



August 30, 2023

To,

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| <b>BSE Limited</b><br>Department of Corporate Services,<br>P. J. Towers, Dalal Street,<br>Mumbai - 400 001.<br><b>Scrip Code: 530079</b> | <b>National Stock Exchange of India Limited</b><br>Listing Compliance Department,<br>Exchange Plaza, Plot No. C/ 1, G Block,<br>Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.<br><b>Symbol: FAZE3Q</b> |
|--|--|

Dear Sir/Ma'am,

**Sub: Submission of the Business Responsibility and Sustainability Report for the Financial Year 2022-2023**

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report for the Financial Year 2022-2023 on voluntary basis.

The aforesaid Business Responsibility and Sustainability Report is available on the Company's website on link: <https://www.fazethree.com/wp-content/uploads/2324/FAZE3ANNUALREPORT2023.pdf> as a part of Annual Report for the Financial Year 2022-2023.

You are requested to kindly take the same on record.

Thanking you,

Yours faithfully,  
For **Faze Three Limited**

**Samruddhi Varadkar**  
**Company Secretary and Compliance Officer**  
**M. No.: A57168**

**Encl: a/a**

## Business Responsibility and Sustainability Report for FY 2022-23

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

1. Corporate Identity Number (CIN) of the Listed Entity: L99999DN1985PLC000197
2. Name of the Listed Entity: Faze Three Limited
3. Year of incorporation: 1985
4. Registered office address: Survey No. 380/1, Khanvel Silvassa Road, Village Dapada Dapada DADRA & NAGAR HAVELI DN 396230 IN
5. Corporate address: 63/64, 6th Floor, Wing C, Mittal Court, Nariman Point, Mumbai - 400021.
6. E-mail: cs@fazethree.com
7. Telephone: 91 (22) 43514400
8. Website: www.fazethree.com
9. Financial year for which reporting is being done: Financial year 2022-23
10. Name of the Stock Exchange(s) where shares are listed: BSE Limited and National Stock Exchange of India Limited
11. Paid-up Capital: 243190000
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:  
Mr. Ankit Madhwani, Chief Financial Officer  
Telephone no. : 91 (22) 43514400  
Email id: cs@fazethree.com
13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together) - The disclosures under this report are made on standalone basis for Faze Three Limited.

#### II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity  | % of Turnover of the entity |
|--------|------------------------------|-----------------------------------|-----------------------------|
| 1      | Manufacturing                | Home & Technical Textile Products | 90%                         |

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/ Service  | NIC Code | % of total Turnover contributed |
|--------|---|----------|---------------------------------|
| 1      | Manufacture of made-up textile products except apparels | 1392     | 90%                             |

#### III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location      | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 7                | 2                 | 9     |
| International | -                | -                 | -     |

17. Markets served by the entity:

##### a. Number of locations

| Locations                        | Number |
|----------------------------------|--------|
| National (No. of States)         | 0      |
| International (No. of Countries) | 31     |

- b. What is the contribution of exports as a percentage of the total turnover of the entity? 90%
- c. A brief on types of customers

Faze Three Limited has its registered office at Silvassa and is engaged in the business of manufacturing home & technical textiles furnishing products. The Company generates over 90% of its total revenue from Exports. The Company has a diversified product line, Products range from All types of Bathmats, Ultra Luxury Bath Rugs, Washable Area Rugs, High-Performance Outdoor/Indoor rugs, Top of the Bed products, Blanket, Curtains, Patio Mats, Cushions, etc. The Company supplies to gaint Global retailers and caters to a wide range of vendors, wholesalers and distributors in USA/EU/UK.

## 18. Employees

Details as at the end of Financial Year: 31<sup>st</sup> March, 2023

- a. Employees and workers (including differently abled):

| S. No.           | Particulars                  | Total (A)   | Male        |              | Female     |              | Others   |           |
|------------------|------------------------------|-------------|-------------|--------------|------------|--------------|----------|-----------|
|                  |                              |             | No. (B)     | % (B / A)    | No. (C)    | % (C / A)    | No. (H)  | % (H / A) |
| <b>EMPLOYEES</b> |                              |             |             |              |            |              |          |           |
| 1                | Permanent (D)                | 561         | 523         | 93.23        | 38         | 6.77         | 0        | 0         |
| 2                | Other than Permanent (E)     | 0           | 0           | 0.00         | 0          | 0.00         | 0        | 0         |
|                  | <b>Total employees (D+E)</b> | <b>561</b>  | <b>523</b>  | <b>93.23</b> | <b>38</b>  | <b>6.77</b>  | <b>0</b> | <b>0</b>  |
| <b>WORKERS</b>   |                              |             |             |              |            |              |          |           |
| 1                | Permanent (G)                | 1315        | 1032        | 78.48        | 283        | 21.52        | 0        | 0         |
| 2                | Other than Permanent (F)     | 787         | 614         | 78.02        | 173        | 21.98        | 0        | 0         |
|                  | <b>Total Workers (G+F)</b>   | <b>2102</b> | <b>1646</b> | <b>78.31</b> | <b>456</b> | <b>21.69</b> | <b>0</b> | <b>0</b>  |

