



Greenpanel Industries Limited
BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING POLICY

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INTRODUCTION

Greenpanel Industries Limited (**'the Company'**) is a public limited company and its equity shares are listed on the BSE Limited and National Stock Exchange of India Ltd. and as such the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are applicable to it.

SCOPE AND PURPOSE

Greenpanel Industries Limited is aware of its environmental, social, and economic responsibilities. Being a responsible corporate organisation, the Company conducts all of its efforts in a way that is moral, just, respectable, and beneficial to all stakeholders.

The Company's commitment to upholding the standards outlined in the National Guidelines on Responsible Business Conduct on Environmental, Social and Economic Responsibilities of Business published by the Ministry of Corporate Affairs is validated by the development of this Policy in accordance with the requirements of the Listing Regulations.

DEFINITIONS

Accountable: Being responsible and answerable for their actions, willing to explain them to others, and taking ownership of all repercussions if so required.

Collective Bargaining: Negotiating between the employees' organization and employer's organization; management in good faith with a view to agree on terms and conditions of work and / or settlement of disputes and grievances of employees represented by a representative body of employees.

Complicity: -

- a.) An action or omission (failure to act) by a business, or individual representing a business, that 'helps' (facilitates, legitimize, assists, encourages, etc.) another, in some way, to perpetrate a violation.
- b.) The business was or should have been aware that its action or omission could provide such help.
- c.) Complicity may be direct, beneficial or silent.

Consumer: A person or business that buys products or services for personal use, resale or use in production and manufacture. It also includes the user of the product or service other than the buyer.

Discrimination: Unjust or prejudicial treatment of people, especially on the grounds of, but not limited to, caste, creed, sex, race, ethnicity, age, colour, religion, disability, socio-economic status or sexual orientation.

Diversity: An understanding that every individual is unique and therefore embracing and respecting the differences on account of, but not limited to, caste, creed, sex, race, ethnicity, age, colour, religion, disability, socio-economic status or sexual orientation.

Employee: A person employed, directly or by or through any agency (including a contractor), whether for remuneration or not, for carrying out activities of the organization or any part thereof, incidental to or connected with those activities, in pursuance of the organization's stated objectives. It would also include those who undertake these activities outside of the business's premises including their own homes.

Ethical: Individual or collective behaviour that is in accordance with accepted written and / or unwritten codes of principles and values that govern decisions, actions and conduct within a business in the context of a particular situation and is consistent with accepted norms of behaviour.

Fair Living Wages: A wage sufficient for a family to meet its basic needs and which provides some ability to deal with emergencies.

Governance: Relates to "how" an organization makes decisions, how it operates to achieve its objectives and how stakeholders have their say in the processes.

Grievance Redressal Mechanism: Mechanism for any stakeholder individually or collectively to raise and resolve reasonable concerns affecting them without impeding access to other judicial or administrative remedies. The mechanism should be:

- Clear, transparent and have independent governance structures
- Accessible
- Predictable
- Equitable
- Based on dialogue and mediation

Harassment: Wide range of offensive behaviour that is unwanted by the recipient and which the perpetrator knows or ought to know is threatening or disturbing.

Intellectual Property (IP): Refers to creations of the mind, such as inventions, literary, musical and artistic works, and symbols, names, images, and designs used in commerce, for which the IP owners are granted certain exclusive rights under the corresponding national IP laws. Common types of IP include patents (inventions), copyrights, trademarks, industrial designs, software, geographic indications and trade secrets, etc.

Involuntary Labour: All work or service that is extracted under the menace of penalty. Also includes terms such as forced labour, bonded labour and modern slavery.

Product: Any good and / or service produced for introduction to trade or commerce, possessing intrinsic value and capable of delivery to a consumer in tangible form, intangible form or a combination thereof.

Stakeholder: Individual or group concerned or interested with or impacted by the activities of the businesses and vice-versa, now or in the future. Typically, stakeholders of a business include, but is not limited to, its investors/shareholders, employees (and their families), customers, communities, value chain members and other business partners, regulators, civil society actors, and media.

Sustainability: The outcome achieved by balancing the social, environmental and economic impacts of business. It is the process that ensures that business goals are pursued without compromising any of the three elements.

Transparent: Being open about decisions and activities that affect society, the environment and the economy, and the willingness of businesses to communicate information in clear, accurate, honest, timely and complete manner.

