

## **ESAB INDIA LIMITED**

### **BUSINESS RESPONSIBILITY AND SUSTAINABILITY (BRSR) POLICY**

#### **INTRODUCTION**

SEBI had, vide Circular no. CIR/CFD/CMD/10/2015 dated November 04, 2015, prescribed the format for the Business Responsibility Report (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, SEBI decided to introduce new reporting requirements on ESG parameters called the Business Responsibility and Sustainability Report (BRSR), replacing the BRR.

Accordingly, on 10<sup>th</sup> May, 2021, vide Circular Ref. SEBI/HO/CFD/CMD-2/P/CIR/2021/562, SEBI notified the format of the BRSR and the guidance note.

Further, in terms of the aforesaid amendment, with effect from the financial year 2022-2023, filing of BRSR was made mandatory by SEBI for the top 1000 listed companies (by market capitalization).

#### **SCOPE AND PURPOSE**

ESAB INDIA LIMITED (the “Company”) being one of the top one thousand listed companies as per the criteria mentioned above, has adopted this Business Responsibility & Sustainability Reporting Policy (the “Policy”).

This Policy is based on the principles and core elements laid down in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business, 2011, issued by the Ministry of Corporate Affairs, Government of India, towards conducting business by a company. This Policy affirms the Company’s commitment to follow the Principles laid down in the above said guidelines.

#### **APPLICABILITY**

This Policy applies to all the Directors and Employees of the Company across all its functions, operations and its plants.

This Policy shall be effective from 10<sup>th</sup> February 2023.

#### **RESPONSIBILITY**

1. The policy will be appropriately communicated within the Company across all levels and will be displayed on the website of the Company.
2. The Managing Director, Chief Financial Officer and Company Secretary of the Company are responsible for implementation and compliance of this Policy.
3. This Policy may be reviewed and amended from time to time by the Managing Director / Company Secretary of the Company in line with changes in the regulatory requirements as well as changes in the Company policies.

4. Compliance with the Policy will be monitored and evaluated by the Company by the Compliance Officer on a periodic basis.
5. Any grievances/ complaints with respect to violation of the policy will be reported to the Managing Director or Chief Financial Officer or Company Secretary.

## **POLICY**

### **Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

1. The company will develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
2. The company will communicate and assure access to information about its decisions that impact relevant stakeholders.
3. The company will not engage in practices that are abusive, corrupt, or anti-competition.
4. The company will truthfully discharge its responsibility on making financial and other mandatory disclosures timely.
5. Every employee of the company will abide by the values and the commitment to ethical business practices reflected in the company's Code of Conduct.
6. The company will ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.
7. The Company will encourage its business partners and third parties with whom it conducts business to abide by this policy.

### **Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

1. The Company will promote safety and optimal resource use over the lifecycle of the product – from design to disposal – and ensure that everyone connected with it - designers, producers, value chain members, customers and recyclers are aware of their responsibilities.
2. The Company will raise the consumers' 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.
3. In designing the product, the Company will ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
4. The Company will regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
5. The Company will recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
6. The Company will recognize that over-consumption results in unsustainable exploitation of our planet's resources, and shall therefore promote sustainable consumption, including recycling of resources.

**Principle 3: Businesses should promote the wellbeing of all employees.**

1. The Company will respect the right to freedom of association, participation and provide access to appropriate grievance redressal mechanisms.
2. The Company will 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.
3. The Company will not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. The Company will take cognizance of the work-life balance of its employees.
5. The Company will provide facilities for the wellbeing of its employees including those with special needs. The Company will ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
6. The Company will provide a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees. The Company will communicate this provision to the employees and train them on a regular basis.
7. The Company will encourage continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. The Company will promote employee morale and career development through enlightened human resource interventions.
8. The Company will create systems and practices to promote a harassment-free workplace where employees feel safe and secure in discharging their responsibilities.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

1. The Company will systematically identify their stakeholders, understand their concerns, define purpose and scope of engagement, and commit to engaging with them.
2. The Company will acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. The Company will give special attention to stakeholders in areas that are underdeveloped.
4. The Company will resolve differences with stakeholders in a just, fair and equitable manner.

**Principle 5: Businesses should respect and promote human rights.**

1. The Company will understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights. The Company will appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. The Company will 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 will recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. The Company will, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
5. The Company will not be complicit with human rights abuses by a third party.

**Principle 6: Business should respect, protect, and make efforts to restore the environment.**

1. The Company will 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 will take measures to check and prevent pollution. The Company will assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. The Company will encourage benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
4. The Company will 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.
5. The Company will develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
6. The Company will report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
7. The Company will proactively persuade and support its value chain to adopt this Principle.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1. Company, while pursuing policy advocacy, will ensure that the advocacy positions are consistent with the Principles and Core elements contained in this Policy.
2. To the extent possible, Company should utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

**Principle 8: Businesses should support inclusive growth and equitable development.**

1. The Company will understand their impact on social and economic development and respond through appropriate action to minimise the negative impacts.
2. The Company will innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. The Company will make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
4. The Company will be sensitive to local concerns.

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

1. The Company, while serving the needs of its customers, will take into account the overall well-being of the customers and that of society.
2. The Company will seek not to restrict the freedom of choice and free competition in any manner while designing, promoting and selling its 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 will also educate its customers on the safe and responsible usage of its products and services.
4. The Company will promote and advertise its products in ways that do not mislead or confuse the consumers or violate any of the principles in this Policy.
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.

Sd/-

**Rohit Gambhir**  
**Managing Director**

Place: Chennai

Date: 10<sup>th</sup> February 2023

<i>Approved on 10<sup>th</sup> February 2023, effective from 10<sup>th</sup> February 2023 (Version 01/2023)</i>
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