

## PRINCE PIPES AND FITTINGS LIMITED

### BUSINESS RESPONSIBILITY POLICY

#### 1. INTRODUCTION:

Prince Pipes and Fittings Limited (**‘the Company’/‘PPFL’**) is a public limited company and the equity shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and as such the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (**‘the Listing Regulations’**) are applicable and binding on it.

#### 2. SCOPE AND PURPOSE:

This Policy on Business Responsibility or Business Responsibility Policy (**‘BR Policy’** or **‘Policy’**) has been framed in line with the requirements of Regulation 34 of the Listing Regulations and is intended to ensure that the Company contributes towards sustainable development and fulfills its social, environmental and economical responsibilities.

This Policy endorses the Company’s commitment to follow the principles and core elements, in conducting its business, as laid down in the National Guidelines on Responsible Business Conduct (earlier known as National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business) issued by the Hon’ble Ministry of Corporate Affairs. A yearly report on the status of the adoption / implementation of this Policy shall be included in the Annual Report of the Company.

This Policy shall be in addition of and furtherance to the existing PPFL Code of Conduct and Business Ethics (**‘the Code’**) of the Company.

In view of the above, the Board of Directors of the Company (**‘the Board’**) approved this Policy at its meeting held on July 31, 2020.

#### 3. APPLICABILITY:

This Policy applies to all the directors and employees of the Company across all its functions, units, plants and offices.

This Policy shall be effective from July 31, 2020

#### 4. IMPLEMENTATION:

- i)** The policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company’s intranet.
- ii)** The Whole Time Director of the Company shall act as the BR Head and along with the CXO’s of the Company shall be responsible for implementing the Business Responsibility initiatives. They shall also be responsible for, providing clarifications on the Policy, guiding the staff in implementation, reviewing the results, audit, impact assessment, etc.
- iii)** Compliance with the Policy shall be monitored and evaluated by the BR Head and along with CXO’s of the Company on a regular basis.
- iv)** Any grievances/ complaints with respect to violation of the policy shall be reported to the Whole Time Director who upon consultation with the CXO’s of the Company shall clarify the doubt and communicate the same to the respective person.
- v)** Compliance with the BR Policy is monitored and evaluated by the BR Head and along with the core management team of the Company on a regular basis. It is also proposed to get its BR performance assessed by the CSR Committee or the Stakeholders Relationship Committee as and when required.

5. INTERPRETATION:

“Whole Time Director” shall mean Executive Director of the Company.

“CXO’s of the Company” means employees of the Company who are members of its core management team excluding directors comprising all members of management one level below the executive directors, including the Key Managerial Personnel.

6. KEY PRINCIPLES:

6.1 ETHICS, TRANSPARENCY AND ACCOUNTABILITY:

- PPFL believe that a company without ethics is like a body without a soul. At PPFL, it is firmly believed that for a successful and sustainable business, a strong foundation of ethical corporate citizenship and establishment of good corporate culture is essential. PPFL is committed to operate its business ethically in a manner such that all stakeholders i.e. investors, creditors, distributors, customers, employees, and even competitors, the governments and society at large, dealt within a fair manner. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company.
- The Company maintains 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 CXO’s of the Company aims at inculcating ethical behaviour at all levels across the Company making it an essential part of the work culture so that every employee of the Company conducts himself and leads on behalf of the Company with professionalism, honesty and integrity, and conform to high moral and ethical grounds.
- The company shall truthfully discharge its responsibility on making financial and other mandatory disclosures timely.
- Every employee of the company shall abide by the values and the commitment to ethical business practices reflected in the company's Code of Conduct and HR policies. All business decisions and transactions shall be fair, transparent, amenable to disclosure and be visible to the concerned stakeholder.
- The company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.
- The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.
- PPFL believe that the ethical behaviour of the company is predicted by the ethical behaviour of its owners, directors, managers and employees towards its stakeholders i.e. investors, creditors, distributors, customers, employees, the governments and society at large. The measurement of ethical behaviour revolves around following:
  - Fairness to all stakeholders,
  - Transparency in all business dealings;
  - Raising that trust and confidence of stakeholders in the way the company operates;
  - Understanding and discharging societal responsibility;
  - Long term thinking;
- The Company shall ensure that the statutory 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 policy as may be framed by the Company, from time to time. The Company shall inform all relevant stakeholders of the operating risks and redress the issues raised.
- The Company shall have zero tolerance for bribery and corruption in its business dealings.
- 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.

