

2025 ESG Report



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Letter from the CFO

At OptiSol Business Solutions, ESG is embedded within our financial discipline, governance structures, and risk management processes. As CFO, I oversee the integration of sustainability considerations into enterprise planning, internal controls, and performance monitoring to ensure ESG commitments are measurable, accountable, and aligned with long-term value creation.



During the reporting year, OptiSol progressed from ESG intent to execution through structured tracking and governance mechanisms. Environmental initiatives were supported by defined monitoring processes for water consumption, electricity usage, employee travel emissions, and certified e-waste recycling. These measures strengthen cost efficiency, operational resilience, and responsible resource management.

On the social front, investments in workforce well-being, inclusion, and safety were implemented with defined programs and policy frameworks, including DEI practices, wellness initiatives, POSH compliance, and preventive health measures. These efforts are aligned with workforce sustainability and regulatory expectations.

From a governance perspective, ESG oversight was reinforced through SOC compliance, GDPR-aligned data protection practices, cybersecurity awareness programs, internal audits, and policy adherence mechanisms. These controls support transparency, risk mitigation, and audit readiness across the organization.

Looking ahead, OptiSol will continue strengthening ESG governance by expanding data accuracy, enhancing internal assurance processes, and setting clearer performance benchmarks to support informed decision-making and responsible growth.

Sincerely,

Rajinikanth D J
CFO of OptiSol

Key Highlights

ESG Performance 2025

Environment

- ✓ Reduced average water consumption to 32 litres per person per day through daily monitoring and reuse initiatives.
- ✓ Achieved 30.71% reduction in electricity consumption at the Madurai facility.
- ✓ Implemented employee travel carbon tracking and energy efficiency measures.
- ✓ Ensured 100% certified e-waste recycling through authorized vendors.

Social

- ✓ Reached government school students across Madurai, Trichy, and Chennai through the CSR-led Project Puthri initiative.
- ✓ Strengthened employee well-being through wellness programs, mental health awareness, and preventive health initiatives.
- ✓ Reinforced inclusive workplace practices through POSH training, DEI initiatives, and leadership development.

Governance

- ✓ Enhanced governance maturity through SOC compliance, GDPR-aligned data protection, and internal audits.
- ✓ Conducted organization-wide cybersecurity awareness and phishing resilience programs.
- ✓ Institutionalized Code of Ethics, policy acknowledgements, and compliance inductions.

OptiSol Approach to ESG

OptiSol's ESG approach is built on the belief that sustainable growth requires responsibility toward the environment, people, and stakeholders. We integrate ESG principles directly into our operations, culture, and product strategy to create long-term value and drive responsible digital transformation.

In 2025, we strengthened our ESG framework through structured OKRs linked to environmental stewardship, social development, and compliance governance. This approach enables measurable progress, continuous monitoring, and cross-functional accountability.

Our environmental focus areas include water efficiency, energy reduction, climate tracking, circular economy practices, and improved waste management. These initiatives are supported by data-driven tracking, awareness programs, and certified partners to ensure responsible resource use.

Our social philosophy emphasizes people-first values, with priorities across DEI, leadership development, wellness, pay equity, and community engagement. We also foster cultural belonging and workplace happiness through inclusive celebrations of festivals, engagement activities, and appreciation programs that strengthen team bonding and employee morale.

In governance, we prioritize transparency, compliance, data protection, and security. SOC compliance, GDPR practices, internal audits, and cybersecurity training strengthen our ethical and regulatory foundations. Together, these efforts reflect OptiSol's commitment to building a sustainable, inclusive, and trusted organization grounded in responsible innovation.



Environment



Our Environmental Commitment

At OptiSol, environmental responsibility is integral to our vision of building a sustainable, future-ready organization. As a digital transformation and GenAI-powered enterprise, we recognize our responsibility to minimize our environmental footprint while fostering a culture of accountability, efficiency, and continuous improvement.

During the reporting period, OptiSol strengthened its environmental governance through a focused set of environmental and compliance initiatives aimed at improving resource efficiency, reducing emissions, and strengthening waste management practices. These initiatives are anchored in measurable targets, systematic monitoring, and transparent reporting—laying a strong foundation for long-term environmental stewardship.



