



Dalmia Bharat Limited
Regd. Office: Dalmiapuram-621651, Dist. Tiruchirappalli, Tamil Nadu
CIN: L14200TN2013PLC112346

ESG POLICY

Dalmia Bharat Limited ("**the Company**"), upholds the principle of responsible business. We are committed to fulfilling our fiduciary duty by creating long-term value for all our stakeholders. The company is committed to integrating Environmental, Social, and Governance (ESG) principles into our business processes and operating philosophy for the value creation. This ESG Policy outlines our firm-wide approach to integrating ESG in our business and investment activities.

ESG Framework

The Company is committed to purchasing raw materials and production of goods and delivery of services in a responsible way to minimize the ecological footprint in a co-benefit approach of - Clean and Green is Profitable and Sustainable. It recognizes the risks arising from climate change to its business and would take appropriate measures. This policy is rooted in the certifiable Management Systems adopted by manufacturing plants of the Company on Quality, Energy, and Environment.

Energy & Carbon Management

The Company understand the value of reducing energy consumption and carbon emissions from its business operations and strive to make prudent and efficient use of energy resources to consistently improve its energy and carbon performance while reducing its impact on the environment.

The Company endeavors to:

- **Increase Renewable Usage:** Reduce reliance on fossil fuels by facilitating the adoption of renewable energy and other sources of green energy, including electric mobility,
- **Reduce Carbon Emission:** Benchmark and set targets for reducing energy consumption and carbon emissions,
- **Investment on Energy Efficiency:** Investment in energy-efficient projects, operations, technologies, and tools to achieve the set target on renewable energy use and energy productivity improvements,
- **Promote R&D on reducing Emission:** Promote research & development for cleaner and efficient technologies and behavioral change.
- **Create Awareness on Energy Efficiency:** Research and Development on Increasing Spread awareness for improving the energy and carbon performance among employees, business partners, customers, and other stakeholders,
- **Promote Sustainable Practices:** Undertake development and promotion of innovative and sustainable building products and solutions such as blended cement.

Water Management

The Company understands the importance of water for its business and the communities, and it strives

to protect and conserve water. The Company's goal is to increase water conservation consistently and reduce water consumption to increase our net water positive impact further. The Company endeavors to:

- **Improve Water Conservation:** Reduce water consumption through reuse, recycling, and deployment of efficient systems at the design stage itself.
- **Monitor and Report on Water Conservation:** Monitor, manage and report on water conservation performance.
- **Improve Water Security:** Promote rainwater harvesting and other conservation initiatives within and beyond plant premises,
- **Review on Policies and Process:** Review and align its existing policies, processes, and activities with its commitment to water conservation and replenishment,
- **Water Risk and Mitigation:** Undertake periodic due diligence process that focuses on identifying, assessing, and managing potential risks and impacts of water scarcity, particularly in areas with water stress,
- **Improve Water Positive Index:** Enhance water positivity index by engaging with its communities and stakeholders by increasing their awareness on responsible use of water and different measures for water harvesting,
- **Zero Discharge:** Maintain the zero-water discharge status in its cement plants.

Air Emissions Management

The Company endeavors to regularly monitor and effectively manage all air emissions emanating from our business activities, such as SO_x, NO_x, dust particulate matters, trace elements, Volatile Organic Compounds (VOC), Hazardous Air Pollutants (HAP), etc. Furthermore, it strives to ensure they are within permissible limits defined by regional and national regulations by deployment and upkeep of the pollution control technologies.

Waste Management and Disposal

The Company's goal is to minimize its impact on the environment and bring circularity to overall business activities. It aims to achieve this goal by setting up and implementing efficient waste management systems. The Company endeavors to:

- **Sustainability by Waste Management and** Monitor, manage, reduce and scientifically dispose of the Hazardous and Non-hazardous waste generated from our manufacturing locations,
- **Policies and Framework:** Review and align its existing policies, processes, and activities as per prevailing laws and industry best practices,
- **Stakeholder Engagement for Effective Waste Management:** Partner with other stakeholders for efficient implementation of waste management plans,
- **Improve Social Waste Positive Index:** Enhance waste disposal capacity to scientifically dispose of waste from other industries and sources and maintain the Solid waste recycling positive index.

Sustainable solutions for Packaging material and wastes

The Company is committed to provide waste disposal services to other industries to reduce the environmental implications of packaging materials and relevant waste by using them as alternative fuels or alternative raw materials within our production activities.

Responsible resource consumption

The Company is conscious of the need for the mindful use of natural resources and is committed to responsible land use, resource utilization, and resource use optimization to ensure minimal wastage.

Green Procurement

The Company is committed to procuring materials and services from responsible suppliers, who are conscious of the environment, people, and communities.

The Company endeavors to:

- Identify and promote responsible suppliers and include them in its business activities,
- Screen existing and new suppliers based on sustainability criteria and work with the suppliers that follow sustainable business practices, Management Systems based on Energy/Environment/Health and Safety,
- Encourage existing suppliers for making their business more sustainable,
- Ensure procurement from local suppliers, wherever possible,
- Monitor and reduce carbon emissions from its value chain in collaboration with its suppliers.

Biodiversity protection

The Company is committed to creating a net positive impact on biodiversity by minimizing biodiversity loss from its operations and creating positive impacts from social responsibility. To ensure making a net positive impact on biodiversity, Company is committed to taking the following measures:

- The Company's goal is to minimize the impact of its operational impact, for all current Projects, with the aim to achieve No Net Loss of biodiversity over the period of time. Developing and implementing the Biodiversity Management Plans (BMPs) with targets and actions to conserve species, habitats, and ecosystems in and around its operations.
- Mapping biodiversity interfaces with business operations, as relevant and applicable,
- Including the practical biodiversity aspects in the Environmental Management System,
- Engaging in policy advocacy and dialogue with the public and private sector on afforestation and restoration of wastelands,
- Ensuring no net deforestation through our operations and external collaborations for a net

positive biodiversity impact.

- Avoid operational activities in close proximity to World Heritage areas and IUCN Category I-IV protected areas.

Policy implementation

The policy is established in the Certifiable Management Systems implemented at the manufacturing locations. In addition, the greenfield/brownfield expansions and new acquisitions would be brought under the Certifiable Management Systems.

Governance

Governance is overall driven by the Board of Directors. The Board has approved the following Policies as part of the Corporate Governance framework:

- (i) Code of Conduct for Directors & Senior Management
- (ii) Risk Management Policy
- (iii) Policy on Related Party Transaction
- (iv) Anti-Bribery & Corruption Policy ('ABCD')
- (v) Whistle-Blower Mechanism

Social

Our Social commitments are covered through under Policies:

- (i) Anti-Harassment and Non-Discrimination Policy
- (ii) Occupational Health and Safety Policy
- (iii) Human Rights Policy
- (iv) Gender Diversity & Equity Policy
- (v) Stakeholder Engagement Policy

This policy applies to Dalmia Bharat Limited and all its subsidiaries.

Date: May 28, 2024

Managing Director & CEO