## 6.2 SAFETY AND SUSTAINABILITY:

- PPFL Limited believe that Sustainable Development meets the needs of the present, without compromising the ability of future generations to meet their own needs. PPFL endeavours to develop the principles of sustainability, as far as practicable, into the various stages of product or service lifecycle including procurement of raw material /service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers to improve the quality of life and people.
- It is the endeavour of PPFL to introduce the process of change in which the exploitation of resources, the direction of investments, the orientation of technological development and institutional change remain in harmony and enhance both current and future potential to meet the human needs and aspirations.
- The company shall work towards building capacity such that all the value chain partners, namely the third party manufacturers, service providers including transporters and suppliers of significant raw materials, are sensitised and empowered to fulfil their roles and responsibilities towards sustainability.
- The company shall raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition as per the applicable laws and promotion of safe usage and disposal of their products and services.
- In designing the products, the company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- 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.
- The company shall work towards safe and optimal resource use over the lifecycle of its products and services, including recycling of resources wherever possible.
- The company shall work with supply chain members that comply with applicable laws and regulations related to labour practices, human rights, bribery & corruption, occupational health, safety and environment.

## 6.3 WELL BEING OF ALL EMPLOYEES:

- PPFL Limited endeavours to ensure the well-being of all its employees. At PPFL the safety, health and work life balance of employees are extremely important. The company believes in giving its employees ample opportunities so that they shall be motivated, result oriented and committed to achieve excellence in their domain. PPFL endeavours to provide work environment in which all individuals are treated with mutual respect and dignity.
- The Company understands the worth of a healthy and sound human resource. The Company should ensure an environment which generates sense of belongingness, loyalty and commitment amongst the employees. The Company shall ensure that there is a systematic chain or hierarchy which allows better flow of information, ideas, suggestions and understanding amongst the employees and the senior management and there is in place a proper channel through which the grievances of the employees are taken up and addressed by the senior management.
- The Company shall not employ child labour, adolescent labour, forced labour or any form of involuntary labour, paid or unpaid in any of its offices and plants. The Company shall ensure fair, timely and transparent payment of statutory wages to all its employees without discrimination.
- The Company shall ensure that all its employees, including contract and casual labours, are fairly treated. The Company shall promote work-life balance among all its employees specially its women employees. The Company has a Policy on Prevention of Sexual Harassment, which deals extensively on providing a safe working environment and protection from sexual harassment.
- The Company shall provide a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees. It shall provide facilities for the well-being of its employees including those with special

needs. The Company shall comply with the statutory provisions pertaining to its employees and in particular with regard to health, safety and well-being of its employees.

- The Company shall conduct programs for enhancing the skills of its employees, improve their morale and for their overall career development. This could be through various sensitization programs, on-the-job training or training through various programmes - internal or external to upgrade their skills and competencies which shall include training to handle machines, raw materials and other products used during manufacturing of the products. Such training shall be imparted on non-discriminatory basis based on the need of the employees / business
- The Company shall at all times have a whistle blower/vigil mechanism policy in place wherein detailed procedure would be mentioned for the employees to make disclosure regarding any unfair, unethical practice or improper activity observed within the organisation in an undisclosed manner, which will then be investigated by such person / group of person / committee as may be mentioned in the said policy and such disciplinary actions may be taken against the person who has done such wrongful / unethical activity.
- The Company shall ensure that the agreed terms of engagement of all its employees, including contract and casual labours are fair.
- The Company should strive to regularly communicate to its employees all the policies related to them so as to keep them aware of the same and allow them to take optimum advantage of the same.

#### **6.4 PROTECTION OF STAKEHOLDERS' INTEREST:**

- PPFL believe in the principle that the interest of all stakeholders must be protected and at the same time, company must be responsive towards them, especially those who are disadvantaged, vulnerable and marginalised. PPFL believe that stakeholder engagement leads to increased transparency, responsiveness, compliance, organisational learning, quality management, accountability and sustainability.
- The Company shall identify their stakeholders, understand their concerns, define purpose and scope of engagement and commit to engage with them.
- The company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
- The company shall strive to give special attention to stakeholders in areas that are underdeveloped. d. The company shall resolve differences with stakeholders in a just, fair and equitable manner.
- The website of the Company shall display all such policies and other relevant information from time to time to keep the stakeholders aware about position of the Company. The website of the Company shall provide for feedback mechanism for stakeholders to communicate regarding impact of the Company's policies, decisions and products.

