



H.G. INFRA ENGINEERING LIMITED

BUSINESS RESPONSIBILITY POLICY



H.G. INFRA ENGINEERING LIMITED

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1. BACKGROUND, SCOPE, PURPOSE AND EFFECTIVE DATE

This Policy on Business Responsibility ('BR Policy' or 'Policy') has been framed in line with the requirements of Regulation 34 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which require top five hundred listed companies (based on market capitalization of every financial year) to include Business Responsibility Report as a part of its Annual Report, and is intended to ensure that the Company contributes towards sustainable development and fulfils its social, environmental and economical responsibilities.

H.G. Infra Engineering Limited (the "Company" or "HGIEL") being one of the top five hundred listed company as per the criteria mentioned above, has approved and adopted this Business Responsibility Policy.

This Policy endorses the Company's commitment to follow nine principles and core elements, in conducting its business as enumerated herein.

The key objective of this Policy is to ensure a unified and common approach to the dimensions of Business Responsibility across HGIEL and act as a strategic driver that will help HGIEL respond to the complexities and challenges that keep emerging and be abreast with changes in regulations.

This policy is applicable to our employees, directors, business partners/ associates, and other relevant stakeholders.

This Policy shall be effective from June 24, 2020

2. IMPLEMENTATION OF THE POLICY

The Managing Director and Chief Financial Officer of the Company shall be responsible for implementing the Business Responsibility Policy assisted by functional heads of the Company and may delegate such authority as and when deemed fit in favour of the other officials of the Company for the implementation of Business Responsibility Policy. The Managing Director of the Company shall be Head for Business Responsibility. The Business Responsibility Policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's website. Compliance with the Policy shall be monitored and evaluated on regular basis. Any grievances / complaints with respect to non-compliance with the Policy shall be reported to Managing Director or Chief Financial Officer.

3. KEY PRINCIPLES

Company believes that the business excellence can be achieved only by doing business on sound sustainability principles that address the dimension of good governance as well as environmental and social responsibility. Company's Business practices would therefore be governed by the following guiding principles:

Principle 1: Ethics, Transparency and Accountability

Philosophy:

The Company lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company.

Policy:

- i. The Company shall develop governance structures, procedures and practices that ensure ethical conduct at all levels; and promote the adoption of this principle across its value chain.
- ii. The Company shall communicate transparently and assure access to information about their decisions that impact relevant stakeholders.
- iii. The Company shall not engage in practices that are abusive, corrupt, or anti-competition.
- iv. The Company shall truthfully discharge their responsibility on financial and other mandatory disclosures.
- v. Every employee of the company shall abide by the values and the commitment to ethical business practices reflected in the company's Code of Conduct.
- vi. The company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.
- vii. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 2: Provide Goods and Services that are safe and contribute to Sustainable Development

Philosophy:

The Company aims to promote a culture where all efforts are directed towards providing good quality and safe products to all our clients. We also endeavour to provide a safe environment for all stakeholders at our project locations. Sustainable development integrates economic progress, social responsibility and environmental concerns with the purpose of improving quality of life. HGIEL endeavours to embed the principle of sustainability, as far as feasible in all its services.

Policy:

- i. The Company shall ensure that its products and services comply with all applicable statutes and regulations.
- ii. The company shall work towards ensuring that all goods and services are procured, manufactured and delivered embedding the principles of labour practices, human rights, ethics, occupational health, safety and environment.
- iii. The company shall work towards sourcing significant raw materials, products and services in a manner so as to continuously improve the balance between social, economic and environmental impacts.
- iv. The company shall continue to progressively factor in relevant social and environmental considerations during the process of development of products / services.
- v. The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
- vi. 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.

