Reliance Jio Infocomm Limited

**Report on Environment,
Social and Governance
2022-23**

Report on Environment, Social and Governance (ESG)

Jio is guided by the Reliance Group's philosophy of 'We Care'. Sustainability is integrated in the purpose of the company and it is committed to bridging the digital divide and democratizing digital services in India. As a responsible corporate citizen, Jio has been a pioneer in fostering inclusive growth and is focused on generating shared prosperity across the value chain while retaining the trust and goodwill of its stakeholders. This report outlines Jio's commitment to stakeholder value creation and defines the actions taken and outcomes achieved for its stakeholders.

Governance, Leadership & Oversight: A multi-tier governance structure with clearly defined roles and responsibilities, drives Jio's Environment, Social, and Governance (ESG) agenda. The Board of the Company is the apex body that leads its governance system, providing oversight and monitoring the implementation of the Company's ESG strategy. The Risk Management Committee and the Corporate Social Responsibility (CSR) Committee are the two anchors responsible to translate the ESG objectives into on-ground initiatives and programs. The Risk Management Committee is specifically tasked with the responsibility of monitoring ESG-related risks and assessing adequacy of the risk mitigation plans including systems and processes for internal controls. The CSR Committee oversees CSR activities/ projects/ programs undertaken by the Company to realize its social impact vision.

> *Jio is rolling out its True 5G services in India at a globally unprecedented pace. True 5G will not only provide impetus to Jio's own Circularity and Net Zero journey but will also enable Indian businesses to adopt transformative technologies like AI, Robotics, IoT, and Blockchain and catalyze India's progress towards UN Sustainable Development Goals.*

Pankaj Pawar
Managing Director

The Managing Director (MD) of the Company is the highest executive responsible for formulating and implementing the Company's ESG strategy, managing ESG related risks & opportunities and reporting to the Board. The Managing Director is supported by the Executive Committee, the Business Risk & Assurance Committee and the ESG Steering Committee in driving the ESG agenda for the Company.

Management Approach: The Company's management systems, organizational structure, processes, standards and code of conduct and behaviors together form the management system that governs business conduct and manages associated risks. Jio's management framework is built on robust organization design principles and is enabled by the effective use of technology.

Jio has formulated codes and policies to guide its employees, suppliers, and other stakeholders on expected business conduct. The ESG related policies include Values & Behaviors, Our Code, Code of Conduct, Health & Safety Policy, Environment Policy, Information Security Policy, Data Privacy Policy, Diversity & Inclusion Charter, Employee Grievance Redressal Policy, Prevention of Sexual Harassment Policy, CSR Policy, Supplier Code of Conduct, Anti-Bribery & Anti-Corruption Policy and Whistle Blower & Vigil Mechanism.

Jio's operations are certified for ISO 9001:2015 Quality Management System. Health, Safety and Environment (HSE) objectives are an integral part of business operations at Jio and, its ISO 9001 certification covers its HSE Management system.

Jio's Code of Conduct defines the behaviour expected from the employees and stakeholders and lays down policies and systems for effective implementation. These guidance documents enable employees to operate with ethics, integrity and transparency at all times. An Ethics and Compliance Task Force (ECTF) is in place to oversee and monitor the implementation of ethical business practices within Jio. All complaints related to ethics, non-compliance and violations of the Company's Code of Conduct received by ECTF are reviewed and reported to the Audit Committee on a quarterly basis.

Jio operates in a regulated business environment. Jio's position on key industry issues like customer welfare, Data privacy, Promotion of broadband, services, Network and telecom equipment manufacturing in India, AI and Big data and Ease of Doing Business are transparently disclosed through the regulator. Jio also actively participates in national and international industry bodies who may also engage with regulators. Jio's activities are subject to robust internal controls framework set forth in its policies including the Code of Conduct and the Anti-Bribery and Anti-Corruption Policy.