Value Chain: Refers to both the supply chain as well as the value created by the distribution channel for end-use customers. It also includes business partners and those employed by value chain partners who may work out of their own premises.

Vulnerable and Marginalized Groups: Group of individuals who are unable to realize their rights or enjoy opportunities due to adverse physical, mental, social, economic, cultural, political, geographic or health circumstances. These groups in India can be identified on the basis, inter alia, of the following:

- Gender and transgender (women, girls et al.)
- Age (children, elderly et al.)
- Descent/identity/ethnicity (caste, religion, scheduled castes, scheduled tribes, et al.)
- Occupation (displaced, landless small / marginal farmers, migrant workers, et al.)
- Persons with disability
- Political or religious beliefs

Workplace: Place(s) where activities of the organization are carried out in pursuance of its stated objectives.

Definition of Executive management and senior management: -

“Executive Management” shall mean Executive/Whole-time Directors of the Company.

“Senior Management Personnel” means officers, employees and members of management one level below the executive directors, including the functional heads.”

APPLICABILITY

This policy applies to all the employees, workers, suppliers, vendors, distributors, partners and other collaborators of the Company across all roles, divisions, and units are covered by this overarching Policy and all of its subordinate policies.

EFFECTIVE DATE

The policy approved by the Board of Directors in their meeting held on May 6, 2023 is effective with immediate effect.

IMPLEMENTATION

Chief Financial Officer of the Company, shall act as Business Responsibility Head and shall be responsible for implementing the Business Responsibility initiatives. He shall be responsible for providing clarifications, if any, required with respect to the Policy, guiding the staff in implementation, reviewing the results, audit, impact assessment, etc.

Mr. Shiv Prakash Mittal, Executive Chairman and Mr. Shobhan Mittal, Managing Director & CEO of the Company shall be responsible for overseeing the implementation of the Policy.

REVIEW & AMMENDMENT

These Policies must be reviewed and assessed as needed to determine and confirm that they continue to achieve the goals of the applicable laws and are still effective. The Board has the authority to alter this Policy in whole or in part at any time.

KEY PRINCIPLES AND POLICIES

According to the SEBI guidelines, the following nine business responsibility principles have distinct policies that the company has adopted:

Principle 1: Ethics, Transparency and Accountability Policy

The Company maintains the highest standards of ethics in all spheres of its business activities. The Board of Directors and Senior Management strive and endeavor to set examples of utmost ethical behavior. The Executive Management aims at inculcating ethical behaviour across the value chain of the company making it an essential part of the work culture so that every employee of the Company conduct himself/herself and lead on behalf of the Company with professionalism, honesty and integrity, and confirm to high moral and ethical ground.

Apart from the Code of Conduct required as per various laws, rules and regulations from time to time, the Company has additionally framed a Code of Conduct for Board Members, KMPs and the value chain partners. All those concerned are required to strictly adhere to this Code of Conduct/Ethics. Any violation of any Code of Conduct shall be viewed strictly and lead to disciplinary action. All business decisions and transactions shall be fair and transparent and shall be taken in the best interest of the Company and its stakeholders. The company shall ethically and truthfully discharge their responsibility on financial dues and avoid complicity with third parties violating any of these 9 principles.

The company shall ensure the effective implementation of all mechanisms and procedures to address incidents of conflicts of interest involving its members, employees and business partners. The Company has in place a Vigil Mechanism Policy for the employees to make disclosure regarding any unfair, unethical practice within the organization in a confidential manner.

The Company shall strive to ensure that transparent, correct and relevant information, pertaining to its products, is disseminated through its advertising material and information displayed on the digital platforms. The Company shall ensure that the disclosures required to be made in business documents,

statutory forms, declarations, advertisements are correct and complete in all senses. Disclosures shall be governed by the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, Determination of Materiality Policy and such other applicable policies as framed / to be framed by the Company, from time to time.

The Directors, senior management and employees must refrain from engaging in any form of corruption, including bribery, extortion, or any other unethical practices. Any involvement in corrupt activities, whether directly or indirectly, is strictly prohibited and will result in severe disciplinary action, including termination and potential legal consequences.

The Company shall have zero tolerance for bribery and corruption in its business dealings. The employees of the Company shall not, directly or indirectly, solicit or accept any personal fee, commission or any form of remuneration arising out of a transaction involving the Company which might be extended at times to influence business decisions. Any offer or gift customary and/or are of a commemorative nature is exempted from the preview of the Policy.

