                   | 27%                                                                                   |

Age Diversity

| Category                     | CY 2023 |      | CY 2022 |      |
|------------------------------|---------|------|---------|------|
|                              | <=40    | >40  | <=40    | >40  |
| Board of Directors           | 0%      | 100% | 0%      | 100% |
| Managerial Team (CM & Above) | 59%     | 41%  | 63%     | 38%  |
| Executive Team               | 98%     | 2%   | 99%     | 1%   |

\*The Human Resources data only comprises employees associated with Addverb Technologies Limited based in India.

Developing a Future-Ready Workforce

Talent attraction and retention are our top priorities as we aim to bring excellent minds on board. Our diverse team, known as **'Humans of Addverb'** includes individuals from various backgrounds. We recruit from prestigious institutes like IITs, NITs, and IIMs, providing autonomy and assigning key projects to enhance skills. With a flat organisational structure, junior and middle management collaborate with senior leadership, fostering career growth.

- Encouraging professional development for 'Humans of Addverb'
- Adhering to the fundamental philosophy for employee development: 'Learning by Solving Problems.'

Initiatives that reinforce the approach:

- Our Super Manager and LEAD programmes, tailored for first-time and seasoned managers respectively, span a 3-6-month journey. Participants apply their learning and share transformative experiences with top management, gathering feedback from FH/ HoD to solidify observed changes in behaviour.
- We offer Root Cause Analysis (RCA) training. Following the training, participants choose a live problem, conduct a comprehensive RCA using the 8D methodology taught in the class, and then present their findings to their Head of Department (HoD).



## Progressive Measures for Employee Delight

- Efficient induction for new employees to familiarise them with our Company.
- Structured confirmation process for enhanced stakeholder interaction in the initial year of employment.
- A comprehensive, well-crafted benefits package aligned with employee life stages.
- Recognition scheme covering top-down, peer-to-peer, and team acknowledgements, with special recognition for long-tenured employees' outstanding contributions.
- Festival celebrations and departmental parties.
- Organisation of sports events, providing employees an additional avenue to bond.
- Structured performance management system provides regular feedback to facilitate professional growth.
- Employees' family members have the opportunity to visit the workplace.



## Addressing Employee Concerns Head-On

We offer open communication channels for employees to voice concerns. Quarterly CEO and monthly HOD communications provide forums for discussion. Employees can share concerns via the grievance portal, handled by HR.



## Employee-Centric Benefits



Health & Life Insurance



Transportation from and to factories



Marriage Benefit Scheme  
(We cover the travel expenses for employees and their spouses on their first trip within a year of marriage while employed.)



Dedicated transport for expecting mothers



Extended Maternity leave



Bi-annual and yearly preventive health check-ups.



Long-term service recognition



Flexible schedules and open workstations  
(Employees have the flexibility to choose their workspace within a designated office area irrespective of designations.)



