



GALLANTT ISPAT LIMITED

(CIN: L27109DL2005PLC350524)

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT POLICY

1. INTRODUCTION

SEBI vide Circular No. CIR/CFD/CMD/10/2015, dated November 04, 2015 prescribed a format for BRR in respect of reporting on ESG (Environment, Social and Governance) parameters by listed entities.

In terms of amendment to regulation 34 (2) (f) of LODR Regulations vide Gazette notification no. SEBI/LAD-NRO/GN/2021/22 dated May 05, 2021, it has now been decided to introduce new reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR).

Securities and Exchange Board of India (SEBI) vide Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 has made Business Responsibility & Sustainability Report (BRSR) mandatory for Top 1000 listed entities by market capitalization with effect from 2022-23. The report is voluntary for the year 2021-22. The BRSR is a notable departure from the existing Business Responsibility Report (“BRR”) and a significant step towards bringing sustainability reporting at par with financial reporting. SEBI Circular further states that the BRSR is an initiative towards ensuring that investors have access to standardized disclosures on ESG parameters. Access to relevant and comparable information will enable investors to identify and assess sustainability-related risks and opportunities of companies and make better investment decisions.

The existing business responsibility reporting requirement is in line with “National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business” notified by Ministry of Corporate Affairs, Government of India, in July 2011. The key principles identified in the NVGs which are required to be reported by the entities include the areas such as environment, social, governance, stakeholder’s relationships, etc. In order to align the NVGs with the Sustainable Development Goals (SDGs) and the ‘Respect’ pillar of the United Nations Guiding Principles (UNGP) the process of revision of NVGs was started in 2015. After revision and updation, the new principles are called the National Guidelines on Responsible Business Conduct (NGRBC) 2018.

2. OBJECTIVE

The objective of this policy is to ensure a unified and common approach to the dimensions of Business Responsibility and to act as a strategic driver that will help Gallantt Ispat Limited (GIL) to respond to the complexities and challenges that keep emerging and to align ourselves with the best of global business conduct principles.

3. APPLICABILITY

In terms of the aforesaid amendment, with effect from the financial year 2022-2023, BRSR shall be mandatory for the top 1000 listed companies (by market capitalization) and shall replace the existing BRR. Since, GIL comes under the category of top 1000 listed companies the Company is required to formulate policy on BRSR.

4. PARTICIPATION BY SUBSIDIARY COMPANY

The subsidiary companies may participate in the Business Responsibility and Sustainability Initiatives of the Company to the extent required under the laws of the country in which they operate.

5. IMPLEMENTATION

The Managing Director, Chief Financial Officer and Company Secretary of the Company shall jointly and severally be responsible for implementing the BRSR Policy. The Managing Director of the Company shall be Head for BRSR and will oversee the implementation of the Policy. The BRSR Policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's website. Compliance with the Policy shall be monitored and evaluated on regular basis. Respective Functional Heads will formulate action plan / checklist to ensure compliances of the various principles enunciated in the BRSR Policy. Any grievances / complaints with respect to non-compliance with the Policy shall be reported to Chief Financial Officer or Company Secretary.










6. BOARD APPROVAL

The Business Responsibility Policy have been formulated by the management of the Company in consultation with the relevant stakeholders and are approved by the Board of Directors of the Company at its Board Meeting held on August 11, 2023.

7. POLICY AMENDMENTS

Any subsequent amendment / modification in the Listing Regulations and / or other laws in this regard shall automatically apply to these Policy. The same shall be added / amended / modified from time to time as authorized by the Board of Directors.

8. OVERVIEW OF THE 9 PRINCIPLES OF BRSR

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|  <p>Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.</p> |  <p>Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.</p> |  <p>Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.</p> |
|  <p>Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.</p> |  <p>Principle 5: Businesses should respect and promote human rights.</p> |  <p>Principle 6: Businesses should respect and make efforts to protect and restore the environment.</p> |
|  <p>Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.</p> |  <p>Principle 8: Businesses should promote inclusive growth and equitable development.</p> |  <p>Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.</p> |

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent, and accountable

GIL is committed to conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has in place the Code of Conduct (“Code”) for its Directors and Senior Management Personnel and their confirmations to the Code is obtained by the Company on periodical basis.