The Company believes in free and open competition and shall not indulge in any anti-competitive or unfair practice or abuse its dominant position in the market. The company shall also aim for fair implementation of policies across the operations and the value chain as well as undertake corrective measures to avoid violation of policies.

Principle 2: Safety and Sustainability of Goods

The Company shall ensure that its products are safe and sustainable and shall make continuous efforts to improve its quality. The Company should endeavour to educate the architects, designers, contractors, builders, carpenters, distributors and the end-customers about its products.

The Company shall ensure adequate safety standards from manufacture to delivery of its products. The Company shall ensure that the quality, safety and environmental requirements of its products are met and satisfy the needs of customers. The Company shall ensure that the quality, safety, environmental and social requirements and impact of its products are available in form of labels, certifications, and are reported in the website.

The Company shall strive to achieve resource efficiency and implement low-carbon processes and technologies to minimize adverse environmental and social impacts viz. energy, water, land-use, forest, biodiversity, air and waste. The Company shall regularly train its employees and workers for optimum utilisation of resources and ensure that wastage or by-products generated out of the manufacturing process get captively consumed or used by the consumers. The Company should strive to continuously review and improve its manufacturing process and use of technology to improve productivity with reduced usage of resources without compromising on quality of its products.

The company should strive to follow the below measures:-

- Comply with legislative requirements related to product safety, quality, public health and environment as applicable.

- Engage with and sensitize stakeholders across value chain on the environmental and social issues and impacts across product life cycle from design to disposal and their responsibility.
- Work with experts and value chain members to identify existing and potential environment, health and safety risks and inherent hazards of materials used in production and in disposal.
- Design for the environment and consider the end-of-life impacts of products and packaging during the earliest stages of design. Redesign as reasonably practical and manage end of life disposal and recovery challenges.
- Safely collect, reuse and recycle their products at end of life as a part of extended producer responsibility where applicable.
- Monitor, measure and report progress against this policy and review performance on a periodic basis on product changes from design to end-of-life management, distribution, reduced use of toxic and hazardous substances, reduced carbon footprint, increased product longevity, and design for recyclability to ensure continual improvement and move product stewardship forward.

Principle 3: Well Being of Employees

The Company recognizes value of healthy and productive human resource. The Company should ensure an environment which generates a sense of belongingness, loyalty and commitment amongst its employees. The Company shall ensure smooth flow of information, ideas, suggestions and understanding amongst the employees and the senior management and establish mechanism for redressal of employee's grievance.

The company shall refrain from employing child labour, forced labour, or any form of involuntary labour, paid or unpaid in any of its offices, plants, units, branches or offices abiding by the Human Rights Policy. The Company shall advocate a business environment that favors the concept of equal payment opportunities and equal remuneration both at the time of recruitment as well as during the course of employment for all without any discrimination with respect to caste, creed, gender, race, religion, differently-abled or sexual orientation. The company shall create skill up-gradation and career development opportunities for all the employees. The Company shall provide a workplace environment that is hygienic, humane, comfortable, facilitating and which upholds the dignity of the employees. It shall provide facilities for the well-being of its employees including those with special needs as per the requirements of the Rights of Persons with Disabilities Act, 2016. The Company shall comply with the statutory provisions with regard to health, safety and well-being of its employees and shall strictly abide with the rules and regulations stipulated by States and/or Central Government in this regard including payment of minimum wages to workers/employees.

The Company shall strive to provide a safe working environment to all employees and protect them from sexual and mental harassment by all means. Any such instance shall be dealt with promptly in confidential, judicious and unbiased manner. The Company has in place Prevention of Sexual Harassment (POSH) at Workplace.

The company shall communicate and inform all its employees about the policies related to them, to keep them educated and aware of the same. The Company has in place a Vigil Mechanism Policy in place for the employees to make disclosure regarding any unfair, unethical practice within the organization in a confidential manner.