Environmental Governance and Performance Framework

Environmental performance was guided through a structured OKR-based framework, under the objective of Improving ESG Compliance. Six key result areas were identified to drive impact across water, energy, carbon emissions, waste, and compliance.

Focus Area	Objective
Water stewardship	Reduce water consumption and strengthen monitoring
Energy efficiency	Reduce office power consumption
Climate action	Track and offset employee travel emissions
Circular economy	Ensure responsible e-waste and hardware recycling
Data & compliance	Strengthen privacy and regulatory readiness
Waste management	Implement segregation and classification practices

Water Stewardship

Monitoring and Reducing Water Consumption

OptiSol implemented a comprehensive water management initiative aimed at reducing water consumption by **10%** supported by continuous monitoring and operational improvements.

Performance Highlights

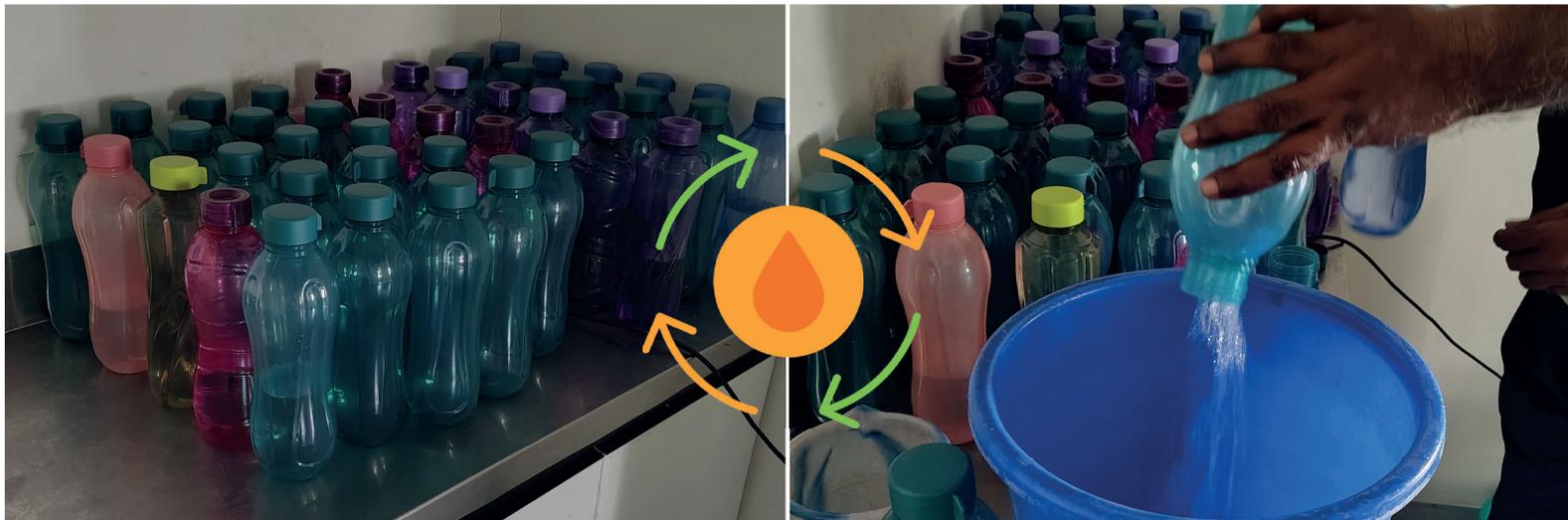
- ✓ Average water consumption reduced to **32 litres per person per day**, including leakages
- ✓ Average utilization stabilized at **48 litres per person**
- ✓ Madurai recorded approximately **20 litres per person**, placing it at the lower end of industry benchmarks

Key Actions Implemented

- ✓ Lever closures and plumbing controls introduced in Madurai
- ✓ Reduced water pressure in Chennai facilities
- ✓ Initiated drinking water tracking and wastage management
- ✓ Daily water consumption tracking instituted across locations

(Industry benchmark: 30–40 litres per person | Green-certified office benchmark: 20–25 litres per person)

Collection and reuse of leftover drinking water for restroom cleaning to reduce wastage



Water efficiency initiatives achieved 90% progress against the reduction target. Immediate leakage rectification and proactive pressure control measures significantly contributed to efficiency gains.