- b. Differently abled Employees and workers:

| S. No.                             | Particulars                  | Total (A) | Male     |              | Female   |              | Others   |           |
|------------------------------------|------------------------------|-----------|----------|--------------|----------|--------------|----------|-----------|
|                                    |                              |           | No. (B)  | % (B / A)    | No. (C)  | % (C / A)    | No. (H)  | % (H / A) |
| <b>DIFFERENTLY ABLED EMPLOYEES</b> |                              |           |          |              |          |              |          |           |
| 1                                  | Permanent (D)                | 0         | 0        | 0            | 0        | 0            | 0        | 0         |
| 2                                  | Other than Permanent (E)     | 0         | 0        | 0            | 0        | 0            | 0        | 0         |
|                                    | <b>Total employees (D+E)</b> | <b>0</b>  | <b>0</b> | <b>0</b>     | <b>0</b> | <b>0</b>     | <b>0</b> | <b>0</b>  |
| <b>DIFFERENTLY ABLED WORKERS</b>   |                              |           |          |              |          |              |          |           |
| 1                                  | Permanent (G)                | 2         | 1        | 0            | 1        | 50           | 0        | 0         |
| 2                                  | Other than Permanent (F)     | 1         | 1        | 100          | 0        | 0            | 0        | 0         |
|                                    | <b>Total Workers (G+F)</b>   | <b>3</b>  | <b>2</b> | <b>66.67</b> | <b>1</b> | <b>33.33</b> | <b>0</b> | <b>0</b>  |

## 19. Participation/Inclusion/Representation of women

| Particulars              | Total (A) | No. and percentage of Females |           |
|--------------------------|-----------|-------------------------------|-----------|
|                          |           | No. (B)                       | % (B / A) |
| Board of Directors       | 7         | 1                             | 14.29     |
| Key Management Personnel | 2         | 1                             | 50.00     |

### Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

|                                 | FY 2022-23<br>(Turnover rate in current FY) |        |        | FY 2021-22<br>(Turnover rate in previous FY) |        |        | FY 2020-21<br>(Turnover rate in the year prior to the previous FY) |        |        |       |
|---------------------------------|---|--------|--------|--|--------|--------|--|--------|--------|-------|
|                                 | Male  | Female | Others | Male   | Female | Others | Male   | Female | Others |       |
|                                 | Total                                       | Total  | Total  | Total  | Total  | Total  | Total  | Total  | Total  |       |
| Permanent Employees and Workers | 14.11                                       | 12.61  | 0.00   | 13.36  | 10.69  | 7.07   | 0.00   | 14.80  | 0.00   | 13.58 |

#### IV. Holding, Subsidiary and Associate Companies (including joint ventures)

##### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 20.    | 1 Faze Three US LLC   | Wholly owned Foreign Subsidiary                                | 100.00                            | No   |
|        | 2 Mats and More Private Limited   | Wholly owned Indian Subsidiary                                 | 99.96                             | No   |

#### II. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - YES

(ii) Turnover (in ₹) for FY 2022-23 : 5,47,91,92,163.61

(iii) Net worth (in ₹) for FY 2022-23 : 2,74,71,05,634.14

**23. Transparency and Disclosures Compliances**

. Compliments/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No)<br>(If Yes, then provide web-link for grievance redress policy)  | FY 2022-23<br>Current Financial Year       |  | FY 2021-22<br>Previous Financial Year |  |  |
|---|--|--|--|---------------------------------------|--|--|
|   |  | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks                               | Number of complaints filed during the year | Number of complaints pending resolution at close of the year |
| Communities                                       | The Company has deployed its employees at each factory location who regularly visit the communities and interact with people to ascertain and address community concerns, if any.  | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Investors (other than shareholders)               | No   | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Shareholders                                      | The Company has Stakeholders Relationship Committee ("SRC") to examine and redress complaints by shareholders. SRC meets as and when required and atleast once a year to resolve shareholders grievances. Scores platform is also available for shareholders to raise any complaints ( <a href="https://scores.gov.in/admin/Welcome.html">https://scores.gov.in/admin/Welcome.html</a> ) | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Employee  | <a href="https://www.fazethree.com/wp-content/uploads/Policies/Code_of_Conduct_for_Employees.pdf">https://www.fazethree.com/wp-content/uploads/Policies/Code_of_Conduct_for_Employees.pdf</a>  | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Workers   | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a>  | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Customers   | The Company operates into B2B Model and exports manufactured products to large retailers around the world. Each customer has a dedicated key account manager for 360 degree communication.   | NIL  | NIL  | NIL                                   | NIL  | NIL  |
| Value chain partners                              | The Company has deployed its employees at each factory location who regularly visit the communities and interact with Value chain partners to ascertain and address community concerns, if any.  | NIL  | NIL  | NIL                                   | NIL  | NIL  |

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| S. No. | Material issue identified     | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity   | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|-------------------------------|--|--|---|--|
| 1      | Natural Resource availability | Risk and Opportunity                       | Natural resource is a key input in the production process. Natural capital being a essential part of our value creation model, drives us towards meeting our business needs by creating sustainable products and solutions with minimum impact on the natural ecosystem. | <ol style="list-style-type: none"> <li>The Company, commenced Rooftop Solar of 1.1 MW during the quarter December 2022 at Silvassa location for captive consumption contributing up to 33% of existing electricity units consumed.</li> <li>Company's finished goods warehouses (capacity upto 130 HQ containers at a time) are operated by fully Electric lithium-ion fleet of forklifts / reach trucks.</li> <li>The above these initiatives are conscious efforts towards ESG goals of the company with sustainable capital paybacks.</li> </ol> | <p><b>Positive:</b> Scope to increase reliability on renewable energy.</p> <p><b>Negative:</b> Unavailability can impact service to customer.</p> <p>Scarcity/ shortage of raw material leads to high production cost.</p> |
| 2      | Climate Risk                  | Risk                                       | Being a Textile manufacturing Company, the yarn is the primary raw material for production. Climate change adversely impacts the growth and production of yarn.  | The Company has in place the adequate system to regularly monitor stock of the raw material including keeping alternative supply sources, offering products with different type such as Suprima, recycle etc keeping in view of the climate risk factor.  | <p><b>Negative:</b> Scarcity/ shortage of yarn leads to high production cost.</p> <p><b>Positive:</b> Move towards sustainable cotton and use rPET and recycle/ reuse fiber</p>  |
| 3      | Water Management              | Risk                                       | Water is mainly required for processing the textiles consumes.   | Plant wise plan/actions implemented for alternate sources of water like borewell, ground water, effluent treatment plant, water re-use, rainwater harvesting, tanker water supply and achieving water neutrality.   | <p><b>Negative:</b> Scarcity/ Shortage will impact the manufacturing process.</p>  |