Committed towards wellbeing of all employees, every business along with its value chain members shall endeavour to -

- comply with the applicable national and local regulatory requirements pertaining to its employees, and that there are systems and processes
- ensure equal opportunities to all employees during the time of hiring and induction as well as throughout the course of employment till the time of separation irrespective of gender, caste, creed, colour, religion disability or sexual orientation
- ensure implementation of appropriate systems and processes in place to support the work-life balance of all its employees
- ensure diverse, inclusive and equitable work environment built on respect and dignity
- provide a workplace that is safe and hygienic for all categories of employees and contractors
- ensure facilities accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016
- ensure a workplace where employees especially female employees feel safe and secure in delivering their responsibilities and free from any form of harassment
- communicate and inform all its employees about all the policies related to them, to keep them educated and aware of the same.
- monitor, measure and review progress against the policy on an annual basis

Principle 4: Protection of Stakeholders' Interest

The Company values the support of its stakeholders and endeavors to maintain a cordial relationship and safeguard the interests of not only its shareholders and employees, but all the stakeholders. The Company shall regularly and systematically identify its internal stakeholders like promoters, employees and workers and external stakeholders like shareholders, investors, suppliers, customers, government, regulators, banks and financial institutions and fulfill their requirements in timely manner and establish mechanisms to resolve any grievances arising from business operations in a just, fair and constructive manner.

The company shall ensure benefits derived from business are distributed fairly amongst all the stakeholders.

The Company shall encourage disclosure of information related to the Company and its product to the concerned stakeholders from time to time. The company shall integrate stakeholder engagement into governance and relevant decision-making processes that contributes to developing or improving organisational strategy, identifying and addressing operational issues. The website of the Company shall display all such policies and other relevant information in compliance with the statutory requirements from time to time.

Principle 5: Human Rights

The Company strictly prohibits child labor, forced labor, or any form of involuntary labor, paid or unpaid, in all its offices, plants, units, and branches, in compliance with the Human Rights Policy. Child labor is strictly prohibited, with the minimum age for employment set at 18 years. Additionally, recruitment based on individual bonds, debts, or obligations to the company or its representatives is not allowed,

nor is the acceptance of cash deposits or recruitment fees for securing employment.

The Company ensures equal employment opportunities, including during hiring and throughout employment, without discrimination based on caste, creed, gender, race, religion, disability, or sexual orientation. Furthermore, it upholds the principle of equal pay and remuneration for equal work across all levels and ensures fair living wages that meet employees' needs in accordance with local living standards, exclusive of overtime pay.

All businesses and their value chain members should strive to comply with labor laws pertaining to human rights, encouraging employees to join trade unions or associations of their choice, enabling them to engage in collective bargaining in a fair and constructive manner, leading to mutually agreeable employment terms as per prevailing statutes and regulations. The Company will avoid involvement in human rights abuses or exploitation by third parties.

The Company is committed to fostering a safe and harassment-free workplace. Any reported instances of sexual or mental harassment will be addressed promptly, confidentially, judiciously, and in an unbiased manner. The Company enforces the Prevention of Sexual Harassment (POSH) policy at the workplace and maintains a Vigil Mechanism Policy that allows employees to report unethical or unfair practices confidentially.

Employees will be empowered through communication and training to identify and report non-compliance issues, which will be investigated in a confidential manner.

The Company will solicit feedback from employees at regular intervals to ensure a fair working environment and will conduct third-party audits to demonstrate transparency and identify areas of non-compliance.

A remediation plan will be developed for instances of labour violations, and progress on risk identification, mitigation, training, awareness, grievance mechanisms, supply chain compliance, and performance reviews will be monitored, measured, and reported to ensure the ongoing management of human rights.

By adhering to this policy, the Company commits to upholding the well-being, safety, and rights of all employees while fostering an inclusive and equitable work environment.

Principle 6: Protection of the Environment

The Company endeavors to promote environmental sustainability, ecological balance and maintaining the quality of soil, air and water. The company shall adopt KPIs and develop targets for environmental parameters to commit towards taking proper steps for optimal resource utilization throughout the operations.

The company shall take measures for conserving energy, water, air, GHG emissions, waste and biodiversity management at its plants, offices, branches, units, and such other places where the Company operates. Further, the Company shall endeavor to train its staff, workers including contractors, to adopt such measures which help in preventing pollution and protecting environment. The Company promotes automation in production and other processes and safe disposal of wastes and effluents through proper disposal channels. The Company shall ensure that the amount of emission, fumes and wastewater is within the permissible limits by the State Pollution Control Board and Central Pollution Control Board.

The Company shall have in place a mechanism which shall deal with the preventing, mitigating, and

controlling environmental damages and disasters which may be caused due to its operations, including plans to deal with contingencies.

