

Century Plyboards (India) Limited

Business Responsibility and Sustainability Policy

INTRODUCTION

Century Plyboards (India) Limited ("the Company"), is a listed public Company incorporated on January 05, 1982, under the Companies Act, 1956 (Corporate Identity Number L20101WB1982PLC034435).

The equity shares of the Company are listed on the BSE Limited and National Stock Exchange of India and as such the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are applicable and binding on it.

Century Plyboards (India) Limited is committed to:

- Enhancing stakeholder's value through value-driven engagement.
- Ensuring economic and social well-being of the society, particularly of the less fortunate and underprivileged members of the society.
- Minimizing the direct and indirect impact of its operations on the environment.

POLICY STATEMENT & SCOPE

Century Plyboards (India) Limited ("the Company") is cognizant of its environmental, social and economic responsibilities and has already adopted several policies and practices to fulfil its corporate social responsibility and to conduct business with all its stakeholders in an ethical, transparent and fair manner. The Company's Business Responsibility and Sustainability (BRS) policy has been developed in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and it reiterates the Company's commitment to conducting business in accordance with the principles outlined in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business issued by the Ministry of Corporate Affairs. These guidelines are a part of the Company's Business Responsibility and Sustainability policy.

PURPOSE AND APPLICABILITY

For sustainable development, the management of the Company continuously endeavours to create a balance between the economic, social and environmental performance with respect to dealings with its various stakeholders, namely, customers, investors, lenders, deposit holders and society.

This overall Policy and all its components extend to all the Directors, Employees, Officers and Workers of the Company across all functions, departments and units. The coverage of this Policy is also applicable to our subsidiaries and all value chain partners including the vendors, transporters, dealers, etc.

AUTHORITY

The policy has been adopted by the Company's Board of Directors at its Board Meeting dated 15th May 2023

IMPLEMENTATION AND MONITORING

- The Business Responsibility and Sustainability Reporting (BRSR) Policy of the Company is circulated across all departments and verticals and is also displayed on the Company's intranet portal.
- The Corporate Social Responsibility Committee (CSR Committee) shall monitor the implementation of this policy through various projects/activities/initiatives undertaken for this purpose.
- The Managing Director, through the Functional Heads of the Departments/ Unit Heads of the Company shall be responsible for ensuring that the policy is implemented throughout the Company.
- The Managing Director will update the CSR committee on the implementation of the policy and feedback and suggestions received in connection therewith.
- Compliance with the Policy shall be monitored and evaluated by the respective Functional Heads of the Departments/ Unit Heads of the Company regularly.
- Any grievances/ complaints concerning the violation of the policy shall be reported to the Head - Internal Audit or the Company Secretary who would in turn place the same before the CSR Committee.

REVIEW & AMENDMENT

The Board shall on a need basis monitor, measure, review and update the policy in the light of changes in applicable laws, rules and regulations to ensure that the objectives of relevant legislation are met and continue to be effective. The Board has the full authority to amend this policy in whole or in sections at any time and without providing any justification whatsoever.

KEY PRINCIPLES & POLICIES

The Company has adopted separate policies related to the nine principles of Business Responsibility mentioned below as prescribed in the SEBI (Securities and Exchange Board of India) guidelines:

Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.

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

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

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5: Businesses should respect and promote human rights.

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

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

Principle 8: Businesses should promote inclusive growth and equitable development.

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

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

Company's Philosophy

It is the general policy of Century Plyboards (India) Limited to conduct its business activities and transactions with the highest level of integrity and ethical standards and in accordance with all applicable laws including proper and ethical procedures in dealing with actual or apparent conflicts of interest between personal and professional relationships.

□ Policy:

- The Company has developed a Code of Conduct for its directors and Senior Management.
- The Company shall develop good governance structures, procedures and practices that ensure ethical practices, transparency and accountability in the conduct of affairs and dealing with stakeholders across the value chain.
- The Company shall constantly endeavour to inculcate ethical behaviour at all levels in the organization so that it becomes an essential part of the work culture among its stakeholders.
- The Company shall communicate transparently and assure access to information about its decisions that impact all relevant stakeholders. All business decisions and transactions shall be fair, transparent and amenable to disclosure and be visible to all relevant stakeholders.
- The Company shall ensure maximum appropriate disclosures without jeopardizing the Company's strategic interests.
- The Company shall not engage in practices that are abusive, corrupt, or anti-Competition.
- The Company shall truthfully discharge its responsibility on financial and other mandatory disclosures.
- The Company shall avoid complicity with the actions of any third party that violates any of the principles contained in these Guidelines.
- The Company shall ensure that genuine concerns of misconduct/ unlawful conduct are reported responsibly and confidentially through its Whistle Blower Policy/ Vigil Mechanism.
- The Company shall ensure that cases of conflict of interest (if any) are reported to the Vigilance and Ethics Officer and timely addressed.