Energy Efficiency

Reducing Electricity Consumption

OptiSol set a target to reduce electricity consumption by 10%, supported by behavioral, operational, and structural interventions.

Key Measures

- ✓ Standardized office operating hours: 9:00 AM – 9:30 PM
- ✓ Seating consolidation in Madurai to optimize energy use
- ✓ Regrouping of employees post 8 PM in Chennai
- ✓ Initiation of daily electricity tracking
- ✓ ESG awareness campaign to promote responsible energy behavior

Performance Results

Madurai



- ✓ Achieved a consistent year-over-year reduction in electricity units across major months in 2025 vs 2024
- ✓ Reduction range recorded: -0.59% to -34.58% YoY
- ✓ Highest reduction observed in October 2025 (-34.58%)

Chennai



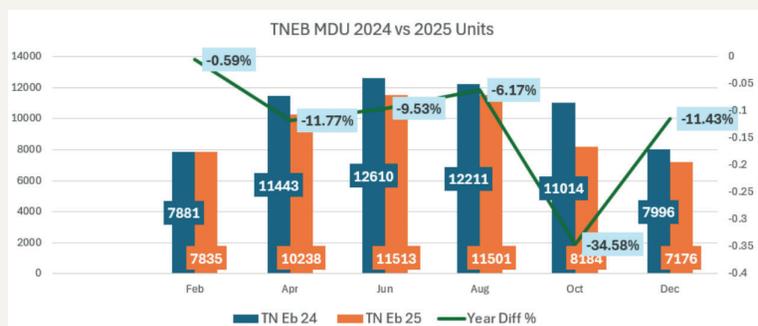
- ✓ Achieved an 8.57% reduction in electricity consumption
- ✓ Total savings recorded: 900 units

Usage Indicators

Average daily electricity consumption:

Madurai: ~190 units

Chennai: ~340 units



Approximate electricity usage: **5 units per employee**

Climate Action

Employee Travel Carbon Footprint

OptiSol initiated its first formal employee travel carbon footprint tracking program, marking a key milestone in its climate accountability journey.



Key Achievements

- ✓ Tracked **100% of employee travel emissions**
- ✓ Total emissions recorded: **55 kg of CO₂**

Offset Strategy

- ✓ Estimated **250 trees** required to offset recorded emissions
- ✓ Partnership discussions underway with an NGO for tree plantation
- ✓ Program structure and quotations in progress

This initiative establishes OptiSol's baseline for travel-related emissions and demonstrates a proactive shift toward evidence-based climate action.

Circular Economy and E-Waste Management

Responsible E-Waste Recycling

OptiSol completed its e-waste and IT hardware recycling program and strengthened its circular economy practices through certified disposal.

Assurance

All materials were processed in an environmentally responsible manner through certified mechanical and manual treatment processes, enabling material recovery and safe recycling.

Outcome

The successful completion of certified e-waste disposal reinforces OptiSol's commitment to responsible resource management, regulatory compliance, and circular economy principles.

Certification Highlights

Authorized Recycler: Ascent Urban Recyclers Private Limited, Chennai

Regulatory Compliance:

TNPCB Registration No: 22EFZ42626424

Traceability:

COD No: AUR/25-26/COD67

GRN No: AUR/25/GRN67

Material Processed:

E-waste – IT lot

Quantity: 106 kg

Processing Timeline:

Collected & received: 08 September 2025

Destroyed: 30 September 2025

Waste Management and Resource Recovery

Waste Segregation and Classification

OptiSol initiated structured waste management practices across offices to reduce landfill impact and improve material recovery.