Scholarship for higher education



Creche facility at Bot-Valley and Bot-Verse

## Commitment to Human Rights

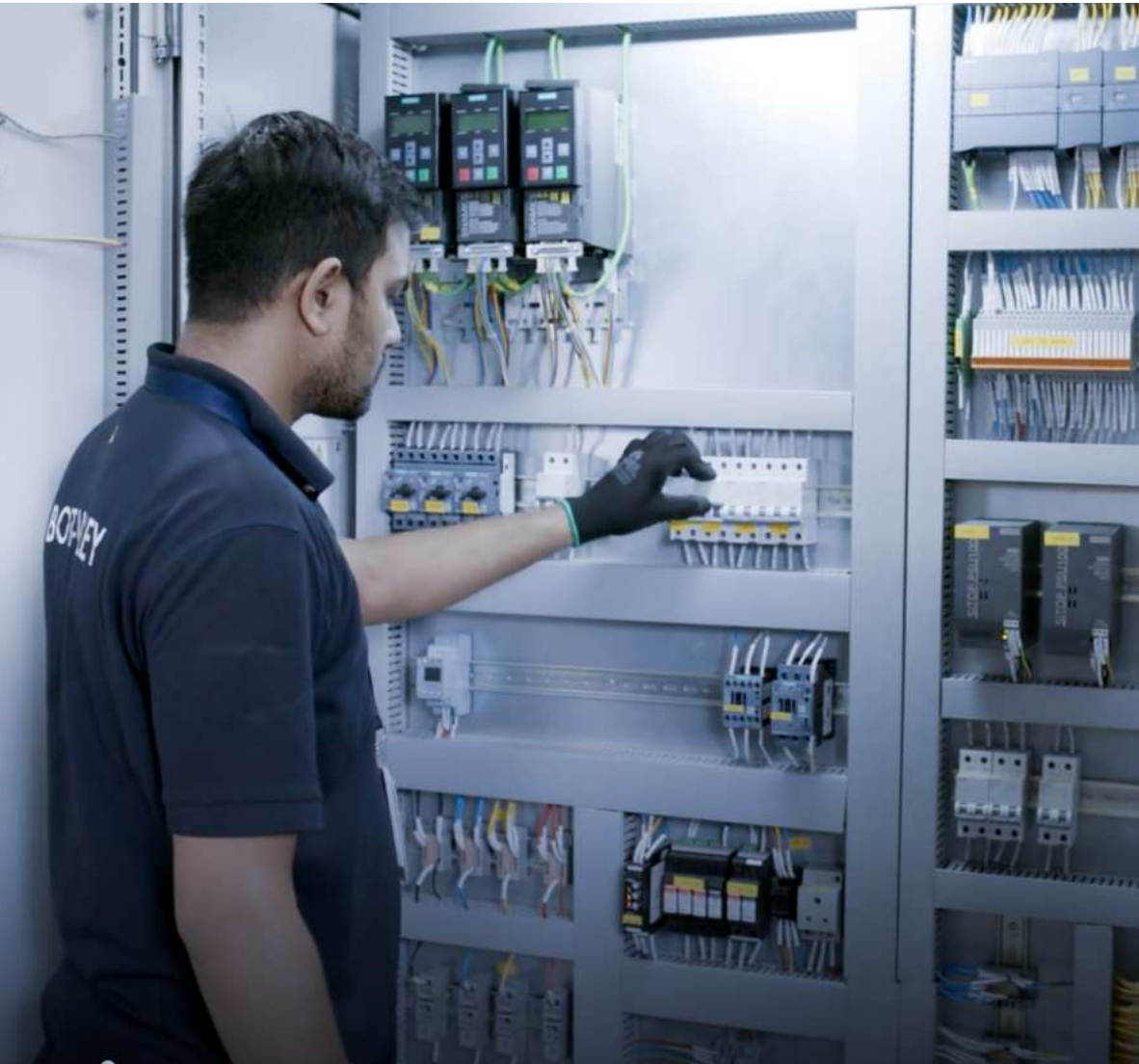
We prioritise dignity, respect, and fairness for all individuals. Our commitment to human rights is embedded in our Code of Conduct. We are an 'Equal Opportunity' employer, providing fair opportunities regardless of background. We operate within legal frameworks to ensure compliance.



Ensuring the safety of our workforce is a top priority, and we actively cultivate a secure working environment with a dedicated safety committee and emergency response plan maintaining a secure working environment.

Roles and Responsibilities of Safety Committee Members:

- Assisting and cooperating with management in achieving the aims and objectives outlined in the IMS Policy.
- Providing a consultative and supportive platform for field staff and contractors on safety issues.



- Reviewing operational safety procedure, safety PPE and devices.
- Discussing health, safety, and environmental issues at work that may require improvement or corrective actions collectively.
- Carrying out health & safety inspections to identify causes of accidents.
- Promoting educational, training, and safety promotion programmes.
- Encouraging near-miss and unsafe event reporting.

We adhere to an Occupational Health & Safety Management Policy, which also includes inputs from employees for continuous improvement. Our Integrated Management System aligns with ISO 45001:2018 standards.

We conduct regular Hazard Identification and Risk Assessment (HIRA) across all processes to prioritise employee safety. HIRA undergoes regular reviews and updates as needed.