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

Company's Philosophy

The Company is committed to conducting its business in an environmentally responsible manner. The Company recognizes the need for social and ecological challenges and the concept of Triple Bottom Line (TBL) forms an integral part of our approach to responsible Corporate Citizenship. This policy is rooted in the Company's core values of quality, reliability and trust guided by the best practices and is driven by our aspiration for excellence in the overall performance of our business.

Environmental custodianship and Corporate Citizenship are an integral part of the Company's goal to achieve ecological development along with people development. The Company recognizes the responsibility to assess and minimize the ecological impact of our business activities and protect the ecosystem.

□ Policy:

- The Company shall ensure that its products and services comply with all applicable standards.
- The Company shall provide and maintain a clean, healthy and safe working environment for employees, workers, customers, partners and the community.
- The Company shall strive to safely and optimally use resources over the life cycle of the product – from design to disposal – and encourage all stakeholders connected with it - designers, producers, value chain members, customers and recyclers towards the same.
- The Company shall encourage suppliers to comply with all applicable laws and regulations.
- The Company shall encourage the suppliers to adopt sustainable practices in their supply chain and operations.
- 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 and promotion of safe usage and disposal of their products and services. In designing the product, the Company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable and redesigned as reasonably practical and manage end-of-life disposal and recovery challenges
- The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical and environmental considerations.
- The Company shall recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property, wherever

relevant.

- The Company shall strive to use scarce natural resources efficiently in its facilities.
- Wherever applicable, the Company shall strive towards the safe collection, reuse and recycling of its products and encourage building a circular economy as a part of the notion of Extended Producer Responsibility.
- The Company shall emphasize sustainable sourcing of raw materials to continuously improve the balance between social, economic and environmental impacts.
- The Company shall encourage adherence to this policy among its business partners and third parties with whom it conducts business.

Principle 3: Businesses should promote the well-being of all employees

Company's Philosophy

The Company focuses on ensuring the well-being of all its employees, their safety and health. It considers employee well-being as an imperative ingredient to achieve profitable growth. The Company has migrated from an era of industrial relations to employee relations. It respects the employees' right to freedom of association, participation and collective bargaining. Employees at all levels shall have freedom of association and be free to participate in collective bargaining.

□ Policy:

- The Company shall endeavour to adhere to the applicable national and local regulatory requirements concerning its employees.
- The Company shall provide and maintain equal opportunities at the time of recruitment as well as during employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- The Company shall not use child labor, forced labor or any form of involuntary labor, paid or unpaid.
- The Company shall take cognizance of the work-life balance of its employees, especially that of women.
- The Company shall provide facilities for the wellbeing of its employees including those with special needs. They should ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
- The Company shall provide a workplace environment that is safe, hygienic humane and upholds the dignity of the employees. Businesses should communicate this provision to their employees and train them regularly.
- The Company shall ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. It shall focus on learning and development to enhance knowledge & skill and prepare its people to face challenges.
- The Company shall provide its employees and workers access to appropriate grievance Redressal mechanisms and take appropriate courses of action for redressal of the same.
- The Company shall continue to strive towards making its facilities accessible to employees and workers who are specially abled, by The Rights of Persons with Disabilities Act, 2016 and rules and regulations thereunder.
- The Company shall promote employee morale and career development through enlightened human resource interventions.

- The Company shall create stringent policies and systems practices to ensure that the employees especially female employees do not suffer harassment and create an environment where they feel safe and secure in discharging their responsibilities.
- The Company shall communicate and keep all its employees informed about all the policies related to them, to keep them educated and aware of the same.
- The Company shall take initiatives to maintain its talent pool to match Organizational growth, creating a performance culture and encouraging learning elements across the organization.
- The Company shall instill a sense of duty in every employee at the Company's premises, towards their safety, as well as that of their co-workers.
- The Company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.

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

Company's Philosophy

The Company's stakeholders include employees, suppliers, dealers, stockists, retailers, customers, business associates, investors, regulatory agencies and local communities around its sites of operations. Our Investors comprise of shareholders (including Institutional Investors). The Company values the support of its stakeholders and respects the interests and concerns they have towards it. The Company and its employees shall provide value-based services to all the stakeholders.

The Company has continuous engagement with its various stakeholders to understand their concerns and assess their requirements and effectively respond to their needs.

