

USHA MARTIN LIMITED

BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY

1. BACKGROUND, OBJECTIVE AND SCOPE

This Business Responsibility Policy ('BR Policy') was framed and made in line with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for time to time ('SEBI Listing Regulations'). In view of the amendments in SEBI Listing Regulations effective 5th May 2021, this BR Policy was revised as Business Responsibility and Sustainability Policy ('Policy') and is based on the nine principles enunciated in the National Guidelines on Responsible Business Conduct ('Guidelines') published by the Ministry of Corporate Affairs to assist businesses to perform above and beyond the requirements of regulatory compliance.

The key objective of this Policy is to identify specific aspects of each Principles as part of the duty and responsibility of the highest governance structure of the Company to oversee the implementation and adherence to these guidelines in the Company. The Policy emphasizes that all principles are equally important, inter-related, interdependent, non-divisible and would help the Company demonstrate their commitment to being a responsible business and accrue the full benefits of sustainable business strategies.

This Policy reaffirms the Company's commitment to adhere to the Guidelines, as well as to contribute to sustainable development and fulfill its social, environmental, and economic responsibilities. The Company aims to establish itself as a sustainable, long-term business that delivers value to all its stakeholders.

2. APPLICABILITY

This Policy is applicable to all directors and employees of the Company, contractual and other business value chain partners of the Company.

3. POLICY

The Company believes in the highest standards of good and ethical business practices. It believes that good business practices stem from the culture and mindset of the organisation. It is therefore not merely about enacting regulations and procedures but also about establishing an environment of trust and confidence among various stakeholders. Company's business practices would therefore be governed by the following guiding principles.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

The Company shall develop requisite governance structures, procedures and practices to ensure ethical conduct at all levels and promote the adoption of this principle across its value chain.

- i) The Company shall ensure access to information about its decisions to relevant stakeholders in a transparent manner.
- ii) The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
- iii) The Company shall truthfully discharge its responsibility on financial, mandatory disclosures and such decisions that impact their stakeholders, especially those that are most at risk to business impacts and communities that are vulnerable and marginalized.
- iv) The Company shall report on the status of their adoption of these Guidelines as suggested in the reporting framework in this document.
- v) The Company shall encourage its business partners and third parties with whom it conducts business to abide by this Policy. In the event of non-compliance or violation by the third party and/or business partners, the Company will have the right to exercise disciplinary action.

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

- i) The Company shall strive to ensure safety and optimal resource use over the life-cycle of the products - from design & manufacturing to disposal - and ensure that everyone connected with the products are aware of their responsibilities.
- ii) The Company shall raise consumer's awareness with regard to their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition as per applicable laws and promotion of safe usage and disposal of their products and services.
- iii) In designing the product, the Company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- iv) The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, as well as incorporating social, ethical, and environmental considerations.
- v) The Company shall recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property.

- vi) The Company shall recognize that over-consumption results in unsustainable exploitation of our planet's resources, and therefore promote sustainable consumption, including recycling of resources.
- vii) The Company shall strive to align its business to circular economy approach for the safe collection, reuse and recycling of its products to abide by extended producers responsibility regulations which are evolving in India.

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

- i) The Company shall respect the right to freedom of association, participation, collective bargaining of all employees including contract and casual labour and provide access to appropriate grievance redressal mechanisms.
- ii) 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.
- iii) The Company shall not use child labour, forced labour or any form of Involuntary labour, paid or unpaid.
- iv) The Company shall take cognizance of work-life balance of its employees, especially that of women.
- v) The Company shall provide facilities for the well-being of its employees including those with special needs and ensure timely payment of fair living wages to meet basic needs and economic security of the employees including casual and contract labour.
- vi) The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.
- vii) The Company shall ensure continuous skill and competence upgradation of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis.
- viii) The Company shall promote employee morale and career development through enlightened human resource interventions.
- ix) The Company shall create systems and practices to ensure 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 to all its stakeholders

- i) The Company shall understand the concerns of its stakeholders, define purpose and scope of engagement, and commit to engaging with them.
- ii) The Company shall acknowledge, assume responsibility and be transparent about the impact of the policies, decisions, product & services and associated operations on the stakeholders.
- iii) The Company shall give special attention to stakeholders in areas that are underdeveloped.
- iv) The Company shall resolve differences with stakeholders in a just, fair and equitable manner.
- v) The Company understands and addresses evolving concerns of stakeholders, including divergent and marginal interests, in a fair and equitable manner. Subject to compliance with applicable regulations, the Company consistently adapts, adopts and aligns its organizational strategies to resonate with stakeholder priorities. The Company provides a secure mechanism to stakeholders to disclose any unethical and improper practices taking place in the Company for appropriate action.
- vi) The Company aligns its business activities and strategies to stakeholder interests in order to maximize impact and deliver value-generated outcomes. The Company effectively communicates its plans and achievements through various channels to internal and external stakeholders as the Company to maintain transparency and prompt disclosure of information.