- vii. In designing the products, the company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- viii. The company shall work towards safe and optimal resource use over the lifecycle of its products and services, including recycling of resources wherever possible.
- ix. The company shall work with supply chain members that comply with applicable laws and regulations related to labour practices, human rights, bribery & corruption, occupational health, safety and environment.
- x. The company shall work towards building capacity such that all the value chain partners, namely the sub-contractors, service providers including suppliers of significant raw materials, are sensitised and empowered to fulfil their roles and responsibilities towards sustainability.
- xi. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 3: Employee Wellbeing and Safety

Philosophy:

The Company focuses on ensuring the well-being of all its employees. HGIEL as a responsible employer understands its duty towards ensuring wellbeing of its employees and promotes a safe and healthy business environment across all its offices and project locations. The Company has incorporated this policy to respect the dignity and freedom of its employees without any discrimination.

Policy:

- i. 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.
- ii. The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.
- iii. The Company shall ensure that no employee is made to work against his / her will or to work as bonded/forced labour, or subjected to corporal punishment or coercion of any kind, related to work.
- iv. The Company shall take cognizance of the work-life balance of its employees, especially that of women.
- v. The Company shall provide facilities for the wellbeing of its employees including those with special needs. The Company shall ensure timely payment of fair living wages to meet basic needs and economic security of the employees.
- 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 upgrading 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 provide a work environment that is free from any form of discrimination, including but not limited to sexual harassment.
- x. 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: Responsibility towards Stakeholders

Philosophy:

The Company values all its stakeholders and will continue its engagement with them through various mechanisms to identify their concerns and build effective communication.

Policy:

- i. The Company shall systematically identify its stakeholders, understand their concerns, 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 their 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.

Principle 5: Respect and Promote Human Rights**Philosophy:**

The Company seeks to conduct business in a manner that respects each and every individual associated with the Company. In this regards, ASL encourages a work place environment which is free from any kind of human rights violations.

Policy:

- i. The Company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- ii. 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.
- iii. The Company shall, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- iv. The Company shall not be complicit with human rights abuses by a third party.
- v. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 6: Environmental Policy**Philosophy:**

The Company values its natural surrounds and is committed towards protection and preservation of environment and natural resources. The Company will take concerted efforts towards exploring recycling options, waste management, energy efficiency and conservation to minimize the overall environmental impact.

Policy:

- 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. The Company shall assess the 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 develop Environment Management Systems (EMS) and contingency plans

- and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
- vi. The Company shall report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
 - vii. The Company shall proactively persuade and support its value chain to adopt this principle.

Principle 7: Responsible Advocacy of Regulatory Policies

Philosophy:

The Company endeavors to work with Government bodies for the betterment of public polices and support issues such as fair and transparent business practices, inclusive growth, social responsibility and environmental stewardship.

Policy:

- i. The Company, while pursuing policy advocacy, must preserve and expand public good and shall not advocate any policy change to benefit the Company or select few alone.
- 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 in a responsible manner.
- iii. The company shall ensure that policy advocacy is conducted ethically.

Principle 8: Inclusive Growth and Equitable Development

Philosophy:

Corporate Social Responsibility is intrinsic to our core values and HGIEL serves its communities through initiatives designed with a holistic mind set. In compliance with section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has adopted a CSR policy through which it undertakes the projects in accordance with Schedule VII of the Companies Act, 2013.

Policy:

- i. The Company shall understand their impact on social and economic development, and respond through appropriate action to minimize the negative impacts.
- ii. The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.
- iii. 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.
- iv. The Company shall be sensitive to the local concerns while operating in regions that are underdeveloped.
- v. The company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 and as per the CSR policy of the company.

Principle 9: Customer Centric approach to Business

Philosophy:

The Company has Client Centric approach to Business and the foundation of the company is based on the trust, satisfaction and loyalty of our clients. The Company acknowledges that no business can survive in absence of clients. The driving force behind the Company's management is Quality and Client Satisfaction.

Policy:

- i. The Company shall take into account the overall well-being of the clients and that of society.
- ii. The client satisfaction is essential for growth and success. The Company strives hard to provide better products to client at large.
- iii. 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.
- iv. The Company shall provide adequate grievance handling mechanisms to address client concerns and feedback.

4. DISCLOSURES

The Business Responsibility Policy shall be displayed on the website of the Company www.hginfra.com

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. The Board may modify, add, delete or amend any of the provisions of this Policy. Any exceptions to the Business Responsibility Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

Date of the approval by the Board: June 24, 2020

Version: 01