#### **6.5 RESPECTING AND PROMOTING HUMAN RIGHTS:**

- PPFL respects and promotes human rights for all individuals. It is committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by business activities before or if they occur through human rights due diligence and mitigation processes. PPFL recognizes its impact on the communities in which it operates. PPFL is committed to engaging with stakeholders in those communities to ensure that we are listening to, learning from and taking into account their views as we conduct our business. Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.
- 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. ii. The company shall recognize and respect the human rights of all relevant stakeholders and groups, including that of communities, consumers and vulnerable and marginalized groups.

- The company shall, within its 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.
- The Company shall ensure that all stakeholders impacted by the business of the Company shall have access to the top management / grievance redressal mechanisms / vigil mechanism (wherever applicable).

#### **6.6 RESPECTING, PROTECTING AND RESTORING THE ENVIRONMENT:**

- PPFL is committed to adopt business practices that creates long term stakeholders value by implementing opportunities and managing risks arising from economic, environmental and social developments. PPFL places highest corporate priority in ensuring and adhering to best procedures relating to environment protection. It is committed to respect, protect, and make efforts to restore the environment. PPFL is focused for performance that does not merely comply with regulations but reduces environmental impacts. PPFL believes that it has a responsibility to take care of the planet and preserve its beauty, resources and strength for future generations.
- PPFL 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.
- PPFL shall take measures to check and prevent pollution. PPFL shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
- PPFL shall ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
- PPFL 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.
- PPFL 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.
- PPFL 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.
- PPFL shall proactively persuade and support its value chain to adopt these principles.

#### **6.7 RESPONSIBILITY TOWARDS PUBLIC AND REGULATORY POLICY:**

- PPFL understand that it operates in various diversified sectors which requires consistent, balance and transparent interactions with various regulatory authorities and social organisations. PPFL believe that the engagement with the relevant authorities is guided by the values of commitment, integrity, transparency and the need to balance interest of diverse stakeholders. PPFL engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.
- The Company shall work with industry organisations which are engaged in policy advocacy in a responsible manner
- The Company shall ensure that advocacy position remains consistent with its values and philosophy
- The Company shall ensure that policy advocacy is conducted ethically.

#### **6.8 INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT:**

- PPFL believe that the sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve inclusive growth and equitable development, PPFL believe that economic growth, social inclusion and environment protection must be harmonised. PPFL is committed to ensure protection of interest of all stakeholders. In order to achieve inclusive growth and equitable development, PPFL do various CSR projects in accordance with Schedule VII of the Companies Act, 2013.
- PPFL endeavour to take appropriate actions for understanding the impact of its business operations on social and economic development and shall respond through suitable actions to minimise the negative impact, if any.
- PPFL shall innovate and invest in products, technologies and processes that promote the well-being of society.
- PPFL shall make efforts to complement and support the development priorities at local and national levels and ensure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
- PPFL shall undertake its CSR activities as per the recommendation of the CSR Committee and in accordance with CSR policy. Further, the PPFL shall ensure that the CSR policy be kept updated in line with the requirement of Section 135 read with Schedule VII of the Companies Act, 2013.

#### **6.9 ENGAGING AND ENRICHING CUSTOMER / CONSUMER VALUE:**

- PPFL believe that for a successful business, a consistent efforts are essential to engage with and provide value to their customers and consumers in a responsible manner.
- PPFL is committed to engage with and provide value to their customers and consumers in a responsible manner
- PPFL shall take into account the overall well-being of the customers and that of society while serving the needs of its customers.
- PPFL shall disclose all information truthfully and factually as per applicable laws through labelling and other means, including the risks to the individual, 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. Further, wherever required, PPFL shall educate their customers on the safe and responsible usage of its products and services.
- PPFL shall provide an adequate consumer feedback mechanism to address consumer concerns and feedback.
- The Company commits to exercise due care and caution while providing goods that result in over exploitation of natural resources.
- The Company shall ensure that the customers' data collected by it does not infringe upon the right of privacy of its customers.

#### **7. MODIFICATION/ AMENDMENT IN THE POLICY:**

Any or all provisions of this Policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued by the Central Government, or Ministry of Corporate Affairs or SEBI and/ or any other statutory authorities, from time to time.

*\*This Policy was adopted by the Board of Directors in the Board Meeting held on July 31, 2020*