This Policy is intended to provide guidance and help in recognizing and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help foster a

culture of honesty and accountability. The objective is to ensure the highest standards of ethical conduct, transparency and accountability while dealing with the stakeholders.

Policy

1. The Company will follow its governance structures, practices and procedures that ensures ethical conduct at all levels and promote the adoption of this principles across its value chain.
2. The Company will conduct periodic training programmes on awareness of code of conduct among its employees and stakeholders.
3. The Company will endeavour transparent communication with its stakeholders and assure access to information relating to decisions that impact the stakeholders.
4. The Company will not engage in practices that are abusive, corrupt, or anticompetition.
5. The Company will truthfully discharge their responsibility on financial and other mandatory disclosures.
6. The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.
7. The Company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

GIL has intertwined the principles of safety and sustainability into its processes and products throughout its lifecycle which covers various stages beginning from procurement of raw material, product design and manufacturing till its delivery to the customers.

Policy

1. provide and maintain a clean, healthy and safe working environment for employees, customers, partners and the community.

2. Uphold the values of honesty, partnership and fairness in its relationship with stakeholders.
3. Take appropriate steps to raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.
4. Ensure that the manufacturing processes and technologies required to produce its products are resource efficient and sustainable.
5. Regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
6. Recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore, promote sustainable consumption, including recycling of resources.
7. Ensure compliance with the applicable laws with respect to product manufacturing and sales.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

GIL is committed to professional development and growth of employees through selecting the right candidate for right job, monitoring performance for optimum utilization of their potential, providing growth opportunities growth and inculcating the culture of mutual faith and accountability. GIL is also committed to the holistic growth of employees by motivating them to perform at the peak of their potential by imparting necessary guidance and training at all levels and providing them with opportunities for enhancing their knowledge and honing their skills.

The policies, procedures and practices in the Company are aligned to meet employees' well-being, diversity, non-discrimination, safety and health so as to have a healthy, cordial and harmonious relationships and value enhancement at all levels.

Policy

1. The Company shall 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.
2. The Company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.
3. The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. The Company shall ensure that no employee is made to work against his / her will or to work as bonded/forced labour or subjected to corporal punishment or coercion of any kind, related to work.
5. The Company shall provide a work environment that is free from any form of discrimination, exploitation and harassment including but not limited to sexual harassment.
6. The Company shall create systems and practices to ensure a harassment free workplace where employees, especially female employees feel safe and secure in discharging their responsibilities.
7. The Company shall strive to instil a sense of duty in every employee including those of service providers at the Company's premises, towards their personal safety, as well as that of their co-workers.
8. The Company shall strive to take cognizance of the work-life balance of its employees, especially that of women.
9. The Company shall strive to provide facilities for the well-being of its employees including those with special needs.
10. The Company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
11. The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.

12. The Company shall ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.

13. The Company shall promote employee morale and career development through enlightened human resource interventions.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

GIL gives utmost importance to the healthy engagement with its various stakeholders like employees, suppliers, stockists, dealers, customers, shareholders / investors, communities surrounding the operations and government / regulatory authorities. The Company continues its engagement with them through various mechanisms such as supplier/vendor meets, customer/employee satisfaction surveys, investor forums, consultations with local communities etc.

Policy

1. The Company shall understand the concerns of its stakeholders, define its purpose and scope of engagement, and commit to engaging with them.
2. The Company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. The Company shall strive to give special attention to stakeholders in areas that are underdeveloped.
4. The Company shall resolve differences with stakeholders in a just, fair and equitable manner.
5. As a part of Corporate Social Responsibility, Company will provide:
(a) Education (b) Health (c) Sustainable Livelihood (d) Rural Infrastructure

Principle 5: Businesses should respect and promote human rights

GIL believes that human rights are fundamental, inherent, universal, indivisible and interdependent in nature and hence, continuously strive to ensure that employees' basic human rights are protected.