- Annually
- Following recurring near-miss incidents
- Upon the commencement of new products/ processes or alterations to existing processes/products
- In the event of accidents and emergency conditions
- Promptly in response to adverse feedback from statutory authorities or interested parties

Hazards are identified on an activity-specific basis, with controls prioritising Elimination, Substitution, Engineering, Administrative Controls, Personal Protective Equipment (PPEs). To reduce fume exposure during processing, we've installed a dual fume absorber and air purifier system.

QR codes for reporting unsafe events are visible throughout the facility, with monthly analyses discussed in safety committee meetings for timely resolutions.

We conduct yearly medical cheque-ups for employees and provides access to a 24/7 Occupational Health Centre on-site for weekly doctor consultations.

| Category                                                                | CY 2023 | CY 2022 |
|-------------------------------------------------------------------------|---------|---------|
| Number of high-consequence work-related injuries (excluding fatalities) | 6       | 0       |



## Contribution to STEM Education

Encouraging tomorrow's innovators to address real-world challenges using engineering and technology.

Recognising the significance of STEM education and its transformative impact on the real world, we actively promote it by sponsoring and co-sponsoring diverse initiatives and events. These endeavours aim to inspire and reward student innovations in engineering and technology, contributing to the continual improvement of our world.

## Partnership with Vishwakarma Awards

We have entered into a partnership with Vishwakarma Awards, an annual event by the Maker Bhavan Foundation that recognises exceptional student innovations in the fields of water and sanitation, clean technology, and smart mobility. The aim is to inspire and reward students from Indian STEM colleges to develop scalable solutions that address real-world challenges and bolster India's economy.

A couple of the notable innovations that we have helped to facilitate are:

### ROV-Remote-Operated Underwater Vehicle

It is a tethered robot that can explore aquatic environments and transmit data and video back to us. It can be used to inspect, repair, or sample underwater structures and ecosystems, or just have fun exploring the depths of a lake or ocean.



## SQUADRON with Heterogeneous Swarm Technology

Implemented for autonomous navigation and SLAM localisation in swarm multi-rotors, Squadron showcases coordinated motion enhanced by computer vision, mapping algorithms, and efficient task-distributed decision-making. Its applications span a wide range.



## Sponsorships of IIT Delhi's Event 'Robocon'

We sponsor DD Robocon India, powered by IIT Delhi, a prestigious event in the Asian-Oceanian college robot competition supported by the Asia-Pacific Broadcasting Union. Our aim is to inspire young engineers and innovators in India, fostering their passion for robotics and practical skills. Through this sponsorship, we contribute to shaping India's future robotics ecosystem.



|           |                                                                                                                                                                                                                     |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI Index | Addverb Technologies Limited has reported the information cited in this GRI content index for the period from 1 <sup>st</sup> January, 2023 to 31 <sup>st</sup> December, 2023 with reference to the GRI Standards. |
|-----------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| GRI STANDARD                    | DISCLOSURE                                                           | LOCATION                                                   |
|---------------------------------|----------------------------------------------------------------------|------------------------------------------------------------|
| GRI 2: General Disclosures 2021 | 2-1 Organisational details                                           | 4-13                                                       |
|                                 | 2-2 Entities included in the organisation's sustainability reporting | Approach to Reporting                                      |
|                                 | 2-3 Reporting period, frequency and contact point                    | Approach to Reporting                                      |
|                                 | 2-4 Restatements of information                                      | Not applicable as this is the first Sustainability Report. |
|                                 | 2-5 External assurance                                               | This Report is not externally assured.                     |
|                                 | 2-6 Activities, value chain and other business relationships         | 4-7                                                        |
|                                 | 2-7 Employees                                                        | 42-52                                                      |
|                                 | 2-9 Governance structure and composition                             | 23,25                                                      |
|                                 | 2-10 Nomination and selection of the highest governance body         | 23                                                         |
|                                 | 2-11 Chair of the highest governance body                            | 22                                                         |
|                                 | 2-15 Conflict of interest                                            | 22                                                         |
|                                 | 2-17 Collective knowledge of the highest governance body             | 22                                                         |
|                                 | 2-18 Evaluation of the performance of the highest governance body    | 25                                                         |
|                                 | 2-19 Remuneration policies                                           | 27                                                         |