-  **Key Initiatives**
 - ✓ Introduction of segregated waste bins
 - ✓ Launch of a fertilizer initiative using tea waste
 - ✓ Development of waste classification posters and visual guides
 - ✓ ESG awareness campaign to promote waste segregation
-  **Current Status**
 - ✓ Implementation in progress with classification systems under rollout
 - ✓ Awareness campaigns scheduled across locations
-  **Forward Focus**
 - ✓ Full-scale waste classification program
 - ✓ Expansion of composting and organic waste recovery
 - ✓ Integration of waste KPIs into ESG dashboards



Social Performance

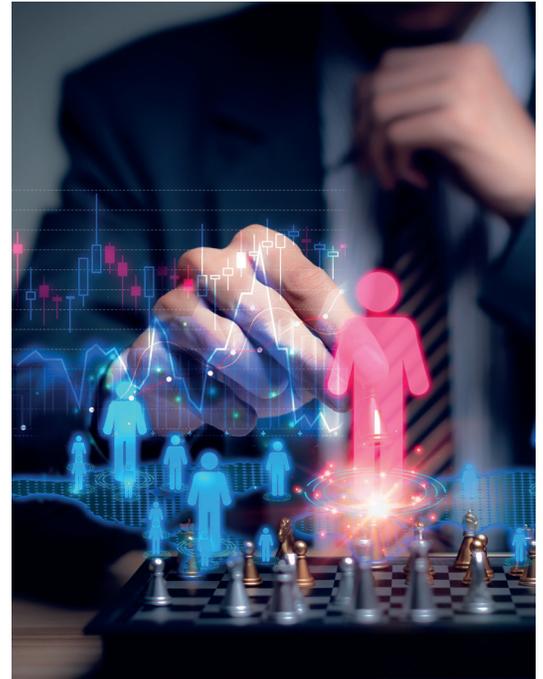


Social Strategy & Governance

OptiSol's social strategy is designed to foster an inclusive, equitable, and resilient workplace while delivering measurable social outcomes for employees and communities.

Social priorities are embedded within the broader ESG framework and are guided by leadership oversight, internal policies, and structured governance mechanisms.

Social initiatives are identified through workforce demographic analysis, employee engagement surveys, and internal stakeholder consultations. Progress against defined social objectives is periodically reviewed to ensure accountability, transparency, and continuous improvement.



Workforce & Organizational Culture

A strong emphasis is placed on cultivating a workplace culture grounded in respect, inclusion, accountability, and continuous learning. Workforce practices focus on fair employment, transparent career progression, and capability development across all levels.

Workforce composition is regularly assessed to understand representation trends and inform targeted actions across hiring, development, and engagement.

These efforts support the creation of a collaborative and high-performance work environment aligned with long-term social priorities.



Diversity, Equity, and Inclusion (DEI)

Diversity, Equity, and Inclusion form a core pillar of OptiSol's people strategy. Structured initiatives, supported by quantified targets, are implemented to strengthen representation and promote equitable access to opportunities across the organization.

New Hire – Inclusion & Diversity

A defined objective has been set to increase the percentage of diverse hires, including underrepresented groups, by 15%. Actions undertaken to support this objective include:

Key Initiatives

- Analysis of the current workforce demographic composition
- Targeting an 8% improvement in overall workforce diversity as an interim milestone
- Implementation of at least two bias-reducing tools or practices within recruitment processes
- Strengthening inclusive hiring frameworks and interviewer awareness

Diversity

Leadership – Diversity & Inclusion

To strengthen diversity within leadership, a target has been established to increase representation of underrepresented groups in leadership roles (L3 and above) by 15%, with an 8% interim improvement milestone.

Key Initiatives

- Detailed analysis of leadership demographic data
- Targeted training and development plans for high-potential employees
- Launch of Employee Resource Groups (ERGs)
- Implementation of structured mentorship programs to accelerate leadership readiness

Learning and Development

Learning and development initiatives are aligned with both business objectives and social inclusion goals. Focused efforts are directed toward identifying skill gaps, strengthening leadership capabilities, and enabling career progression, particularly for underrepresented groups.

Key Initiatives

- Identification of critical skill gaps and leadership potential
- Inclusive leadership capability-building programs
- Structured D&I learning interventions and workshops
- Mentorship programs supporting professional growth



15% increase in diverse hires



15% increase in diverse representation within leadership roles through promotions and lateral hires



Contribution toward achieving a 15% increase in diverse leadership representation

Gender Pay Parity

A commitment has been established to maintain at least 90% gender pay parity across all roles and levels. Compensation practices are governed by structured processes to ensure fairness, transparency, and equity.

