



## **CHEMPLAST SANMAR LIMITED**

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CIN: L24230TN1985PLC011637

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY**

#### **OBJECTIVE:**

This document is a comprehensive policy that incorporates the nine principles of the National Guidelines on Responsible Business Conduct (NGRBC) as issued by the Ministry of Corporate Affairs and required under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Business Responsibility and Sustainability Policy (BRSR Policy) is an umbrella policy which incorporates the spirit of each of the principles as mentioned in the National Guidelines on Responsible Business Conduct.

This Policy seeks to ensure a unified and common approach at Chemplast Sanmar Limited (CSL) and its wholly owned subsidiary Chemplast Cuddalore Vinyls Limited (CCVL) towards the principles and applies to all employees of CSL and CCVL.

#### **PRINCIPLES OF CSL BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY:**

CSL firmly believes in and implements sustainable business practices. Further, the organization believes in good corporate governance, environmental and social responsibility. The following guiding principles would therefore govern CSL's Business Practices.

#### **Principle 1: To conduct and govern Business with integrity and in a manner that is Ethical, Transparent and Accountable by way of creating a governance structure that:**

1. Develops and operates structures, policies and procedures that promote the Principles of NGRBC, prevent its contravention and effect prompt and fair action against any transgression.
2. Ensures Principles of NGBRC are understood, adopted and implemented throughout the Business.
3. Promotes the adoption of the Principles across the value chain of Business.
4. Discloses and communicates transparently and enables access to information about the Company's policies, procedures, performance (financial and non-financial), and decisions that impact the stakeholders, especially those most at risk to business impacts, including marginalized, vulnerable communities.
5. Takes responsibility for meeting all its statutory obligations in line with the spirit of the law, enabling fair competition and ensuring that it equitably treats all its stakeholders.
6. Ensures that the Business avoids complicity with any third party's actions that violate any of the Principles contained in these Guidelines.
7. Creates appropriate structures, policies and procedures to address conflicts of interest involving its members, employees and business partners.

8. Puts appropriate structures, codes, policies, and procedures to ensure that the Business does not engage in illegal and abusive practices, bribery and corruption, and provides timely and fair action if such transgressions are detected.
9. Ensures that the Business promptly contributes to public finances by paying all applicable taxes in the letter and spirit of the laws and regulations governing such payments.

**Principle 2: To provide goods and services in a manner that is sustainable and safe by:**

1. Ensuring adoption of resource-efficient and low-carbon processes while designing, producing and making goods and services that minimize adverse environmental and social impacts.
2. Providing stakeholders across the value chain with adequate information about environmental and social issues and the impact across the product life cycle from design to disposal through appropriate and relevant tools such as certifications, labels, ratings, and other communication and disclosure platforms, including reports and websites etc.
3. Taking responsibility for the safe collection, reuse and recycle of products at life to build a circular economy as a part of extended producer responsibility.

**Principle 3: To respect and promote the well-being of all employees, including those in the value chains, by:**

1. Ensuring to comply with all regulatory requirements for employees and ensuring that there are systems and processes in place to ensure that the value chain partners carry out the same.
2. Ensuring equal opportunities are given at recruitment, during employment, and at the time of separation without any discrimination.
3. Promoting and respecting the right to freedom of association, participation of workers, and collective bargaining of all employees, including contract and casual labour and providing access to appropriate grievance redressal mechanisms.
4. Not using child labour, coercive or forced work, or any form of involuntary labour whether paid or unpaid.
5. Establishing systems and processes in place to support the work-life balance of all the employees.
6. Ensuring fair, timely and transparent payment of statutory wages to all employees, including contract and casual labour, without discrimination.
7. Aspiring to pay fair living wages that meet all employees' basic needs and economic security, including that of casual and contract labour.
8. Providing a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees.

9. Providing access to necessary learning opportunities on an equal and non-discriminatory basis for continuous up-gradation of skill and competence of all employees. Promoting career development through human resource interventions.
10. Creating systems and practices to ensure a humane workplace free from violence and harassment (including sexual harassment); a workplace where employees feel safe and secure, with adequate provisions for grievance redressal.

**Principle 4: To respect the interests of and be responsive to all stakeholders by:**

1. Acknowledging, assuming responsibility, and being transparent about the impact of the Company's policies, decisions, products and associated operations upon all stakeholders and the natural environment.
2. Developing systems, processes and mechanisms to identify the stakeholders. To understand their expectations and concerns, define the purpose and scope of the engagement, consult with them to develop policies and processes that impact them, and commit to resolve any differences and redress grievances, if any, in a just, fair and constructive manner.
3. Enabling all stakeholders to benefit fairly from the value generated by the businesses and resolving any conflicts or differences arising from the impact of business operations or the sharing of the value generated by the Company in a just, fair and equitable manner.