| S. No. | Material issue identified         | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate  | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|-----------------------------------|--|---|---|--|
| 4      | Regulatory changes                | Risk and Opportunity                       | Changes in existing regulations/emerging regulations impacting sourcing of materials, emissions, waste generation, storage and use of material or quality of finished goods."               | <ol style="list-style-type: none"> <li>The Company continues to monitor all emerging regulations, incidents, developments and map it for compliance.</li> <li>Regular training and discussion with employees is conducted to keep themselves updated about regulatory changes.</li> <li>Data mapping and records are kept in organised manner.</li> </ol>   | <p><b>Positive:</b> Scope for product innovation to meet new regulatory requirements and explore new sources of raw materials.</p> <p><b>Negative:</b> Increased expenses in transiting towards meeting new regulations.</p> |
| 5      | Handling Hazardous Material/Waste | Risk                                       | Handling hazardous material/waste in business operations with care to avoid any threats posed to the health and well-being of our workers, employees and to our surrounding environment     | <ol style="list-style-type: none"> <li>Conducts risk assessments, safety audits and safety inspections at a prescribed frequency.</li> <li>Regular training is imparted to employees, workers and contractors on workplace hazards, associated risks and arrangements to mitigate them.</li> <li>Hazardous waste is handed over to Authorised recycler/ agency registered with Government Authorities for safety disposal of waste.</li> <li>Having a appropriate emergency response procedures and contingency plans.</li> </ol> | <p><b>Negative:</b> Impact on health and well-being of employees/ workers at the plants &amp; community near by.</p>   |
| 6      | Health and Safety risk            | Risk and Opportunity                       | The manufacturing operations of the Company require workers and employees to interact with plant, machinery, and material handling equipment, all of which carry an inherent risk of injury | <ol style="list-style-type: none"> <li>Training of workers and employees for operating machines, procedure, SOP etc.</li> <li>Compliance with all applicable health and safety legislations and relevant standards.</li> <li>Keep upgrading the health and safety standards.</li> </ol>   | <p><b>Positive:</b> Adoption of latest safety related protocols and measures to create a safe work environment.</p> <p><b>Negative:</b> Impact on health and well-being of the workers and employees of the Company.</p>     |
| 7      | Labour strikes/ disputes          | Risk and Opportunity                       | Disruption in manufacturing due to labour strikes   | <ol style="list-style-type: none"> <li>Knowledge sharing sessions on labour laws.</li> <li>Physical and Mental Wellness sessions conducted on regular basis.</li> </ol>   | <p><b>Positive:</b> Opportunity to develop stronger relationship and engagement with labour and labour unions.</p> <p><b>Negative:</b> Labour unavailability can impact manufacturing.</p>                                   |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity  | In case of risk, approach to adapt or mitigate   | Financial implications of the risk or opportunity (Indicate positive or negative implications)   |
|--------|---------------------------|--|---|--|--|
| 8      | Innovation                | Opportunity                                | Implementing a new idea, development of new products and creating value for your customers and stakeholders. Improving manufacturing process. | <ol style="list-style-type: none"> <li>Offering training to employees that will inspire new ideas and approaches to the business.</li> <li>Feedback process/ suggestions.</li> <li>Encouraging work environment whereby employees work together, openly discuss new ideas &amp; innovations, ways to improve.</li> </ol> | <b>Positive:</b><br><ol style="list-style-type: none"> <li>Increased competitiveness, launch of new products, improvement in processes</li> <li>Easily adaptable to change and overcome challenges.</li> </ol> |
| 9      | Reputation                | Opportunity                                | Bad publicity arising out of any act/inaction by the Company on social media or any other platform  | <ol style="list-style-type: none"> <li>Actively addressing product complaints.</li> <li>Ensuring product delivery as promised.</li> <li>Compliance with all regulatory norms.</li> <li>Strengthening corporate governance norms, including adherence to the code of conduct by all.</li> </ol>                           | <b>Positive:</b> Opportunity to improve brand presence and reputation through proactively managing possible issues.  |

**SECTION B: MANAGEMENT AND PROCESS DISCLOSURES**

**This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.**

| Disclosure Questions   | P 1          | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|--|--------------|-----|-----|-----|-----|-----|-----|-----|-----|
| <b>Policy and management processes</b>   |              |     |     |     |     |     |     |     |     |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes          | Yes | Yes | Yes | Yes | Yes | No  | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No)   | Yes          | Yes | Yes | Yes | Yes | Yes | No  | Yes | Yes |
| c. Web Link of the Policies, if available  | Refer note 1 |     |     |     |     |     |     |     |     |
| 2. Whether the entity has translated the policy into procedures. (Yes/ No)                                     | Yes          | Yes | Yes | Yes | Yes | Yes | No  | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                      | Yes          | Yes | Yes | Yes | Yes | Yes | No  | Yes | Yes |