Key Initiatives

- Conducting comprehensive pay audits across functions and levels
- Systematic review of compensation structures to identify and address gaps
- Development of a roadmap to close identified pay gaps, including budgeting for adjustments
- Establishment of clear compensation policies and guidelines to prevent future inequities

Employee Eye Care and Preventive Health Screening

OptiSol partnered with Lawrence & Mayo to conduct an Eye Care Camp at the Madurai office, supporting preventive health and early vision screening for employees. The initiative included comprehensive vision and refraction tests, eye health assessments, and personalized eye care counseling.

Employees also received guidance on corrective eyewear and access to preferential offers. This initiative supports OptiSol's focus on employee health, preventive care, and workplace well-being.

Mental Health and Wellness Support

OptiSol prioritizes employee mental health as a key component of workplace well-being and organizational sustainability. The company conducts **regular mental health awareness sessions and counseling programs** designed to promote emotional well-being, reduce workplace stress, and encourage open conversations around mental health.

During the reporting period, **over 100 employees** participated in these initiatives. The programs aim to build individual resilience, reduce stigma associated with mental health challenges, and ensure employees have access to appropriate support resources to manage both professional and personal demands effectively.

 **Sustained ≥90% gender pay parity**



Harshini
Counselling Psychologist

Workplace Safety, Inclusion and Emotional Well-being

OptiSol fosters an inclusive and respectful work environment through structured training and compliance initiatives. Regular sessions on **POSH awareness**, harassment prevention, and organizational policies ensure employees understand acceptable workplace conduct, reporting mechanisms, legal protections, and resources to address concerns.

These programs, complemented by wellness initiatives, aim to strengthen emotional well-being, reduce stress, and cultivate a safe and supportive workplace culture where all employees can thrive.



Community Engagement and Social Impact Initiatives

Project Puthri – STEM & Career Awareness for Government School Girls (Madurai, 2025)

OptiSol collaborated with **Avtar Human Capital (AHC)** for its Project Puthri initiative, a career awareness platform designed to empower underprivileged Government school girls with exposure to education and career pathways. In 2025, OptiSol participated in **Udyog Utsav** events held across **Madurai, Trichy, and Chennai**, conducting interactive classroom sessions focused on technology-enabled careers and the role of emerging tools such as AI.

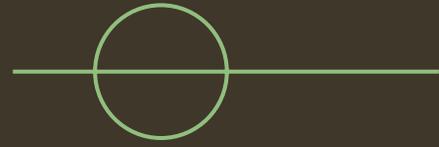
Through storytelling and relatable personal journeys, OptiSol volunteers emphasized that socio-economic background - whether rural or urban, Government or private school - does not define future potential. Sessions showcased practical technology use cases and encouraged curiosity through Q&A on IT careers, cybersecurity, artificial intelligence, and STEM applications.