**Principle 5: To respect and promote human rights by:**

1. Creating awareness amongst employees about human rights as guaranteed in the Constitution of India, in relevant national laws and policies, and the International Bill of Human Rights. Further, to create awareness amongst employees about how those provisions have been adopted within the Company as outlined in the United Nations Guiding Principles for Business and Human Rights. Also, the responsibility for addressing this be assigned to the appropriate level and function within the Business.
2. Having policies, structures and procedures that demonstrate respect for all stakeholders impacted by the Business, including carrying out human rights due diligence to identify, prevent, mitigate and account for how they address adverse human rights impacts.
3. Ensuring corrective actions to address any impact linked to adverse human rights.
4. Promoting awareness and realisation of human rights across the Company's value chain.
5. Ensuring that all individuals and groups whose human rights gets impacted have access to effective grievance redressal mechanisms.

**Principle 6: To respect and make efforts to protect and restore the environment by:**

1. Formulating appropriate policies, procedures and structures to assess, measure and address the Company's adverse impact on the environment at all its locations, at all stages of the operational life cycle from the establishment to closure, especially in eco- sensitive areas.
2. Developing appropriate strategies for sustainable and efficient use of natural resources and manufactured materials, considering all stakeholders' expectations and concerns.
3. Defining measurable key performance indicators and targets to monitor performance on environmental aspects such as water, air, land-use, forest, energy, materials, waste, biodiversity, built environment, etc.
4. Addressing climate change by developing mitigation and adaptation measures. By building climate resilience practices within the Company in line with India's nationally determined contributions to the Paris Climate Change Agreement and the National/State Action Plans on Climate Change.
5. Promoting reduction, reuse, recycling and recovery of materials and resources. Encourage and motivate the stakeholders, particularly consumers/end-users, to do the same.
6. Adopting innovative, resource-efficient and low-carbon technologies and solutions resulting in lower resource footprint, lesser material consumption, and more positive impact on the environment, economy, and society.

**Principle 7: To engage in influencing public and regulatory Policy in a manner that is responsible and transparent by:**

1. Ensuring that the Company's publicly disclosed advocacy positions are consistent with the principles.
2. Undertaking policy advocacy through trade and industry chambers, associations, and other similar collective platforms.
3. Promoting fair competition and respect for human rights.

**Principle 8: To promote inclusive growth and equitable development by:**

1. Taking appropriate actions to minimise any adverse impact that the Company has on social, cultural, and economic aspects of society, including land acquisition and use, construction of facilities, and operations.
2. Assessing, measuring, and understanding the impact on social and economic development and responding through appropriate action to minimise and mitigate adverse effects on society.
3. Innovating and investing in products, technologies and processes that promote the well-being of all segments of society, including vulnerable and marginalized groups.

4. Responding to national and local development priorities and understanding the needs and concerns of local communities, particularly in vulnerable and marginalized groups and in underdeveloped regions, while designing and implementing the CSR programs.
5. Making efforts to minimise the negative impacts of the displacement of people and disruption of livelihoods through business operations. And in unavoidable cases, ensuring to undertake the process in a humane, participative, informed and transparent manner, where just and fair compensation is paid to those impacted.
6. Respecting all forms of intellectual property and traditional knowledge and ensuring that benefits derived from their knowledge are shared equitably.

**Principle 9: To engage with and provide value to our consumers in a responsible manner by:**

1. Minimizing and mitigating any adverse impact of the Company's goods and services on consumers, the natural environment, and society.
2. Not restricting the freedom of choice and free competition in any manner while designing, promoting and selling their products.
3. Disclosing all information accurately, through labelling and other means, including the risks to the individual, society, and the planet, from the use of the products, so that the consumers can exercise their freedom to consume responsibly.
4. Managing consumer data in a way that does not infringe upon their right to privacy.
5. Making consumers aware of and providing information and guidance to them on safe and responsible usage and disposal of the Company's products (including reuse and recycling) and eliminating over-consumption.
6. Promoting and advertising the Company's products in ways that do not mislead or confuse the consumers or violate any of the Principles.
7. Providing appropriate grievance redressal mechanisms that are transparent and accessible to address consumer concerns and feedback.
8. Providing essential services, e.g. utilities, enabling universal access to even those whose services are discontinued for any reason, in a non-discriminatory and responsible manner.

**AMENDMENT/ REVISION:**

A series of related policies also support this Policy. The principles set out in this document are reflected in those policies and would be reflected in such other new policies that would be put in place from time to time, as relevant. CSL reserves the right to amend this Policy according to the prevailing statutory requirements.

***Adopted on November 04, 2022. Version 1.***