Principle 5 : Businesses should respect and promote human rights

- i) The Company shall understand the human rights content of the Constitution of India, national laws and policies and also the guidelines of the International Bill of Human Rights, as well as acknowledge that human rights are inherent, universal, indivisible and interdependent in nature. The Head of Human Resource department of the Company shall be authorised person responsible for implementing human right functions in the Company.
- ii) The Company shall integrate human rights in management systems, in particular through assessing and managing human rights impacts of operations. The Company shall implement grievance mechanisms and accordingly enforce corrective actions.
- iii) The Company shall 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.

- iv) The Company shall, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- v) The Company shall encourage its business partners and third parties with whom it conducts business to abide by this principle.

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

- i) 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.
- ii) The Company shall take measures to check and prevent pollution, assess environmental damage and bear the cost of pollution abatement with due regard to public interest.
- iii) 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.
- iv) 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.
- v) The Company shall strive to develop Environment Management Systems (EMS) and contingency plans and processes that help in preventing, mitigating and controlling environmental damages and disasters which may impact consumer, natural environment and society at large, due to its operations or that of a member of its value chain. The Company shall also undertake interventional measures in case the impact of its business operations occurs in eco-sensitive area and also emphasize on biodiversity preservation across its value chain.
- vi) The Company shall strive to report its environmental performance, including assessment of potential environmental risks associated with the operations, to the stakeholders in a fair and transparent manner.
- vii) The Company shall focus on addressing climate change through development of both mitigation and adaptation measures.
- viii) The Company shall proactively persuade and support its value chain to adopt this principle.

- ix) The Company shall strive to align its actions in addressing climate change with the India's Nationally Determined Contribution.
- x) The Company shall leverage industry platform for knowledge and best practice sharing and shall execute sustainable practices to promote reduction, reuse, recycling and recovery of material and resources throughout its value chain.
- xi) The Company shall monitor and disclose the progress on the environmental, social and governance aspects.

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

- i) The Company while pursuing advocacy policy, will ensure that its advocacy positions are consistent with the principles and core elements contained in this policy.
- ii) To the extent possible, Company shall utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.
- iii) The Company shall ensure that its policy advocacy positions promote fair competition and respect for human rights.

Principle 8: Businesses should promote inclusive growth and equitable development

- i) The Company shall understand the impact of inclusive growth and equitable development on social and economic development and respond through appropriate action to minimise negative impacts.
- ii) The Company shall innovate and invest in products, technologies and processes that promote the well-being of society.
- iii) The Company shall make efforts to complement and support the development priorities at local and national levels, strive to minimise impact and assure appropriate resettlement, rehabilitation and compensation of communities or impacted people in a fair and just manner who have been displaced or whose livelihood has been disrupted owing to its business operations.
- iv) The Company shall be sensitive to the local concerns while operating in regions that are underdeveloped and foster positive relationships with local communities through regular engagement and communication.

- v) The Company has in place a Corporate Social Responsibility policy to address the concerns of the vulnerable and the marginalised. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company shall be driven towards the benefit of the disadvantaged, and marginalized beneficiaries without any discrimination on the basis of religion, nationality, colour, caste in a structured manner for the benefit of society.

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

- i) The Company, while serving the needs of the customers, shall take into account the overall well-being of the customers and that of society.
- ii) The Company shall ensure that there is no restriction on the freedom of choice and free competition in any manner while designing, promoting and selling the products.
- iii) The Company shall 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 and sensitize consumers about product stewardship encompassing responsible consumption and safe disposal of its products.
- iv) The Company shall promote and advertise the products in ways that do not mislead or confuse the consumers or violate any of the principles in these Guidelines.
- v) The Company shall exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- vi) The Company shall provide adequate grievance handling mechanisms to address customer concerns and feedback.

4. IMPLEMENTATION & REPORTING REQUIREMENTS

- i) This Policy shall be appropriately communicated across all levels in the Company.
- ii) The Business Responsibility and Sustainability (BRS) Head through Functional Heads of various functions shall be responsible for ensuring that the principles referred in this Policy are implemented and prioritized across the Company.
- iii) Any grievances/ complaints with respect to violation of the Policy shall be

reported to the BRS Head of the Company.

- iv) The Company shall prepare a Report, as applicable, at the end of every financial year and annex to the Annual Report of the Company in the manner as prescribed in the SEBI Listing Regulations (as amended).

5. POLICY REVIEW AND AMENDMENTS

This Policy would be subject to modification in accordance with the guidelines /clarifications as may be issued from time to time by relevant statutory and regulatory authorities. Any amendment or waiver of any provision of this Policy must be approved by the Board of Directors of the Company. This Policy is supported by a series of existing policies of the Company, and the principles set out herein will be reflected in new policies that would be put in place from time to time.

Policy effective from: 6th February 2020
Policy last revised on 6th February 2024