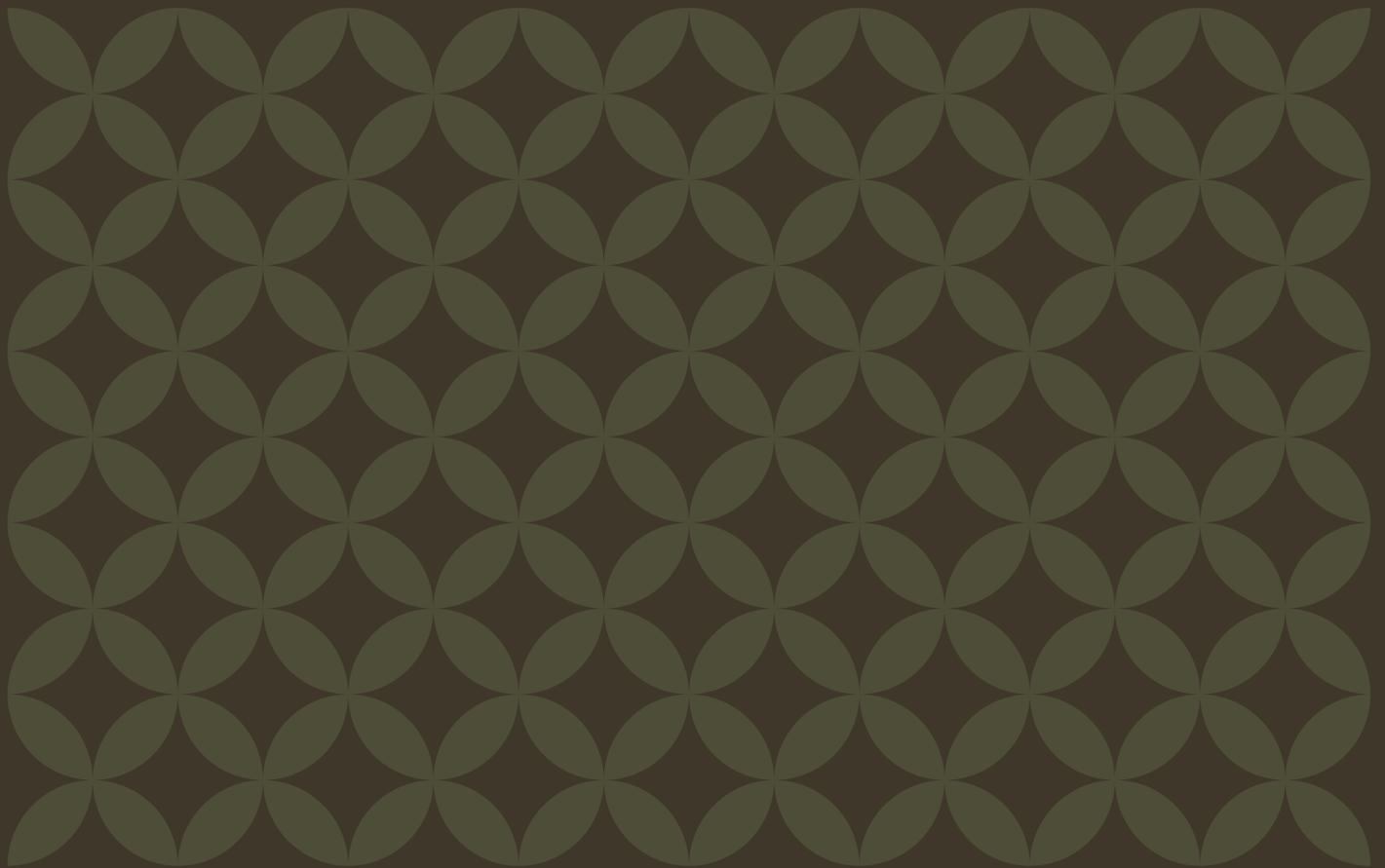
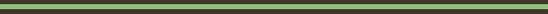
Impact Highlights

- Reached Government school female students across **Madurai, Trichy, and Chennai**
- Increased awareness of technology careers and real-world problem solving
- Promoted inclusivity, confidence-building, and aspiration-setting among first-generation learners
- Reinforced OptiSol's commitment to nurturing future talent and expanding access to technology education





Governance



Strengthening Governance and Organizational Resilience



At OptiSol, strong governance is fundamental to sustaining stakeholder trust, safeguarding information assets, and enabling responsible business growth.

During the reporting year, the cCompany continued to enhance its Governance, Risk, and Compliance (GRC) framework through targeted initiatives focused on information security, regulatory compliance, risk management, and employee awareness. These efforts reflect OptiSol's commitment to transparency, accountability, and alignment with globally recognized governance standards.

System and Organization Controls (SOC) Compliance



OptiSol successfully completed its SOC compliance assessment, marking a significant milestone in strengthening its internal control environment. The engagement involved a comprehensive evaluation of controls related to system security, availability, and operational integrity.

As part of the process, OptiSol documented key control frameworks, validated control effectiveness, and aligned operational practices with recognized industry standards. The SOC compliance initiative enhances audit readiness and reinforces the Company's ability to meet customer, partner, and enterprise compliance expectations.