□ Policy:

- The Company shall systematically identify their stakeholders, understand their concerns, define the purpose and scope of its engagement and commit to engaging with them.
- The Company shall incorporate stakeholder feedback in business strategy and decision-making that help identify and resolve operational challenges. 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 ensure benefits derived from business are fairly distributed amongst stakeholders and give special attention to stakeholders in underdeveloped areas.
- The Company shall document and address grievances of stakeholders arising from business operations and endeavour to resolve them in a just, fair and equitable manner.
- The Company, through its CSR arm and its partnering organizations shall focus on catering to the needs of common people and especially of marginalized groups.
- The Company shall undertake initiatives to engage with and ensure sustainable development of the marginalized groups in the local communities around its sites of operations.
- The employees of the Company shall be motivated to help, encourage and provide service to the customers in a fair, equitable and consistent manner.

Principle 5: Businesses should respect and promote human rights

Company's Philosophy

The Company is committed to respecting and protecting the human rights of all individuals and strives to them with honesty, just management and fairness. The Company understands that human rights are inherent, universal, indivisible and interdependent in nature. The Company upholds fundamental human rights in line with the legitimate role of business. Its approach includes adherence to corporate business policies and compliance with applicable laws, the human rights content of the Constitution of India, National laws and policies and the content of the International Bill of Human Rights.

□ Policy:

- The Company shall ensure compliance and adherence to all the applicable human rights laws and national laws and strive to percolate these values at all levels in the organisation.
- The Company shall promote and respect employees' freedom of association, participation of workers and collective bargaining. The Company shall resolve all collective problems through negotiations or available conciliation mechanisms or arbitration and all individual conflicts shall be resolved through an explicit grievance redressal system.
- The Company shall ensure fair treatment of all employees with dignity and ensure no tolerance towards all forms of discrimination, harassment or abuse based on caste, race, birth, nationality, gender, origin, religion, disability, family responsibility, marital status, political opinion, age, union membership and sexual orientation.
- The Company shall prohibit employee recruitment based on individual bonds, debt or obligations towards the Company or its representatives. Acceptance of cash deposits or a recruitment fee to secure employment is prohibited.
- The Company shall prohibit child labor and ensure the minimum age standard is set at 18 years for employment opportunities.
- The Company shall strive to 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.
- The Company shall ensure employees and representatives are informed within a reasonable timeframe in case of change in operations.
- The Company shall not be complicit with human rights abuses by a third party.
- The Company shall create awareness amongst employees on the human rights content of the Constitution of India, relevant national laws and policies and the International Bill of Human Rights and their application to businesses as defined

in the United Nations Guiding Principles for Business and Human Rights.

- The Company shall seek to identify adverse human rights impacts and take appropriate steps to avoid, minimize and/or mitigate them and develop a remediation plan for cases resulting in violation of labor priorities.
- The Company shall, within its sphere of influence, encourage awareness and realization of human rights across its value chain
- The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

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

Company's Philosophy

The Company is committed to conducting its business in an environmentally responsible manner. This commitment is consistent with the corporate objectives of the Company and is essential to sustainable development. It constantly endeavours to embed environmental sustainability right at the design and development stage. The Company regularly assesses potential environmental risks posing the organization and strategizes actions to mitigate the same. This approach helps us champion green endeavours that go beyond regulatory compliance. To ensure optimal use of resources, the Company has an endeavour to reduce over-consumption of resources, reusing and recycling waste, which has been embedded in its processes. Efforts to improve performance have resulted in a considerable reduction in the use of energy and natural resources.

□ Policy:

- The Company shall utilize natural and manmade resources optimally and responsibly and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
- The Company shall take measures to check and prevent pollution. It shall assess the environmental damage and bear the cost of pollution abatement with due regard to the public interest.
- 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.
- The Company shall continuously seek to improve their environmental performance by adopting cleaner production methods, promoting the use of energy-efficient environment-friendly technologies and use of renewable energy.
- The Company shall develop Environment Management Systems (EMS) contingency plans, mechanisms and procedures that help them in preventing, mitigating controlling environmental damages and disasters, which may be caused due to operations or that of a member of its value chain at all its locations, at all stages of its lifecycle from formation to disposal.
- The Company shall improve their resource productivity and conserve resources by applying the 4R principles (reduce, reuse, recycle, recover) and promoting the same amongst its value chain members.
- The Company shall report their environmental performance, including the assessment of potential environmental risks and opportunities associated with its operations, to the stakeholders fairly and transparently.

- The Company shall encourage environmental responsibility and awareness among staff and stakeholders through modelling good practice, training, education and communication.
- The Company shall proactively persuade and support its value chain to adopt this principle.
- The Company shall use resource-efficient and low-carbon processes and technologies to minimize adverse environmental impacts of its activities through a selection of appropriate materials, processes, equipment and services and work to prevent negative environmental impacts.
- The Company believes that environmental regulations have a critical role to play in sustainable development and strives to comply in both letter and spirit with all environment and related laws, regulations, codes of practice and directives, as relevant and applicable to us.