| Disclosure Questions   | P 1   | P 2   | P 3   | P 4   | P 5         | P 6   | P 7  | P 8   | P 9  |
|--|---|---|---|---|-------------|---|------|---|--|
| 4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. (wordings) Fair Trade USA, GOTIS, Oeko-Tex - standard 100, STeP (Sustainable Textile Production), MIG label (Made in Green), ISO9001:2015, SA8000:2014, SMETA; The Supplier Compliance Audit Network (SCAN); Global Recycled Standard (GRS). | Fair Trade USA, GOTIS, Oeko-Tex - standard 100, STeP (Sustainable Textile Production), MIG label (Made in Green), ISO9001:2015, SA8000:2014, SMETA; The Supplier Compliance Audit Network (SCAN); Global Recycled Standard (GRS). | ISO9001:2015, Fair Trade USA, Oeko-Tex - standard 100, STeP (Sustainable Textile Production), MIG label (Made in Green); intertek - Global security verification; | SMETA, SA8000:2014; intertek-Global security verification   | SMETA; intertek - Global security verification; The Supplier Compliance Audit Network (SCAN); GOTIS; Global Recycled Standard (GRS); SA8000:2014. | SA8000:2014 | Fair Trade USA, GOTIS, Oeko-Tex - Standard 100, MIG label (Made in Green)             | N.A. | SA8000:2014, STeP (Sustainable Textile Production), Global Recycled Standard (GRS). | intertek- Global security Verification; Oeko-Tex - standard 100; ISO 9001:2015 |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.   | The Company is in compliance with all applicable laws and regulations and is committed & working regularly to further improve the current standards   |   |   |   |             |   |      |   |  |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. (wordings)   | The Board of Directors of the Company has empowered the Senior Management at each location to ensure the compliance with the Principles and to review it periodically and strive to improve the current standards.                |   |   |   |             |   |      |   |  |
| <b>Governance, leadership and oversight</b>  |   |   |   |   |             |   |      |   |  |
| 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)  | ---   |   |   |   |             |   |      |   |  |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).  | The Board of Directors of the Company through top management oversee the implementation of the Business Responsibility policies.  |   |   |   |             |   |      |   |  |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. (wordings)   | NO  |   |   |   |             |   |      |   |  |
| <b>Note 1</b>  |   |   | <b>Applicable Policies</b>  |   |             | <b>Link for policies</b>  |      |   |  |
| <b>PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable</b>  |   |   | Code of Conduct for Directors and Senior Management Personnel, Insider Trading Policy, Policy on dealing with and materiality of Related Party Transactions, Vigil Mechanism/ Whistle Blower Policy |   |             | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |      |   |  |
| <b>PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe</b>   |   |   | Environment, Health and Safety Policy   |   |             | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |      |   |  |

| Principles   | Applicable Policies  | Link for policies   |
|--|--|---|
| <b>PRINCIPLE 3</b> - Businesses should respect and promote the well-being of all employees, including those in their value chains                        | Code of Conduct for Employees, HR Policy, Policy on Prevention of Sexual Harassment (POSH) of women at the workplace | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |
| <b>PRINCIPLE 4</b> - Businesses should respect the interests of and be responsive to all its stakeholders  | Corporate Social Responsibility Policy   | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |
| <b>PRINCIPLE 5</b> - Businesses should respect and promote human rights  | Code of Conduct for Employees, HR Policy   | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |
| <b>PRINCIPLE 6</b> - Businesses should respect and make efforts to protect and restore the environment   | Environment, Health and Safety Policy, Corporate Social Responsibility Policy  | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |
| <b>PRINCIPLE 7</b> - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent | NA   | NA  |
| <b>PRINCIPLE 8</b> - Businesses should promote inclusive growth and equitable development  | Corporate Social Responsibility Policy   | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |
| <b>PRINCIPLE 9</b> - Businesses should engage with and provide value to their consumers in a responsible manner  | Customer Policy  | <a href="https://www.fazethree.com/policies/">https://www.fazethree.com/policies/</a> |

**10. Details of Review of NGRBCs by the Company:**

| Subject for Review   | Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee |                        |                        |                        |                        |                        |     |                        |                        |
|--|--|------------------------|------------------------|------------------------|------------------------|------------------------|-----|------------------------|------------------------|
|  | P 1  | P 2                    | P 3                    | P 4                    | P 5                    | P 6                    | P 7 | P 8                    | P 9                    |
| Performance against above policies and follow up action  | Committee of the Board   | Committee of the Board | Committee of the Board | Committee of the Board | Committee of the Board | Committee of the Board | NA  | Committee of the Board | Committee of the Board |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Committee of the Board   | Committee of the Board | Committee of the Board | Committee of the Board | Committee of the Board | Committee of the Board | NA  | Committee of the Board | Committee of the Board |
| Subject for Review   | Frequency<br>(Annually/ Half yearly/ Quarterly/ Any other – please specify)                      |                        |                        |                        |                        |                        |     |                        |                        |
|  | P 1  | P 2                    | P 3                    | P 4                    | P 5                    | P 6                    | P 7 | P 8                    | P 9                    |
| Performance against above policies and follow up action  | Annually   | Annually               | Annually               | Annually               | Annually               | Annually               | NA  | Annually               | Annually               |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | Quarterly  | Quarterly              | Quarterly              | Quarterly              | Quarterly              | Quarterly              | NA  | Quarterly              | Quarterly              |

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. (Answer in Yes or no)

| P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| No  | No  | No  | No  | No  | No  | No  | No  | No  |