Materiality Assessment: Jio has conducted in-depth materiality assessment to identify the topics that are pertinent to its business as well as to its internal and external stakeholders. The approach followed for conducting materiality assessment included: (1) benchmarking the Company's performance against industry peers, mapping of standards followed by various

ESG indices (including those specific to the digital/ telecom sectors) and leading international reporting standards, (2) identifying and communicating with internal and external stakeholders, (3) capturing stakeholder views through primary interactions/ online survey, and (4) cohesive analysis of the responses mapped in the light of business objectives and risks for creating a prioritized list of material topics. The high priority topics for Jio, identified through the materiality assessment include: (a) Climate, Energy & Emissions Management, (b) Data Privacy & Information Security, (c) Innovation and Technology, (d) Diversity and Inclusion, (e) Talent Attraction and Human Capital Development, (f) Supply Chain Management, (g) Corporate Governance & Business Ethics, (h) Legal & Regulatory Compliance.

The following sections of the report provide a brief on the initiatives taken for the high priority ESG issues.

Climate & Energy: Jio has set an ambitious target to be a Net Zero company by 2035. It is a member of the Business Ambition for 1.5°C campaign and has set short term targets that have been validated by Science Based Targets Initiative (SBTi) to be aligned with the 1.5°C decarbonization pathway. To reduce its Scope 1 and Scope 2 emissions, Jio is committed to source its energy demand through a combination of distributed and centralized solar setup across the country. Solarization initiative of the Company was awarded the '*Best ESG initiative in the Telecom Sector*' at the 2nd ESG Summit & Awards, 2022 and at the ET Telecom Awards 2023.

Jio has advanced its decarbonization journey to include Scope 3 and has identified relevant focus categories under Scope 3. Majority of Jio's Scope 3 emissions are from Fuel & Energy related activities, Upstream Leased Assets and the Purchase of Goods & Services including Capital Goods. The switchover to 100% renewables will reduce the Scope 3 emissions from Fuel & Energy related activities to near zero. Emissions from upstream leased assets stem from the installation of Jio's radiating telecom equipment in the facilities of other operators who are responsible for energy sourcing. Jio is closely working with such operators to adopt energy efficiency measures and switch their energy source to renewables. For reducing emissions from procurement activities, Jio's contractual conditions require its major suppliers to adopt measures for energy conservation and mitigating climate change. Jio also engages with its major suppliers and encourages them to set up energy and/or emissions related targets and disclose progress.

Jio is driving the roll out of True 5G services pan India by Dec 2023. Combining True 5G with its capabilities in AI, Robotics, cloud and edge computing, IoT and Smart Devices, Jio is enabling businesses to achieve new levels of productivity and efficiency. Its suite of IoT offerings including Smart lighting, Smart Metering, Smart Coolers, Smart Fleet Management is enabling businesses to become efficient, minimize resource consumption and mitigate emissions.

Waste & Circularity: Circularity plays a key role in Jio's goal to be Net Zero as Scope 3 and in particular, upstream supply chain emissions are a significant part of the overall carbon footprint. To achieve circularity in its operations, Jio follows a hierarchical approach to waste management, prioritizing reuse/ repair over recycling/ recovery and avoiding landfilling/ incineration. Jio has identified innovative ideas to enhance the life cycle of equipment like Batteries, Electronic cards, and Rectifiers, beyond their designed life. Jio now aims to enhance its focus on minimizing the use of virgin material by encouraging vendors to increase the use of recycled materials in their supplies for products like electronic goods, Batteries and Plastic Packaging. To manage the disposal of end-of-life material, Jio has established a network of partners across India to ensure that End-of-Life material and equipment are channelized to authorized parties with the necessary infrastructure to maximize refurbishment/ recycling/ recovery of materials.

Talent Attraction and Human Capital Development: Jio believes engaged employees who cooperate and collaborate are critical for the Company's continued success to create sustainable value for stakeholders.

Diversity & Inclusion: Jio's Diversity & Inclusion (D&I) approach is guided by the Reliance group's D&I Charter and the 5E Action framework of Educate-Encourage-Enable-Experience-Effectiveness. D&I at Jio focuses on the dimensions of Gender, Ability, Generation and Sexual Identity. Jio has been focusing on enhancing diversity by upgrading its hiring processes and enhancing the use of technology to eliminate bias. To rally support for D&I, multiple educational and awareness sessions were organized for Jio's employees throughout the year. Examples of these include Diversity hiring and Development program called JioFiber Shakti for Women Homes Sales officers, a four-week celebration focusing on women in STEM roles, Pride Month celebration to help create awareness about LGBTQ experiences and a series of fireside chats with differently-abled champions called Breaking barriers. *The Company has received several recognitions for excellence in D&I including ET Human Capital Gold, ET Future Skills Gold, SHRM HR Excellence and Brandon Hall Gold Awards.*