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

Company's Philosophy

The Company believes in participation with stakeholders and consultations with Governments, including interactions between industry/ business associations and relevant ministries to support short-, medium- and long-term planning exercises where inputs are invited from each sector.

The Company has always strived to create a positive impact in the business ecosystem and communities by practising pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large.

We are engaged in promoting the common good and prosperity of the community, which is the purpose of our enterprise.

Policy:

- The Company, while pursuing policy advocacy, shall ensure that its advocacy positions are consistent with the principles and core elements contained in this policy enhancing business responsibility and transparency.
- The Company shall engage actively with its stakeholders to develop strategies that are inclusive of stakeholder concerns and in the context of business.
- The Company shall address grievances pertaining to any legislative/regulatory authority or framework collectively through policy advocacy.
- The Company shall provide an unbiased and balanced viewpoint in the interest of its stakeholders and business continuity.
- To the extent possible, the Company shall utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.
- The Company shall ensure the promotion of fair and transparent competition and respect.

Principle 8: Businesses should promote inclusive growth and equitable development.

Company's Philosophy

The Company focuses on responsible business practices that emphasize social and economic issues to achieve inclusive growth. It believes in equitable development, considering the interests of the business community and local developers, fairness in the treatment of employees and sustainability in protecting and enhancing resources (human and others) in responding to an array of social and environmental needs. The Company is committed to establishing competitive and sustainable value chains linked to the businesses which create sustainable livelihoods, especially among the poor in rural India.

□ Policy:

- The Company shall comply with local, regional and national legislative requirements.
- The Company shall assess the impact of its operations on social and economic development and respond through appropriate action to minimize the negative impacts.
- The Company shall engage, collaborate and seek feedback from concerned community members to enhance knowledge of environmental and social concerns to meet the national and local development priorities through its CSR programs.
- The Company shall innovate and invest in products, technologies and processes that promote the well-being of society including vulnerable and marginalized groups.
- The Company shall respect all forms of intellectual property and traditional knowledge and make efforts at the same time to ensure that benefits derived from their knowledge are shared equally and impartially.
- The Company shall 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.
- The Company shall, in underdeveloped regions, be especially sensitive to local concerns.

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

Company's Philosophy

The Company is committed to continually exceeding customer expectations. Customer satisfaction is the key to our growth and success in this line of business. The Company strives hard to provide better services and greatest value to its customers.

Our customers have been our strong pillar of support & over the years of our existence have become our true brand ambassadors. The Company carries out periodic customer satisfaction surveys to fine-tune its products and other offerings. This foundation is supported by our continuous efforts to provide the best quality product, accompanied by the best marketing and technical support.

□ Policy:

- The Company, while serving the needs of its customers, shall consider the overall well-being of the customers and that of society.
- The Company shall encourage feedback from customers for improvement in product quality and service.
- Company shall strive to consistently enhance its value proposition to the customers and adhere to its promised standards of service delivery.
- The Company shall ensure that they do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling their products.
- The Company shall disclose all information truthfully and factually, through labelling and other means, including the risks to the individual, to society and the planet from the use of the products, so that the customers can exercise their freedom to consume responsibly. Where required, businesses should also educate their customers on the safe and responsible usage of their products and service through awareness, education, product labelling, useful marketing communication and comprehensive details of contents.
- The Company shall promote and advertise its products in ways that do not mislead or confuse the consumers or violate any of the principles in these guidelines.
- The Company shall exercise due care and caution while providing goods and services that result in the over-exploitation of natural resources or lead to excessive conspicuous consumption.
- The Company shall provide adequate training to employees to continue to meet the challenges of a dynamic business environment and will also provide adequate grievance-handling mechanisms to address customers' concerns and feedback in a fair, transparent and accessible manner.
- The Company shall maintain the privacy of consumers' private and confidential

data in the normal course of its business. The Company shall enable universal access to essential services.

- The Company shall ensure that services if discontinued for any reason, are done in a non-discriminatory, ethical and responsible manner.

Policy Version History

The history of modifications, changes updates, revisions, or comments are documented and reflected in this section.

VERSION	DATE OF APPROVAL BY BOARD	EFFECTIVE DATE	BRIEF DESCRIPTION OF MAJOR CHANGES/REVISIONS
1.0	10-05-2016	10-05-2016	Formulation of Business Responsibility Policy.
2.0	31-01-2017	31-01-2017	Amendment in Implementation and Monitoring of the Policy and entrusting the Managing Director who is also the BR Head to report directly to the Board.
3.0	15-05-2023	15-05-2023	BR policy restructured into Business Responsibility and Sustainability Policy.