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions   | P 7  |
|---|--|
| The entity does not consider the Principles material to its business (Yes/No)   | No   |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | No   |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No)                         | No   |
| It is planned to be done in the next financial year (Yes/No)  | No   |
| Any other reason (please specify)   | The Company may share its knowledge / knowhow to assist in the formulation of public policy, but it does not directly engage in advocacy activities. The Company is committed to extend financial literacy, employment generation, equal opportunity, increasing investor awareness, among others. |

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.**

**Essential Indicators**

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year: 2022-23

| Segment                           | Total number of training and awareness programmes held | Topics /principles covered under the training and its impact   | %age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors                | 6 (as part of Board Meeting)                           | Review of Business and Operations/ Corporate Governance/ Companies Act/ SEBI Regulations.  | 80%  |
| Key Managerial Personnel          | 129  | Fire & Safety/ Health & Safety/ Environment/ POSH Training/ Fire Drill & First Aid Training/ Waste Management Handling/ Company Policies/ Code of Conduct  | 100%   |
| Employees other than BoD and KMPs | 256  | Fire & Safety/ Health & Safety/ Environment/ POSH Training/ Fire Drill & First Aid Training/ Waste Management Handling/ Chemical Handling/ Machine safety/ Electrical safety/ Labour Welfare Fund Benefits/ Human Rights | 100%   |
| Workers                           |  |  |  |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website): NONE

| Monetary        |   |                   |  |  |   |
|-----------------|---|-------------------|--|--|---|
| NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR)   | Brief of the Case                      | Has an appeal been preferred? (Yes/No) |   |
| Penalty/ Fine   | -   | -                 | -                                      | -                                      | - |
| Settlement      | -   | -                 | -                                      | -                                      | - |
| Compounding fee | -   | -                 | -                                      | -                                      | - |
| Non-Monetary    |   |                   |  |  |   |
| NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) |  |   |
| Imprisonment    | -   | -                 | -                                      | -                                      | - |
| Punishment      | -   | -                 | -                                      | -                                      | - |

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details   | Name of the regulatory/ enforcement agencies/ judicial institutions |
|----------------|---|
| Not applicable |   |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy:

Yes, the Company has an Anti-Bribery and Anti-Corruption Policy. This policy applies to all persons associated with the Company and who may be acting on behalf of the Company. The policy is available on the Company's website at <https://www.fazethree.com/policies/>.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| Case Details | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--------------|-------------------------------------|--------------------------------------|
| Directors    |                                     |                                      |
| KMPs         |                                     |                                      |
| Employees    |                                     |                                      |
| Workers      |                                     |                                      |
|              | NIL                                 |                                      |

6. Details of complaints with regard to conflict of interest:

| Case Details   | FY 2022-23<br>(Current Financial Year) |         | FY 2021-22<br>(Previous Financial Year) |         |
|--|--|---------|---|---------|
|  | Number                                 | Remarks | Number                                  | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors |  |         |   |         |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPS      |  | NIL     |   |         |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest: Not applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year. 2022-23

| Total number of awareness programmes held | Topics / principles covered under the training | %age of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|---|--|--|
|   |  |  |

The Company conducts programmes at the time of on boarding new vendor and thereafter at regular intervals

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has a Code of Conduct for Board of Directors and Senior Management Personnel which provides clear guidelines for avoiding and disclosing actual or potential conflict of interest with the Company. The Company receives an annual declaration from its Board of Directors and Senior Management Personnel on compliance with the code. The Company also ensures requisite approvals as required under the applicable laws are taken prior to entering into transactions with interested entities, if any.

The policy is available on the Company's website at <https://www.fazethree.com/policies/>.

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

|       | Current Financial Year<br>2022-23 | Previous Financial Year<br>2021-22 | Details of improvements in environmental and social impacts   |
|-------|-----------------------------------|------------------------------------|---|
| R&D   | -                                 | -                                  | Kindly refer Annexure III (Report on conservation of energy, technology absorption) of the Directors' Report forming part of the Annual Report. |
| Capex | 23.23                             | 12.52                              |   |

- Does the entity have procedures in place for sustainable sourcing? - Yes
  - If yes, what percentage of inputs were sourced sustainably? ~10%
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

  - Plastics (including packaging)** - The Company encourages its customers to replace Plastics Tags with FSC Paper Tag and other recyclable material.
  - E-waste** - All IT related disposal are done through E-waste certified supplier who ensures safe disposal with minimal environmental impact.
  - Hazardous waste** - The legally prescribed procedures are adopted reusing and recycling the hazardous waste and environmentally sound disposal techniques are applied for disposing hazardous waste.
  - Other waste** - The non-hazardous waste is sold to authorised recyclers/ government authorities/ government agents.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. - No**

**Leadership Indicators**

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Given the diversity of our products, Company has not undertaken LCA. However, the Company is exploring various initiatives to assess Carbon Footprint and reduce the same.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

| Name of Product / Service | Description of the risk / concern        | Action Taken  |
|---------------------------|--|---|
| Raw Material              | Waste Generation                         | The Company encourages its customers to place orders for products which are sustainable and manufactured with recycled material.  |
| Oil                       | Carbon emission                          | The Company has in place effluent treatment/ discharge facility for proper disposal of oil.   |
| Fuel                      | Carbon emission                          | Expanding use of CNG, Solar Energy, Electrical Vehicles and other renewable energy source.  |
| Coal produced electricity | Carbon emission                          | <ul style="list-style-type: none"> <li>i. Installation of rooftop solar project at its Dadra location for generation of renewable energy.</li> <li>ii. Installation of LED lamps in the vicinity of all factories powered by solar energy.</li> <li>iii. Installation of new sewing machines with servo motors leading to higher productivity and lower electricity cost;</li> <li>iv. Turbo fans installed in the factories instead of electrical blowers thereby cutting energy.</li> </ul> |
| Waste disposal            | Water pollution/ soil and land pollution | The Company increasingly works with vendors who have integrated facility for effluent treatment or subscribe to a common treatment/ discharge facility.   |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material |                                       |
|-------------------------|--|---------------------------------------|
|                         | FY 2022-23<br>Current Financial Year                 | FY 2021-22<br>Previous Financial Year |
| Plastic bags            | 8.17   | 6.63                                  |
| Yarn                    | 10.50  | 6.73                                  |
| Spun Poly yarn          | 3.19   | 3.04                                  |
| Fiber                   | 100  | 100                                   |
| Chindi                  | 100  | 100                                   |
| Packing Materials       | 1.39   | 1.26                                  |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed.