| GRI STANDARD                            | DISCLOSURE                                                                             | LOCATION |
|-----------------------------------------|----------------------------------------------------------------------------------------|----------|
|                                         | 2-20 Process to determine remuneration                                                 | 27       |
|                                         | 2-22 Statement on sustainable development strategy                                     | 14-15    |
|                                         | 2-23 Policy commitments                                                                | 27       |
|                                         | 2-24 Embedding policy commitments                                                      | 27       |
|                                         | 2-25 Processes to remediate negative impacts                                           | 41,48    |
|                                         | 2-26 Mechanisms for seeking advice and raising concerns                                | 26       |
|                                         | 2-27 Compliance with laws and regulations                                              | 25       |
|                                         | 2-29 Approach to stakeholder engagement                                                | 16-17    |
| GRI 3: Material Topics 2021             | 3-1 Process to determine material topics                                               | 18-19    |
|                                         | 3-2 List of material topics                                                            | 18-19    |
|                                         | 3-3 Management of material topics                                                      | 18-19    |
| GRI 201: Economic Performance 2016      | 201-2 Financial implications and other risks and opportunities due to climate change   | 18-19    |
| GRI 205: Anti-Corruption 2016           | 205-3 Confirmed incidents of corruption and actions taken                              | 22       |
| GRI 206: Anti-Competitive Behavior 2016 | 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices | 22       |
| GRI 302: Energy 2016                    | 302-1 Energy consumption within the organisation                                       | 33       |

| GRI STANDARD                      | DISCLOSURE                                                       | LOCATION |
|-----------------------------------|------------------------------------------------------------------|----------|
|                                   | 302-3 Energy intensity                                           | 33       |
|                                   | 302-4 Reduction of energy consumption                            | 33       |
|                                   | 302-5 Reductions in energy requirements of products and services | 33       |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource               | 34       |
|                                   | 303-2 Management of water discharge-related impacts              | 34-35    |
|                                   | 303-3 Water withdrawal                                           | 34       |
|                                   | 303-4 Water discharge                                            | 34       |
|                                   | 303-5 Water consumption                                          | 34       |
|                                   |                                                                  |          |
| GRI 305: Emissions 2016           | 305-1 Direct (Scope 1) GHG emissions                             | 31       |
|                                   | 305-2 Energy indirect (Scope 2) GHG emissions                    | 31       |
|                                   | 305-3 Other indirect (Scope 3) GHG emissions                     | 31       |
|                                   | 305-4 GHG emissions intensity                                    | 31       |
|                                   |                                                                  |          |
| GRI 306: Waste 2020               | 306-1 Waste generation and significant waste-related impacts     | 36-37    |
|                                   | 306-2 Management of significant waste-related impacts            | 36-37    |
|                                   | 306-3 Waste generated                                            | 36       |
|                                   | 306-5 Waste directed to disposal                                 | 36       |
|                                   |                                                                  |          |

| GRI STANDARD                                  | DISCLOSURE                                                                                               | LOCATION                     |
|-----------------------------------------------|----------------------------------------------------------------------------------------------------------|------------------------------|
| GRI 401: Employment 2016                      | 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 49                           |
| GRI 403: Occupational Health and Safety 2018  | 403-1 Occupational health and safety management system                                                   | 50-52                        |
|                                               | 403-2 Hazard identification, risk assessment, and incident investigation                                 | 51                           |
|                                               | 403-4 Worker participation, consultation, and communication on occupational health and safety            | 51                           |
|                                               | 403-8 Workers covered by an occupational health and safety management system                             | All the workers are covered. |
|                                               | 403-9 Work-related injuries                                                                              | 51                           |
| GRI 404: Training and Education 2016          | 404-1 Average hours of training per year per employee                                                    | 45                           |
|                                               | vskills and transition assistance programs                                                               | 47                           |
|                                               | 404-3 Percentage of employees receiving regular performance and career development reviews               | 45                           |
| GRI 405: Diversity and Equal Opportunity 2016 | 405-1 Diversity of governance bodies and employees                                                       | 25, 44-46                    |
| GRI 418: Customer Privacy 2016                | 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data       | 40                           |



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