

BUSINESS RESPONSIBILITY **AND SUSTAINABLE** **DEVELOPMENT POLICY**

1. BACKGROUND

The Ministry of Corporate Affairs (MCA), Government of India, released a set of guidelines in 2011 called the National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs). These guidelines are expected to provide guidance to businesses on what constitutes responsible business conduct. 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.

The primary rationale for the update is to capture key national and international developments in the sustainable development agenda and business responsibility field that have occurred since the release of the NVGs in 2011. Some of the key drivers of the NGRBC are given below

1. The UN Guiding Principles for Business and Human Rights (UNGPs)
2. UN Sustainable Development Goals (SDGs)
3. Paris Agreement on Climate Change (2015)
4. Core Conventions 138 and 182 on Child Labour by the International Labour Organization (ILO)
5. Annual Business Responsibility Reports (ABRRs)
6. Companies' Act 2013

Further Securities and Exchange Board of India (SEBI) vide Circular 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.

2. OBJECTIVE

PNC Infratech Ltd. (PIL) falls within the list of top 1000 listed entities by market capitalization & hence it is mandatory for the company to submit a Business Responsibility & Sustainability Report (BRSR) with effect from April 01, 2022. In view of this, the company hereby formulates this Business Responsibility and Sustainability Development Policy.

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

This policy shall be applicable to all employees of PIL. The NGRBC are to be used across and will provide a useful framework for guiding our operations, in addition to aligning with applicable local national standards and norms governing responsible business conduct.

Furthermore, the NGRBC encourage us to ensure that not only do we follow these guidelines in business contexts directly within our control or influence, but that we also encourage and support our suppliers, vendors, distributors, partners and other collaborators to follow the same.

3. SCOPE OF COMMITTEE

PNC Board empowered Risk Management Committee (RMC) to oversee matters related to organization-wide ESG initiatives, priorities, and leading ESG practices including the following scope of work as under:

- Monitor compliance & efforts to attain aforesaid Social Development Goals and Sustainable Development Goals;
- Adoption and Implementation of National Guidelines on Responsible Business Conduct (NGRBC) principles;
- Redress the concerns, if any form the aspect of Environmental, Social and Governance (ESG) and sustainability aspects;
- Ensure authenticity of the contents provided in BRSR; or/and take action to ensure better report in gradual and phased manner.
- Make recommendations to the Board on any of the matters listed above that the Committee considers appropriate.

4. APPLICABILITY

This policy shall be applicable on PNC Infratech Limited (Parent Company) and its wholly owned subsidiaries (hereinafter referred as "the Company").

5. POLICY STATEMENTS

Our Business Practices shall be governed by the guiding principles of NGRBC.

The National Guidelines on Responsible Business Conduct comprises nine thematic pillars of business responsibility that are known as Principles. These principles are interdependent, interrelated and non-divisible and all businesses are urged to address them holistically.

All these principles shall be implemented by the Company over a period of time.

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

- i. The Company has developed a Code of Business conduct and Ethics to which its Directors and Employees at all levels shall abide by in order to maintain good governance, ethical practice, transparency and accountability in conducting affairs of the company and dealing with stakeholders across the value chain.
- ii. The Company shall conduct periodic training programmes on awareness of this code of conduct and ethics along with understanding of all 9 principles as developed by NGRBC among its employees and stakeholders.
- iii. The Company shall ensure that business does not engage in practices that are abusive, corrupt, illegal or anti-competitive.

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

- i. The Company shall endeavour to deploy safe and environment friendly processes for our business operations.
- ii. The Company shall provide and maintain a clean, healthy and safe working environment for employees, customers and other stakeholders.
- iii. The Company shall encourage to deploy sustainable technologies and processes in all its operations and use scarce natural resources efficiently in its facilities.
- iv. The Company shall work towards building capacity such that all value chain partners are empowered to fulfil their roles and responsibilities towards sustainability.

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

- i. The Company shall provide and maintain equal opportunity to all employees at the time of recruitment as well as during course employment irrespective of their caste, creed, gender, race, religion and language.
- ii. The Company shall provide workplace environment that is safe, hygienic and clean for all employees and other stakeholders; and which upholds the dignity of all.
- iii. The Company shall provide continuous training to its employees for upgrading their skills and knowledge.
- iv. The Company shall provide facilities for the wellbeing of its employees or workers including those with special needs.
- v. The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities and a workplace with adequate provisions of Grievance Redressal.