The Company operates into B2B Model and exports manufactured products to large retailers around the world and these products are not reclaimed by the Company directly, however Company encourages customers to purchase sustainable products.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Since the Company is engaged in B2B business model, the process with respect to the reclaimed products is not applicable to the Company.

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

**Essential Indicators**

1. a. Details of measures for the well-being of employees:

| Category                       | Total (A)  | Essential Indicators |              |                    |               |                    |             |                    |           |                     |           |
|--------------------------------|------------|----------------------|--------------|--------------------|---------------|--------------------|-------------|--------------------|-----------|---------------------|-----------|
|                                |            | Health insurance     |              | Accident insurance |               | Maternity benefits |             | Paternity Benefits |           | Day Care facilities |           |
|                                |            | Number (B)           | % (B / A)    | Number (C)         | % (C / A)     | Number (D)         | % (D / A)   | Number (E)         | % (E / A) | Number (F)          | % (F / A) |
| Permanent employees            |            |                      |              |                    |               |                    |             |                    |           |                     |           |
| Male                           | 523        | 359                  | 68.64        | 253                | 100.00        | 0                  | 0           | 523                | 100.00    | 461                 | 88.16     |
| Female                         | 38         | 22                   | 57.89        | 38                 | 100.00        | 38                 | 100.00      | 0                  | 0         | 38                  | 100.00    |
| <b>Total</b>                   | <b>561</b> | <b>381</b>           | <b>67.91</b> | <b>561</b>         | <b>100.00</b> | <b>38</b>          | <b>6.77</b> | <b>523</b>         | <b>0</b>  | <b>499</b>          | <b>0</b>  |
| Other than Permanent employees |            |                      |              |                    |               |                    |             |                    |           |                     |           |
| Male                           | 0          | 0                    | 0            | 0                  | 0             | 0                  | 0           | 0                  | 0         | 0                   | 0         |
| Female                         | 0          | 0                    | 0            | 0                  | 0             | 0                  | 0           | 0                  | 0         | 0                   | 0         |
| <b>Total</b>                   | <b>0</b>   | <b>0</b>             | <b>0</b>     | <b>0</b>           | <b>0</b>      | <b>0</b>           | <b>0</b>    | <b>0</b>           | <b>0</b>  | <b>0</b>            | <b>0</b>  |

b. Details of measures for the well-being of workers:

| Category                     | Total (A)   | Permanent workers |            |                    |               |                    |              |                    |              |                     |              |
|------------------------------|-------------|-------------------|------------|--------------------|---------------|--------------------|--------------|--------------------|--------------|---------------------|--------------|
|                              |             | Health insurance  |            | Accident insurance |               | Maternity benefits |              | Paternity Benefits |              | Day Care facilities |              |
|                              |             | Number (B)        | % (B / A)  | Number (C)         | % (C / A)     | Number (D)         | % (D / A)    | Number (E)         | % (E / A)    | Number (F)          | % (F / A)    |
| Permanent employees          |             |                   |            |                    |               |                    |              |                    |              |                     |              |
| Male                         | 1018        | 1018              | 100        | 1018               | 100.00        | 0                  | 0            | 1018               | 100.00       | 896                 | 88.01        |
| Female                       | 297         | 297               | 100        | 297                | 100.00        | 297                | 100.00       | 0                  | 0            | 297                 | 100.00       |
| <b>Total</b>                 | <b>1315</b> | <b>1315</b>       | <b>100</b> | <b>1315</b>        | <b>100.00</b> | <b>297</b>         | <b>22.59</b> | <b>1018</b>        | <b>77.41</b> | <b>1193</b>         | <b>90.72</b> |
| Other than Permanent workers |             |                   |            |                    |               |                    |              |                    |              |                     |              |
| Male                         | 614         | 614               | 100        | 614                | 100.00        | 0                  | 0            | 614                | 100.00       | 540                 | 87.94        |
| Female                       | 173         | 173               | 100        | 173                | 100.00        | 173                | 100.00       | 0                  | 0            | 173                 | 100.00       |
| <b>Total</b>                 | <b>787</b>  | <b>787</b>        | <b>100</b> | <b>787</b>         | <b>100.00</b> | <b>173</b>         | <b>21.98</b> | <b>614</b>         | <b>78.02</b> | <b>713</b>          | <b>90.64</b> |

2. Details of retirement benefits, for Current FY and Previous Financial Year.

| Benefits                | FY 2022-23<br>Current Financial Year               |  |  | FY 2021-22<br>Previous Financial Year              |  |  |
|-------------------------|--|--|--|--|--|--|
|                         | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF                      | 100  | 100  | Yes  | 100  | 100  | Yes  |
| Gratuity                | 100  | 100  | Yes  | 100  | 100  | Yes  |
| ESI                     | 100  | 100  | Yes  | 100  | 100  | Yes  |
| Others – please specify | -  | -  | -  | -  | -  | -  |

\*The Employees and Workers are covered as per the threshold limit as prescribed under the various applicable law.