Talent Engagement & Management: Jio's employee engagement initiatives are organized under the umbrella of 'Khayaal Rakhna' which operates on 3 thematic pillars: (a) Creating Awareness (physical and mental wellbeing), (b) Rallying Support (providing help to each other) and (c) Finding Joy (unwinding and rejuvenating experiences). Initiatives undertaken include Stress & meditation workshops, health campaign for boosting immunity, 'Brighter Minds' program to nurture healthy

bonding between parents and children, quizzes, cooking and dance reality shows and *'Samriddhi',* a financial wellness programs.

Jio values its employees and is constantly endeavouring to create multiple internal forums for employees to share feedback and voice their opinions. Employee Resource Groups provide employees with like-minded interests and hobbies to connect and engage. Jio also has a formal policy to redress employees' grievances and enable them to escalate concerns, if any.

The Company believes in attracting world-class talent, skilling existing talent, and creating career growth opportunities for its long-term success. It has a well-structured learning and development programme for employees so they can expand their skills and knowledge. This includes training programmes, leadership development and mentoring initiatives, and other opportunities for professional growth.

Occupational Health & Safety: 'Safety of Persons overrides all Business Objective' is the essence of Jio's Occupational Health & Safety (OHS) Policy. The policy has been implemented across Jio's operations and is applicable for all its employees, contractor employee associated with Jio Field Operations. Jio has also established a comprehensive Health & Safety management system to provide & promote safety awareness and Safety Culture enabling safety to all its employees. Its goal is to ensure zero safety and fire-related incidents across its operations for both employees and contractors. Jio periodically conducts Hazard Identification & Risk Assessment (HIRA) study and has identified Working at Height, Electrical Work and Road Travel i.e., movement of resources and material as the most significant OHS risks in its operations.

Onboarding and refresher trainings are conducted periodically for all employees and contractors to ensure a high level of awareness about potential risks and hazards at the workplace. To further automate its safety processes, Jio rolled out a mobile application named 'RAM' (Risk Assessment and Mitigation mobile application) to facilitate the process of real time assessment of safety risks at sites and initiating work after mitigating any identified risk. Jio also conducts annual internal audit of the health & safety practices followed by the Field Operations team and tracks closure to ensure that its systems are continually strengthened and risks to personnel health & safety are mitigated.

Supply Chain Sustainability: Jio has a Supplier Code of Conduct and it is mandatory for suppliers to fully comply with it to be a preferred business partner. The Code of Conduct forms a part of all of its major contracts. The code mandates suppliers to require their own service providers and business partners to also comply with the code. The areas covered by the code include Legal compliance, Labor Standards, Human Rights, Occupational Health & Safety, Environmental Protection and Conservation, Business Integrity, Conflict of Interest, Ethical sourcing of materials and Data Protection & Privacy. Jio requires its suppliers to respect their employees' human rights and ensure they don't discriminate on any dimension of diversity in their hiring and employment practices, treat all employees with dignity and eliminate harassment from their workplace. Jio has also instituted review and oversight mechanisms to monitor compliance with the code in areas with elevated risks. Climate and energy related criteria are integrated in the relevant context for procurement decision-making process to accelerate the transition to net zero.

Information Security & Data Privacy: Jio is committed to building and maintaining its solutions, technologies and competencies to create trust and value for its customers and stakeholders. Jio has comprehensive cyber-strategy and security systems that help the Company neutralize advanced threats, safeguard the confidentiality, integrity, and availability of information systems.

Jio's InfoSec program is based on globally acceptable security standards & practices, applicable legal and regulatory requirements. It also focusses on the automating the technology control implementation process to derive the best outcomes both in terms of coverage and identifying any issues that may potentially impact the business operations and hence its customers. Jio's systems and technology operations are certified for compliance with ISO/IE 27001:2013 standards.