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

The Company's key stakeholders include employees, workers, customers, shareholders, investors, suppliers, contractors, strategic partners, regulatory bodies, local communities.

The Company values the support of its stakeholders and respect the interests they have. The company and all its employees provide value-based services to all the stakeholders. To ensure effective response to our stakeholders:

- i. The Company shall work in a transparent manner about the impact of its policies, decisions, products, operations and practices on all stakeholders and shall have responsibility to maximise the positive impacts and minimize & mitigate the adverse impacts.
- ii. The Company and its employees shall identify its stakeholders, understand their concerns and offer assistance and resolve any differences with stakeholders in a fair, equitable and consistent manner.

Principle 5:	Businesses should respect and promote human rights.
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The Company is committed to uphold fundamental human rights in line with business purpose.

Policy

- i. The Company shall conduct business in a manner that respects the rights and dignity of all people, complying with all applicable legal requirements.
- ii. The Company shall treat everyone, who works for the company, fairly and without discrimination.
- iii. The Company shall respect the rights of people in communities impacted by its activities. The Company shall seek to identify adverse human rights impacts and take appropriate steps to avoid, minimise or mitigate them.
- iv. The Company shall ensure compliance and adherence to this policy and all applicable human rights laws by its business partners and other stakeholders.

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

- i. The Company shall ensure to update appropriate policies, procedures and structures formulated to access, measure and address any adverse impacts on the environment and natural resources at all business locations, at all stages of business cycle from establishment to closure.
- ii. The Company shall commit to assess the environmental consequences of its products and operations and take steps to reduce and mitigate consequences, where they cannot be avoided.
- iii. The Company shall assess the energy consumption, water consumption or any other natural resources and take actions to conserve and minimize its usage by adopting reduce, reuse, recycle and restore principle.
- iv. The Company shall continuously seek to improve their environmental performance.
- v. The Company proactively persuade and support its value chain partners to adopt this principle.

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

- i. The Company while pursuing policy advocacy shall expand public good.
- ii. The Company shall utilize the trade and industry chambers and associations and other such collective platforms to understand such policy advocacy in a responsible manner.

Principle 8:	Businesses should promote inclusive growth and equitable development.
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Policy

- i. The Company shall ensure that businesses take appropriate actions to minimize any adverse impacts that it has on social, cultural and economic aspects of society.
- ii. The Company shall innovate or invest in products, technologies and processes that promote the well – being of all segments of society including vulnerable and marginalized groups.
- iii. The Company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 and as per the CSR policy of the Company after understanding the needs and concern of local communities' particularly vulnerable and marginalised groups.

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

- i. The Company shall take into account the overall well-being of the clients and that of society.
- ii. The Company shall ensure that it does not restrict the freedom of choice and free competition in any manner.
- iii. The Company shall promote and advertise its services in ways that do not mislead or confuse the customers or violate any of the principles in this policy.
- iv. The Company shall provide adequate grievances redressal mechanisms that are transparent and accessible to address client concerns and feedback.
- v. The Company shall maintain privacy of client's confidential data in the normal course of its business.

6. DISCLOSURE

This Policy shall be communicated to all operational employees and other concerned persons of the Company and shall be placed on the website of the Company at www.pncinftratech.com.

7. POLICY REVIEW AND AMENDMENTS

This policy shall be valid until further modification/revision in the policy. Any directive/guideline issued by Reserve Bank of India/Securities and Exchange Board of India/Government of India in the Ministry of Finance/ Ministry of Corporate Affairs in this regard shall automatically be part of this policy, during the currency of this policy.

The Board of Directors on its own and / or as per the recommendations of Risk Management Committee can amend / review this Policy, as and when deemed fit and shall be updated accordingly. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the Rules, Regulations, Notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

This policy shall be effective from the day of its approval in Board Meeting.

This policy has been approved by the Board of Directors on 31.10.2023. This shall be displayed on the website of the Company.