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirement of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. Yes

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, The Company is committed to provide equal employment opportunities without any discrimination on the grounds of race, religion, national origin, ethnic origin, color, gender, age, citizenship, veteran status marital status or a disability. The Company has in place Gender Equality Policy and Diversity, Equality & Inclusion Policy, which calls for no discrimination on any grounds.

The Gender Equality Policy and Diversity, Equality & Inclusion Policy can be accessed on our website at [www.fazethree.com](http://www.fazethree.com)

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

| Benefits     | Permanent employees |                | Permanent workers   |                |
|--------------|---------------------|----------------|---------------------|----------------|
|              | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male         | 0                   | 0              | 0                   | 0              |
| Female       | 0                   | 0              | 0                   | 0              |
| <b>Total</b> | <b>0</b>            | <b>0</b>       | <b>0</b>            | <b>0</b>       |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

|                                | Yes/No<br>(If Yes, then give details of the mechanism in brief)   |
|--------------------------------|---|
| Permanent Workers              | The Company aims to provide a safe, friendly and conducive work environment to all of its employees and associates. Employees are encouraged to share their concerns with their Reporting Manager or the members of the senior management. The Company has formulated whistle blower policy which allows all our employees to report any kind of suspected or actual misconduct in the organisation in an anonymous manner. In addition, Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace has been formulated and Internal Complaints Committee has also been set up to redress any such complaints received. |
| Other than Permanent Workers   |   |
| Permanent Employees            |   |
| Other than Permanent Employees |   |

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category                         | FY 2022-23<br>Current Financial Year                 |   | FY 2021-22<br>Previous Financial Year               |   | % (D / C) |
|----------------------------------|--|---|---|---|-----------|
|                                  | Total employees / workers in respective category (A) | No. of employees/ workers in respective category, who are part of association(s) or Union (B) | Total employees/ workers in respective category (C) | No. of employees/ workers in respective category, who are part of association(s) or Union (D) |           |
| <b>Total Permanent Employees</b> |  |   |   |   |           |
| - Male                           | 0  | 0   | 0   | 0   | 0         |
| - Female                         | 0  | 0   | 0   | 0   | 0         |
| <b>Total Permanent Workers</b>   |  |   |   |   |           |
| - Male                           | 0  | 0   | 0   | 0   | 0         |
| - Female                         | 0  | 0   | 0   | 0   | 0         |

### 8. Details of training given to employees and workers:

| Category     | FY 2022-23<br>Current Financial Year |             |                      |            | FY 2022-23<br>Current Financial Year |                               |             |                      |            |              |
|--------------|--------------------------------------|-------------|----------------------|------------|--------------------------------------|-------------------------------|-------------|----------------------|------------|--------------|
|              | On Health and safety measures        |             | On Skill upgradation |            | Total (D)                            | On Health and safety measures |             | On Skill upgradation |            |              |
|              | No. (B)                              | % (B/A)     | No. (C)              | % (C/A)    |                                      | No. (E)                       | % (E/D)     |                      | No. (F)    | % (F/D)      |
|              | <b>Employees</b>                     |             |                      |            |                                      |                               |             |                      |            |              |
| Male         | 253                                  | 208         | 39.77                | 94         | 17.97                                | 376                           | 376         | 100                  | 0          | 0            |
| Female       | 38                                   | 17          | 44.74                | 8          | 21.05                                | 19                            | 19          | 100                  | 7          | 36.84        |
| <b>Total</b> | <b>561</b>                           | <b>225</b>  | <b>40.11</b>         | <b>102</b> | <b>18.18</b>                         | <b>395</b>                    | <b>395</b>  | <b>100</b>           | <b>7</b>   | <b>1.77</b>  |
|              | <b>Workers</b>                       |             |                      |            |                                      |                               |             |                      |            |              |
| Male         | 1018                                 | 1018        | 100                  | 243        | 23.87                                | 985                           | 832         | 84.47                | 326        | 33.10        |
| Female       | 297                                  | 297         | 100                  | 137        | 46.13                                | 219                           | 219         | 100.00               | 113        | 51.60        |
| <b>Total</b> | <b>1315</b>                          | <b>1315</b> | <b>100</b>           | <b>380</b> | <b>28.90</b>                         | <b>1204</b>                   | <b>1051</b> | <b>87.29</b>         | <b>439</b> | <b>36.46</b> |

Note: The above table includes details of Permanent employees and workers.

### 9. Details of performance and career development reviews of employees and worker:

| Category     | FY 2022-23<br>Current Financial Year |             |            | FY 2021-22<br>Previous Financial Year |             |              |
|--------------|--------------------------------------|-------------|------------|---------------------------------------|-------------|--------------|
|              | Total (A)                            | No. (B)     | % (B/A)    | Total (C)                             | No. (D)     | % (D/C)      |
| Male         | 523                                  | 523         | 100        | 376                                   | 365         | 97.07        |
| Female       | 38                                   | 38          | 100        | 19                                    | 15          | 78.95        |
| <b>Total</b> | <b>561</b>                           | <b>561</b>  | <b>100</b> | <b>395</b>                            | <b>380</b>  | <b>96.20</b> |
| Male         | <b>1018</b>                          | <b>1018</b> | <b>100</b> | <b>985</b>                            | <b>924</b>  | <b>93.81</b> |
| Female       | 297                                  | 297         | 100        | 219                                   | 219         | 100          |
| <b>Total</b> | <b>1315</b>                          | <b>1315</b> | <b>100</b> | <b>1204</b>                           | <b>1143</b> | <b>94.93</b> |

Note: The above table includes details of Permanent employees and workers.