Jio is also committed to the protection of customer's, vendor's & employees' personal information and the confidentiality of their private communications. Jio has defined a *privacy program* to effectively manage different aspects of Privacy in alignment to global best practices and regional compliance requirements. Jio's key privacy data practices include minimizing personal data collection and processing, provide access on need-to-know basis, non-disclosure of personal information to outside entities, safeguarding information by deploying security system and controls and disposing information when no longer required.

Jio has also established a comprehensive framework for detecting, reporting, and managing information security incidents or breaches to minimize any adverse impact on Jio. Incident management framework along with the continuous vulnerability management program enables Jio to keeps its infrastructure secure.

Digital Inclusion: Digital Inclusion is at the heart of Jio's business and is entrenched in its *vision of connecting everyone and everything, everywhere – always at the highest quality and the most affordable price*. Jio's approach focuses on breaking down three key barriers to Digital inclusion in India- (a) Affordable connectivity, (b) Affordable devices and (c) Digital Skilling.

Affordable Connectivity: Jio remains committed to providing affordable services which is critical for achieving universal connectivity. The pricing of the Jio's broadband services in India continues to be well below the target price of 2% of Monthly Gross National Income (GNI) per Capita advocated by the Broadband Commission for Sustainable Development. Jio's coverage also extends to 99% of the Indian population including hard-to-reach terrains and far-flung villages which were otherwise unserved.

Affordable Devices: Jio has been addressing the key barrier of prohibitive mobile devices through innovations and partnerships. In 2017-18, Jio reinvented the conventional feature phone with a revolutionary device and launched the JioPhone, an unmatched Indian innovation, made in India by young Indians for all Indians. In 2021, Jio partnered with Google to launch JioPhone Next, the most affordable, full touchscreen smartphone anywhere in the world. The popularity of these devices has helped over 100 million users to transition successfully from 2G to 4G. With the launch of 5G, Jio is also working on launching Ultra-affordable 5G smartphones to ensure that every citizen in India can benefit from 5G.

Digital Skilling: Select initiatives undertaken by Jio and by Reliance Foundation (the implementing agency for CSR initiatives), include the following:

1. Jio, in association with GSMA, has rolled out an India wide **Digital Skills Program**, a joint initiative under the broader GSMA Connected Women Commitment initiative. The programme aims to provide need-based training to rural women and individuals from marginalized / low-income groups to help them make meaningful use of digital access. Reliance Foundation is supporting the rollout of the program.

2. As part of **WomenConnect Challenge India,** Jio and Reliance Foundation and the United States Agency for International Development (USAID), are supporting innovative and impactful organizations that are working to enhance women's access to and use of digital technology in India. Key focus areas of these projects included enhancing digital literacy for low-literacy women through edutainment-based courseware, building entrepreneurship skills and providing mentorship and value-chain linkage support for women dairy farmers, and app-based solutions for livelihood information etc. The project so far has reached and created sustainable impact in the lives of over three lakh 323,454 women and girls directly and indirectly, spread over 17 states of India.

3. Jio and Reliance Foundation launched an initiative in November 2022 to **digitize 100 schools** in Gujarat with connectivity, Advanced Content Platform, Teacher & Student Collaboration Platform and School Management Platform. Using the power of technology, Jio will facilitate the digital journey of empowerment of students through quality education.

4. Reliance Foundation is also a founding partner of '***EdTech Accelerator'*** which aims to improve Foundational Literacy and Numeracy skills of children affected by the COVID-19 pandemic by funding eight high-quality EdTech solutions. This initiative is part of the 'Back-to-School Outcomes Fund', a collaborative effort with the NIPUN Bharat Mission of the Indian government.

The key Sustainable Development Goals that Jio impacts through its various ESG initiatives/ products & services are: (1) SDG1: No Poverty, (2) SDG2: Zero Hunger, (3) SDG3: Good Health & Wellbeing, (4) SDG4: Quality Education, (5) SDG5: Gender Equality, (6) SDG7: Affordable and Clean Energy, (7) SDG8: Decent Work and Economic Growth, (8) SDG9: Industry, Innovation and Infrastructure, (9) SDG10: Reduced Inequalities, (10) SDG11: Sustainable Cities and Communities, (11) SDG12: Responsible Consumption & Production, (12) SDG 13: Climate Action, (13) SDG 16: Peace, Justice & Strong Institutions and (14) SDG17: Partnership for the Goals.