

# **PRIMO CHEMICALS LIMITED**

## **BUSINESS RESPONSIBILITY POLICY**

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## **INTRODUCTION:**

In line with the nine principles of the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of business issued by the Ministry of Corporate Affairs and requirement under Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has formed the Business Responsibility Policies for its successful and sustainable business and the same have been approved by the Board of Directors in its meeting held on 1<sup>st</sup> August, 2022.

The enterprises are not merely accountable to their shareholders but also to the larger society as important stakeholders. Therefore, adoptions of responsible business practices are vital not only for financial and operational performance but also in the interest of the social set up and environment.

Pursuant to Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure Requirements), as amended, it has become mandatory for the top one thousand listed companies based on market capitalization (calculated as on 31<sup>st</sup> March of every financial year) to include in its Annual Report, Business Responsibility Report (BRR) describing the initiatives taken by them from an environmental, social and governance perspective in a specific format provided by Securities and Exchange Board of India (SEBI) from time to time.

## **KEY PRINCIPLES:**

Nine key principles of Business Responsibility envisaged in National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of business issued by the Ministry of Corporate Affairs and requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been adopted by the Company.

## **OBJECTIVE:**

The objective of this document is to enunciate a policy on Business Responsibility to fulfill SEBI requirements for Business Responsibility Reporting.

## **APPLICABILITY**

Based on the list of top 1000 Listed Entities based on market capitalization as on 31<sup>st</sup> March, 2022 the Company was covered under the same and hence required to formulate policy on Business Responsibility Reporting, applicable with effect from Financial Year 2022-23.



**The Business Responsibility Policy is therefore based on the following principles:**

Ethics, Transparency & Accountability	Policy 1
Product Life Cycle Sustainability	Policy 2
Wellbeing of all Employees	Policy 3
Stakeholder Engagement	Policy 4
Human Rights	Policy 5
Preservation of Environment	Policy 6
Responsible advocacy	Policy 7
Inclusive growth and equitable development	Policy 8
Customer Value	Policy 9



## **Policy 1: Ethics, Transparency & Accountability**

### **Philosophy:**

Primo 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:**

1.1. The Company will follow its governance structures, practices and procedures that ensure ethical conduct at all levels and promote the adoption of these principles across its value chain.

1.2. The Company will endeavor transparent communication with its stakeholders and assure access to information relating to decisions that impact the stakeholders.

1.3. The Company will not engage in practices that are abusive, corrupt, or anti competition. Primo takes a 'zero tolerance' approach to bribery and corruption and are committed to act professionally, fairly and with integrity in all the business dealings and relationships, wherever it operate.

1.4. The Company will truthfully discharge their responsibility on financial and other mandatory disclosures.

1.5. The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.

1.6. The Company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.



## **Policy 2: Product Lifecycle Sustainability**

### **Philosophy:**

The Company endeavors to develop the principles of sustainability, as far as practicable, into the various stages of product or service lifecycle. The stages of the product life cycle are procurement of raw material / service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal to consumers.

Primo believes that sustainable development calls for concerted efforts towards building an inclusive, sustainable and resilient future for people and planet. In order to achieve sustainable development, the Company believes that economic growth, social inclusion and environmental protection must be harmonized. It is the endeavor of the Company to introduce the process of change whenever required to remain in harmony and enhance both current and future potential to meet the human needs and aspirations.

### **Policy:**

As a part of the Policy on Product Lifecycle Sustainability, Primo will:

- 2.1. Work towards safe and optimal use of resources over the life-cycle of its products and services, including recycling of resources wherever possible.
- 2.2. Take appropriate steps to raise the consumer's awareness of their rights through education, product labeling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services.
- 2.3. Ensure that the manufacturing processes and technologies required to produce its products are resource efficient and sustainable.
- 2.4. Regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
- 2.5. Recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
- 2.6. Recognize that over-consumption results in unsustainable exploitation of our planet's resources, and should therefore, promote sustainable consumption, including recycling of resources.
- 2.7. Ensure compliance with the applicable laws with respect to product manufacturing and sales.





### **Principle 3: Employee Well Being**

#### **Philosophy:**

Primo endeavors to ensure the well-being of all its employees. At Primo, the safety, health and work life balance of employees are extremely important. The company believes in giving its employees ample opportunities and working environment so that they shall be motivated, result oriented and committed to achieve excellence in their domain. Primo endeavours to provide work environment in which all individuals are treated with mutual respect and dignity.

#### **Policy:**

3.1 The company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.

3.2 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.

3.3 The company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid. Further, the company shall ensure that no person below the age of eighteen years is employed in the workplace.

3.4 The company shall take cognizance of work and life balance of its employees especially that of women.

3.5 The company is committed to provide facilities for the wellbeing of its employees including those with special needs.

3.6 The company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.

3.7 The company is committed to provide a workplace environment that is safe, hygienic and humane which upholds the dignity of the employees. Further, company shall communicate this provision to their employees and train them on regular basis.

3.8 The company shall ensure up gradation of skill and competence of all employees by providing access to necessary learning opportunities, on an equal and non discriminatory basis. The company shall promote career development through enlightened human resource interventions.

3.9 The company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.



## **Policy 4: Stakeholder Engagement**

### **Philosophy:**

Primo believes in the principle that the interest of all stakeholders must be protected. The company must be more responsive towards disadvantaged, vulnerable and marginalised stakeholders. The Company believes that stakeholder engagement leads to increased transparency, responsiveness, compliance, organizational learning, quality management, accountability and sustainability.