Further the company strives to follow the below measures in line with the principle 6:

- Comply with all relevant environmental laws and regulations.
- Take proactive measures to identify risks and opportunities and make decisions that support consistent environmental performance.
- Develop policies, procedures, and mechanisms to evaluate, measure, and address environmental impacts at all stages of the company's operations, from inception to closure.
- Enhance environmental performance by adopting innovative, efficient, and clean technologies and solutions.
- Promote resource productivity and conservation by applying the "4R" principles (reduce, reuse, recycle, recover) and encouraging supply chain partners to do the same.
- Ensure proper waste disposal and pollution control while considering the interests of communities and stakeholders.
- Ensure zero-liquid discharge across all its operations.
- Encourage environmental accountability, responsibility, and awareness among supply chain partners through training, communication, and setting an example with good practices.
- Conduct environmental due diligence for all mergers and acquisitions.
- Periodically review policy implementation and management system

Principle 7: Responsibility towards Public and Regulatory Policy

As a corporate citizen, the Company understands its responsibility to operate within the democratic setup and constitutional framework. The Company recognizes that it operates within the specified legislative and policy frameworks prescribed by the Government, which guide its growth and provide for certain desirable restrictions and boundaries.

The Company shall strive to engage with the Government and be a part of various chambers and associations to make recommendations/ representations before regulators and associations for advancement, promotion, development of the industry it is a member.

The company shall perform the function of policy advocacy positions to promote fair competition and respect for human rights in a transparent and responsible manner while engaging with all the authorities and shall consider the Company's and national interest.

Principle 8: Inclusive Growth and Equitable Development

The Company considers the society as its integral part and believes that it cannot work in isolation without society and therefore, as it develops, the society should also progress. The company shall conduct need assessments of local communities while designing CSR projects to minimize the negative impact on society.

The company through its CSR programmes, shall engage, collaborate and seek feedback from all

concerned stakeholders and communities to enhance knowledge on environmental and social concerns like promoting healthcare including preventive health care and sanitation, promoting education and employment enhancing vocational skills, etc.

The company should strive to:-

- Assess, measure, and understand the impact of its business operations on social and economic development, taking appropriate action to minimize and mitigate any negative impacts.
- Conduct need assessments of local communities while designing Corporate Social Responsibility (CSR) programs, ensuring that they align with national and local development priorities.
- Engage, collaborate, and seek feedback from all concerned stakeholders and communities to enhance knowledge on environmental and social concerns, including promoting healthcare, preventive health care, sanitation and education.
- Innovate and invest in products, technologies, and processes that enhance the welfare of all segments of society, with a special focus on those who are vulnerable or marginalized.
- Make efforts to minimize the negative impacts of displacement of people and disruption of livelihoods due to business operations. In cases where displacement is unavoidable, the process shall be humane, participative, informed, and transparent, with just and fair compensation provided to affected individuals.
- Show reverence for all forms of intellectual property and traditional knowledge, ensuring that benefits derived from such knowledge are shared equitably and fairly.
- Establish mechanisms to track, evaluate, and report on CSR and social development initiatives to measure progress and ensure continual improvement.

Principle 9: Engaging and Enriching Customer Value:

The Company shall continuously strive to offer better products and services to the consumer to their satisfaction and shall not indulge in any unfair or disruptive trade practice. The Company shall ensure that information related to products and their uses are disclosed to the customers from time to time to their satisfaction and best use of the Company's product.

The company will follow the below mentioned measures in line with the above principle: -

- The business and the partners in the value chain shall strive to follow local, regional, and national laws and regulations related to managing customer complaints and protecting customer data.
- The company shall establish metrics and goals for measuring customer satisfaction.
- The company shall uphold the principles of free competition and consumer choice while developing, promoting, and selling their products or services.

- The company shall advertise and endorse the products or services in a manner that is transparent and truthful and does not deceive consumers or contradict the principles outlined in these Guidelines.
- The company shall educate consumers about their rights through various means such as marketing communication, product labelling, providing comprehensive details of contents, promoting safe usage and disposal of their products and services in form of certifications, reports, etc. on the website.
- The company shall establish effective and accessible grievance redressal mechanisms to address consumer queries and feedback in a transparent and fair manner.
- The company shall safeguard the privacy of customers' private and confidential data in the course of their business operations.
- The company shall provide essential services and ensure universal access to them.
- If services are discontinued for any reason, the company shall do so in a non-discriminatory, ethical, and responsible manner.
- The company shall regularly monitor, measure, and report the progress in implementing this policy and review the performance periodically to ensure continuous improvement in managing customer relations.