Policy

1. The Company will observe that basic human rights of the employees are respected, valued and protected keeping in mind the Constitution of India, Laws, Policies and the International Bill of Human Rights and accordingly, formulate all policies, practices, procedures and rules of the Company.
2. 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.
3. The Company recognizes and respects the human rights of all relevant stakeholders and groups, including that of communities, consumers and vulnerable and marginalized groups.
4. The Company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.
5. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.
6. The Company will ensure that each employee is made aware of their basic rights and redressal mechanisms.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

GIL is committed to safety and preservation of environment and has formulated “Quality, Health, Safety and Environment Policy”. GIL also believes in conservation of natural resources and minimizing hazardous impact on the ecological environment.

Policy

GIL’s Policy on environment protection covers:

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

2. The Company shall take measures to check and prevent pollution. The Company shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Company shall assess the environmental consequences of its products & operations and take steps to reduce & mitigate consequences, where they cannot be avoided.
4. The Company shall ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
5. The Company shall 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.
6. The Company shall develop Environment Management Systems and contingency plans and processes that shall help it in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations.
7. The Company shall strive to report its environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
8. The Company shall proactively persuade and support its value chain to adopt these principles.
9. The Company shall strategize long-term and short-term goals to manage Greenhouse Gas emissions, emissions reduction targets, and an analysis of performance against those targets.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

GIL believes that to protect overall interest of its business and the diverse stakeholders, the Company has to express its fair views, opinions, representations, concerns etc on the policies framed by the competent authorities.

The Company, may either itself or through various association/forums/chambers make such representations etc before the competent authorities. The Company's engagement with the relevant association/forums/chambers etc is guided by the values of commitment, integrity, transparency and the need to balance interests of diverse stakeholders.

Policy

1. The Company will make reasonable efforts to ensure that its advocacy positions are consistent with the principles and core elements enhancing business responsibility and transparency.

2. The Company may, in the best interest of all stakeholders, provide inputs in policy making decisions to various governmental authorities and agencies which concern the business and as well as the society in general, either directly or through the trade and industry chambers and such other collective platforms.

Principle 8: Businesses should promote inclusive growth and equitable development

GIL's philosophy for delineating its responsibility as a corporate citizen is covered through its CSR policy which encompasses guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large.

The Company has in place a Corporate Social Responsibility Policy framed as per the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 and is carrying out various CSR Activities in accordance with the Schedule VII to the Companies Act, 2013.

Policy

Our core principles for inclusive growth and equitable development are:

1. Identification of the impact of the Company's operations on social and economic development and to minimize the negative impacts, if any on the same.

2. Innovation and investment in products, technologies and processes on continuous basis for the overall wellbeing of the society.
3. The Company endeavours to undertake various community development activities at local and national level and to ensure that appropriate mechanism for resettlement and rehabilitation of communities who have been displaced due to business operations are in place.
4. The Company will endeavour to give priority to the regions that are underdeveloped near the business operations of the Company.

Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner

Customers are one of the most important stakeholders. The foundation of the Company is based on the trust, satisfaction and loyalty of our consumers across the world. The Company's products are industrial chemical products and hence, it continuously strives to make available its products that are safe and competitively priced for the benefits of its customers / end users.

Policy

Our policy to enhance customer value and satisfaction covers:

1. The Company, while serving the needs of their customers, will take into account the overall well-being of the customers and that of society.
2. The Company will ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
3. The Company will 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 shall also educate their customers on the safe and responsible usage of their products and services.



4. The Company will promote and advertise their products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
5. The Company will exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. The Company will provide adequate grievance handling mechanisms to address customer concerns and feedback.