Key outcomes

- ✖ Strengthened internal control and governance framework
- ✖ Enhanced customer confidence and audit preparedness
- ✖ Reduced operational, security, and compliance-related risks

Data Protection and GDPR Compliance



In response to evolving global data protection requirements, OptiSol implemented measures aligned with the General Data Protection Regulation (GDPR). The initiative focused on ensuring lawful, transparent, and secure processing of personal data across the organization.

Key activities included reviewing data collection and processing practices, strengthening access controls, defining data retention protocols, and clarifying employee responsibilities related to personal data handling. These actions support OptiSol's commitment to responsible data stewardship and privacy-by-design principles.

Key outcomes

- ✖ Reduced regulatory and legal exposure
- ✖ Improved data privacy governance and accountability
- ✖ Alignment with global data protection and customer privacy expectations

Internal Compliance Audit and Continuous Improvement



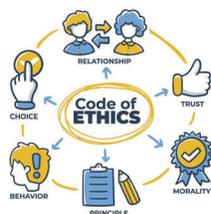
An internal compliance audit was conducted to assess adherence to security policies, regulatory obligations, and internal control frameworks. The audit evaluated critical compliance areas, identified gaps, and assessed the effectiveness of existing governance controls.

Based on audit findings, corrective actions and improvement measures were defined and tracked to closure. This approach reinforces OptiSol's commitment to continuous improvement and proactive risk management.

Key outcomes

- ✖ Early identification and mitigation of compliance gaps
- ✖ Improved control effectiveness and accountability
- ✖ Strengthened overall governance maturity and audit readiness

Code of Ethics and Compliance Framework



OptiSol maintains a structured Code of Ethics to guide professional conduct, reinforce organizational values, and ensure transparent and responsible business practices. As part of our governance framework:

- ✖ **Mandatory Policy Acknowledgement:**
All employees are required to formally acknowledge the Code of Ethics and all organizational policies during onboarding to support compliance and audit readiness.
- ✖ **Quarterly Compliance Induction:**
A structured quarterly induction is conducted to reinforce ethical standards, organizational expectations, and compliance guidelines.
- ✖ **Escalation Matrix Communication:**
A formal escalation matrix is shared with employees to ensure clarity on reporting channels, issue escalation, and resolution procedures.
- ✖ **Ongoing Awareness:**
Continuous communication, reminders, and updates are provided to sustain high standards of compliance and ethical behavior across the organization.

Cybersecurity, Security and Compliance Awareness



Recognizing the increasing risks associated with cyber threats, social engineering, and regulatory non-compliance, OptiSol conducted organization-wide security, cybersecurity, and compliance awareness programs to strengthen employee preparedness and governance maturity. These initiatives included phishing email simulations, cybersecurity awareness training, and compliance-focused sessions designed to assess response behavior, identify vulnerabilities, and reinforce secure practices.

Insights from phishing simulations enabled data-driven enhancements to awareness programs and preventive controls, reducing the likelihood of credential compromise and security incidents. Complementing this, structured training sessions throughout the year covered key topics such as information security best practices, data protection responsibilities, secure system usage, and internal policy adherence.

Together, these efforts foster a security-first mindset and reinforce individual accountability for safeguarding organizational and customer information.



Key outcomes

- ✖ Improved employee preparedness against phishing and social engineering threats
- ✖ Reduced risk of security incidents caused by human factors
- ✖ Data-driven enhancement of cybersecurity and compliance awareness programs
- ✖ Improved control effectiveness, accountability, and audit readiness
- ✖ Strengthened overall governance and security maturity

About OptiSol

OptiSol Business Solutions is a **global digital solutions partner** with over **17 years** of experience delivering **end-to-end IT services, modernization, and Generative AI-led innovation**. With a team of 450+ professionals across **India, the US, the UK, Australia, and the UAE**, OptiSol supports **startups, SMBs, and enterprises** in building future-ready digital platforms.

We specialize in combining **deep engineering expertise, human-centered design, and GenAI-powered accelerators** to help organizations modernize legacy systems, optimize operations, and accelerate innovation. Our approach blends **personalized service delivery with ready-to-deploy accelerators**, enabling faster time-to-market, improved cost efficiency, and long-term scalability.

OptiSol has been recognized as a **Great Place to Work® (India)**, reinforcing its focus on employee well-being, inclusive workplace practices, and continuous learning.

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