### **Policy:**

4.1 The Company shall identify their stakeholders, understand their concerns, define purpose and scope of engagement and commit to engage with them.

4.2 The company shall acknowledge, assume responsibility and be transparent about the impact of its policies, decisions, product & services and associated operations on the stakeholders.

4.3 The company shall strive to give special attention to stakeholders in areas that are underdeveloped.

4.4 The company shall resolve differences with stakeholders in a just, fair and equitable manner.



## **Policy 5: Human Rights**

### **Philosophy:**

Primo respects the human rights for all individuals. It is committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by the business activities of the Company.

The Company recognizes its impact on the communities in which it operates and ensure listening, considering views for the conduct of business. Where appropriate, Primo is committed to engaging in dialogue with stakeholders on human rights issues related to its business. The Company make sure that the local issues are appropriately addressed at the local level. The Company is committed to create economic opportunity and fostering goodwill in the communities in which it operates through relevant initiatives.

### **Policy:**

5.1 The company shall have respect for human rights in the management systems. The Company shall ensure that all individuals impacted by the business have access to grievance mechanisms.

5.2 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.

5.3 The company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.

5.4 The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.





## **Policy 6: Preservation of Environment**

### **Philosophy:**

Primo is committed to adopt business practices that create long term stakeholders value by implementing opportunities and managing risks arising from economic, environmental and social developments. Primo 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.

Primo is focused for performance that does not merely comply with regulations but reduces environmental impacts. The Company believes that it has a responsibility to take care of the planet and preserve its beauty, resources and strength for future generations.

### **Policy:**

6.1 Primo 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.

6.2 Primo 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.

6.3 Primo shall ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.

6.4 Primo shall continuously seek to improve their environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies.

6.5 Primo shall develop Environment Management Systems and contingency plans and processes that shall help it in preventing, mitigating and controlling environmental damages and disasters which caused due to its operations.

6.6 Primo 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.

6.7 Primo shall proactively persuade and support its value chain to adopt these principles.



## **Policy 7: Responsible Advocacy**

### **Philosophy:**

Primo understands that it operates in a sector which requires consistent, balance and transparent interaction with various regulatory authorities and social organizations. Primo believes that the engagement with the relevant authorities is guided by the values of commitment, integrity and transparency.

### **Policy:**

7.1 Primo engages and shall work with industry bodies, associations, industry chambers to influence public and regulatory policy in a responsible manner.

7.2 Primo shall ensure that advocacy position remains consistent with its values and philosophy.

7.3 Primo shall ensure that policy advocacy is conducted ethically.



## **Policy 8: Inclusive Growth and Equitable Development**

### **Philosophy:**

Primo believes 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, Primo believes that economic growth, social inclusion and environment protection must be harmonised.

Primo is committed to ensure protection of interest of all stakeholders. In order to achieve inclusive growth and equitable development, the Company do various CSR projects in accordance with Schedule VII of the Companies Act, 2013.

### **Policy:**

8.1 Primo endeavor to take appropriate actions for understanding the impact of its business operations on social and economic development and shall respond through suitable actions to minimize the negative impact, if any.

8.2 Primo shall innovate and invest in products, technologies and processes that promote the well-being of the society.

8.3 Primo 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.

8.4 Primo shall undertake its CSR activities as per the recommendation of the CSR Committee and in accordance with CSR policy. Further, Primo 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.



## **Policy 9: Customer Value**

### **Philosophy:**

Primo believes 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. Primo is committed to engage with and provide value to their customers and consumers in a responsible manner.

### **Policy:**

9.1 Primo shall take into account the overall well-being of the customers and that of society while serving the needs of its customers.

9.2 Primo shall ensure that it does not restrict the freedom of choice and free competition in any manner while designing, promoting and selling its products.

9.3 Primo shall disclose all information truthfully and factually as per applicable laws through labeling 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, the Company shall educate their customers on the safe and responsible usage of its products and services.

9.4 Primo shall promote and advertise its products in a way that do not mislead or confuse the consumers.

9.5 Primo shall exercise due care and caution to manufacture products and ensure that no over exploitation of natural resources and excessive conspicuous consumption.

9.6 Primo shall provide an adequate consumer feedback mechanism to address consumer concerns and feedback.



**IMPLEMENTATION:**

- i. The policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's website.
- ii. The Managing Director, through the Functional Heads of the Departments of the Company shall be responsible for ensuring that the policy is implemented throughout the Company.
- iii. Compliance with the Policy shall be monitored and evaluated by the Managing Director/ Company Secretary/ Authorized Persons on a regular basis.
- iv. Any grievances/ complaints with respect to violation of the policy shall be reported to the Managing Director/ Company Secretary.
- v. Company Secretary shall report the non-compliance of code to the Board of Directors or duly constituted committee of the Board. The Board/ Committee shall take appropriate action against the wrongdoer.

**GENERAL:**

- i. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the Company Secretary.
- ii. Company secretary in consultation with the Managing Director shall clarify the doubt and communicate the same to the respective person. In case, clarification or doubt is subject matter of policy then, Company Secretary shall refer the matter to the Board of Directors for their direction. On receipt of direction/ clarification, Company Secretary shall communicate the same to the respective person/ division.

**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.

