



BUSINESS RESPONSIBILITY POLICY OF PG ELECTROPLAST LIMITED

1. INTRODUCTION, PURPOSE AND SCOPE:

The Securities and Exchange Board of India (SEBI) on December 26, 2019 have notified the SEBI (Listing Obligations And Disclosure Requirements) (Fifth Amendment) Regulations, 2019. Vide this notification, the SEBI amended Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, thereby requiring top one thousand listed companies (based on market capitalization of every financial year) to include Business Responsibility Report as a part of its Annual Report.

The Board of Directors (the "Board") of PG Electroplast Limited (the "Company") being one of the top one thousand listed companies as per the criteria mentioned above, in its meeting held on May 25, 2021 had approved and adopted the Business Responsibility Policy (the "Policy") pursuant to the terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2019.

The policy shall become effective from the date of its approval by the Board i.e. May 25, 2021.

This Policy is based on principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of a Business published by the Ministry of Corporate Affairs, towards conducting business by a company.

The key objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility across the Company and act as a strategic driver that will help the Company to respond to the complexities and challenges that keep emerging and be abreast with changes in regulations.

2. IMPLEMENTATION OF THE POLICY:

The Managing Director of the Company shall be responsible for the implementation of the Policy. The Managing Director may take support of such functional heads and internal and external experts, which he may deem fit, for the effective implementation of the Policy.

3. BUSINESS RESPONSIBILITY POLICY:

The Company believes that the business excellence can be achieved only by doing business on sound sustainability principles that address the dimension of good governance as well as environmental and social responsibility. Company's Business practices would therefore be governed by the following guiding principles.

Principle 1: Ethics, Transparency and Accountability

- The Company should develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
- The Company should communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
- The Company should not engage in practices that are abusive, corrupt, or anti-competition.
- The Company should truthfully discharge their responsibility on financial and other mandatory disclosures.
- The Company should report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
- The Company should avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

Principle 2: Product Life Cycle Sustainability

- The company shall ensure that its products and services comply with all applicable statutes and regulations;
- The Company should ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- The Company should regularly review its strategies, incorporating social, ethical, and environmental considerations.
- The Company should recognize and respect the rights of people who may be owners of traditional knowledge.
- The Company should recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore promote sustainable consumption, including recycling of resources.
- The company shall work towards sourcing significant raw materials, products and services in a manner so as to continuously improve the balance between social, economic and environmental impacts.

Principle 3: Employee Wellbeing

- The Company should respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
- The Company should provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- The Company should not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The Company should take cognizance of the work-life balance of its employees, especially that of women.
- The Company should provide facilities for the wellbeing of its employees including those with special needs.
- The Company should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.

- The Company should provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. The Company should communicate this provision to their employees and train them on a regular basis.
- The Company should ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.
- The Company should promote employee morale and career development through enlightened human resource interventions.
- The Company should create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

Principle 4: Stakeholders Engagement

- The company shall understand the concerns of its stakeholders, define its purpose and scope of engagement, and commit to engaging with them.
- The Company should acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
- The Company should give special attention to stakeholders in areas that are underdeveloped.
- The Company should resolve differences with stakeholders in just, fair and equitable manner.

Principle 5: Human Rights

- The company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- The Company should appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
- The Company should integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- The Company should recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
- The Company should, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 6: Environment

- The Company should utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

- The Company should take measures to check and prevent pollution. The Company should assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
- The Company should ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
- The Company should continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.
- The Company should develop plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
- The Company should report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
- The Company should proactively persuade and support its value chain to adopt this principle.

Principle 7: Responsible Advocacy

- The company shall work with industry organisations that are engaged in policy advocacy in a responsible manner;
- To the extent possible, Company should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

Principle 8: Inclusive Growth

- The Company should innovate and invest in products, technologies and processes that promote the wellbeing of society.
- The Company should make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
- The Company should be sensitive to the local concerns while operating in regions that are underdeveloped.

Principle 9: Consumer Value

- The Company, while serving the needs of their customers, should take into account the overall well-being of the customers and that of society.
- The Company should ensure that they do not restrict the freedom of choice and free competition in any manner.
- The Company should disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and to the planet from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner. Where required, the Company should also educate their customers on the safe and responsible usage of their products and services.

- The Company should exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- The Company should provide adequate grievance handling mechanisms to address customer/client concerns and feedback.

4. DISCLOSURES

The Business Responsibility Policy shall be disclosed in the Annual Report and on the website of the Company i.e. at www.pgel.in

5. POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines / clarifications as may be issued from time to time by relevant statutory and regulatory authorities. The Managing Director of the Company may modify, add, delete or amend any of the provisions of this Policy.