

## **Sustainability Policy**

The Sustainability Committee (the “Committee”) is a committee of the board of directors (the “Board”) of Partap Industries Limited (“Partap”) formed by approval of the Board in its meeting held on November 14, 2021 and CSR Committee.

### **Objective and Role of the Sustainability Committee**

The Board has formed the Sustainability Committee to meet the environment social and governance (“ESG”) and Sustainability goals of the Company in ever changing ESG environment and framework. Not only is it a core part of good governance in any organisation, but its role is also to integrate both the business and sustainability priorities so that the organisation is able to thrive. A Sustainability Committee is accountable for the strategy on sustainability and business’ performance.

The Committee with respect to Partap and its subsidiaries, shall oversee the roles and responsibilities as laid below:

- development, implementation and monitoring of the policies, procedures, practices and strategies for ESG and sustainability goals;
- implementation of processes to integrate and embed consideration of social, environment and economic related issues, risks and opportunities and other appropriate sustainability objectives into Partap’s strategies, policies, procedures, practises and decision-making processes;
- to ensure due consideration of risks, opportunities and potential performance improvement relating to social, environment and economic and sustainability matters;
- communication and disclosure of Partap’s social, environment, economic and other sustainability performance and processes by which Partap identifies, assesses and manages ESG related and other sustainability risks and opportunities;
- review of reporting and external communication practices including but not limited to assessments of materiality, ESG or Sustainability Report development and approach to analogous disclosure, media and social media campaigns and other written communication with stakeholders;
- taking care of triple bottom line 3Ps i.e. People, Profit and Planet and other sustainability-based risks and opportunities and review and reporting thereof;
- monitoring of the policies laid down by government in interest of communities and industries which can affect the sustainability goals of Partap.
- Review and report to the Board with respect to the consideration and integration of ESG and sustainability issues in the development of Partap’s business strategy and financial planning
- The Committee shall receive periodic reports from management regarding Partap’s initiatives and opportunities to optimize its ESG and sustainability performance including the processes to reduce or substitute energy and water use, reduce emissions and waste and minimize land disturbance;
- Consider and review the setting and performance against appropriate targets, benchmarking, procedures and reporting methods used by Partap to measure its climate, safety, environmental and other relevant sustainability performance;
- Consider and review third party reports on Partap’s sustainability performance and peer sustainability performance;
- Review Partap’s enterprise risk management program relating to identifying, assessing and managing climate related risks, whether physical or transition related and in view of plausible future scenarios, as well as other sustainability related risks, and report to the Audit Committee;
- The Committee shall review shareholder proposals relating to sustainability issues and provide a report to the Board;
- Receive periodic reports from management relating to Partap’s actions taken against the implementation of ESG objectives as well as the cost of such initiatives;
- Perform any other activities consistent with this Mandate as the Committee or the Board deems necessary or appropriate;
- Give due consideration to the laws and regulations as may be applicable on the Company from time to time.

The structure, role and objectives of the Committee may be reviewed and amended by the Board as and when required.

### **Meetings and Administrative Matters**

- At all meetings of the Committee every question shall be decided by a majority of the votes cast. In case of an equality of votes, the Chairperson of the meeting shall be entitled to a second or casting vote;
- The Chairperson shall preside at all meetings of the Committee, unless the Chairperson is not present, in which case the members of the Committee present shall designate from among the members present the Chair for purposes of the meeting;
- A quorum for meetings of the Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those governing the Board unless otherwise determined by the Committee or the Board;
- The Committee shall meet at such times and with such frequency as the Committee may deem necessary to carry out its roles and responsibilities;
- The Committee may invite such officers, directors and employees of Partap as it may see fit from time to time to attend at meetings of the Committee and assist thereat in the discussion and consideration of the matters being considered by the Committee;
- Minutes of the Committee will be recorded and maintained and to be circulated to the members of the Committee whether or not any member of the Committee had attended such meeting or otherwise made available at a subsequent meeting of the Committee; the minutes shall also be placed before the Board in its meeting;
- The Committee may retain persons having special expertise and/or obtain independent professional advice to assist in fulfilling its responsibilities at the expense of Partap.
- Any issues arising from these meetings that bear on the relationship between the Board and management should be communicated to the Chair of the Board by the Chair of the Committee.

### **Amendments to the Policy**

The CSR Committee is entitled to amend this policy including amendment or discontinuation of any strategies, policies or processes introduced in accordance with this policy; and any amendment in this Policy shall be placed before the Committee and shall be approved by majority votes.