### 10. Health and safety management system:

#### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Company has in place Environmental, Health and Safety Policy for protection of the employees from work related hazards. This Health and Safety Policy covers all the operating/ factory sites of Company. The health and safety management system broadly covers the following:

1. Risk assessments, safety audits and safety inspections at a prescribed frequency
2. Optimize use of natural resources i.e. energy, fuel, water and chemicals.
3. Ensure that each employee, workers and visitors comply with all safety rules and regulations framed for the operation.

**b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Periodic inspections are carried out at plant site to identify work related hazards. The Company is committed to provide safe and healthy working conditions for the prevention of work-related injury and ill health of employees and workers. Periodic training is given to the workers/ employees on dealing with hazardous goods. The Company regularly updates the health and safety standards.

**c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

YES

**d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

YES

**11. Details of safety related incidents, in the following format:**

| Safety Incident/Number   | Category  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|--|-----------|--------------------------------------|---------------------------------------|
| Lost Time Injury Frequency Rate (LTIFR)(per one million-person hours worked) | Employees | 0                                    | 0                                     |
|  | Workers   | 0                                    | 0                                     |
| Total injuries recordable work-related                                       | Employees | 0                                    | 0                                     |
|  | Workers   | 0                                    | 0                                     |
| No. of fatalities  | Employees | 0                                    | 0                                     |
|  | Workers   | 0                                    | 0                                     |
| High consequence work-related injury or ill-health (excluding fatalities)    | Employees | 0                                    | 0                                     |
|  | Workers   | 0                                    | 0                                     |

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company has in place Health and Safety Policy which covers all the operating/ factory sites of Company. The Company has taken following measures to ensure and safety and health work place:

1. Implementation of Health and Management System
2. Systematic process in place for identification of work-related hazards.
3. Imparting trainings to the workers/ employees on dealing with hazardous goods.
4. Conducting mock drills for workers/ employees.
5. Adequate system in place to identify work related hazards and to formulate contingency plan and to eliminate or mitigate the hazards.
6. Ensures that all activities across the value chain are conducted as per the defined health and safety procedures.
7. Risk assessment is done on a periodic basis and actions are taken to maintain the risks.
8. Providing patient-centered, culturally appropriate, and individual holistic care and checkups, including sickness checkups and regular follow-ups to factory worker/ employees.
9. Conducts weekly checkups of employees working in Hazardous areas.
10. Maintenance of accurate medical records.

**13. Number of Complaints on the following made by employees and workers:**

| Category           | FY 2022-23<br>Current Financial Year |                                       | FY 2021-22<br>Previous Financial Year |                                       | Remarks |
|--------------------|--------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------|
|                    | Filed during the year                | Pending resolution at the end of year | Filed during the year                 | Pending resolution at the end of year |         |
| Working Conditions | 0                                    | 0                                     | 0                                     | 0                                     | 0       |
| Health & Safety    | 0                                    | 0                                     | 0                                     | 0                                     | 0       |

**14. Assessments for the year:**

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100%  |
| Working Conditions          | 100%  |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health:**

The following safety measures are taken by the Company:

- 1. Thermography Scanning:** Thermography scanning is conducted at all plants.
- 2. Installation of instruments to prevent fire injury & Emergency Exit:** To prevent any injury from fire, the Company has installed various instruments as prescribed by the Department of Fire and Emergency Services at all plants and compliance with respect to emergency exit requirements is ensured. Further, the fire drills are carried out at regular intervals.
- 3. Masks:** It is mandatory for the workers even before Covid-19 Pandemic, to wear mask at the time of processing raw cotton, in order to prevent any respiratory disorders caused due to inhalation of dust produced by raw cotton.
- 4. Machine guards and censors:** The machine guards and censors are installed to protect the machine operator and other employees in the work area from hazards created during the machine's normal operation.

**Leadership Indicators**

- 1. Does the entity extend any life insurance or any compensatory package in the event of death of**

(A) Employees (Y/N)

(B) Workers (Y/N).

The employees and workers of the Company are covered under ESIC and Workmen Compensation Policy.

- 2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company ensure that statutory dues are paid within timeline by the Company and regularly follows up with the value chain partners for the same. The Company is regular in paying the statutory dues.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| Category  | Total no. of affected employees/ workers |  | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment |
|-----------|--|--|---|
|           | FY 2022-2023 (Current Financial Year)    | FY 2021-2022 (Previous Financial Year) |   |
| Employees | 0  | 0                                      | FY 2021-2022 (Previous Financial Year)  |
| Workers   | 0  | 0                                      | 0   |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No) Yes

5. Details on assessment of value chain partners:

|                             | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | 100% through internal / external audits and social audits conducted by Customers / Vendors  |
| Working Conditions          |   |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. (wordings)

During the year under review, there were no major health and safety related risks.

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**

**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholder group identified by the Company includes Employees, Shareholders & Investors, Vendors and Communities.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

| Stakeholder Group        | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)   | "Purpose and scope of engagement including key topics and concerns raised during such engagement"  |
|--------------------------|--|---|---|--|
| Employees                | No   | As needed: Email, in person meeting, calls  | At regular intervals  | <ol style="list-style-type: none"> <li>Career Management and Growth Prospects</li> <li>Learning opportunities</li> <li>Compensation structure</li> <li>Flexible working hours</li> </ol> |
| Shareholders & Investors | No   | As needed: Presentation, email advisories.  | <ol style="list-style-type: none"> <li>Quarterly: Financial statements in IndAS and Company's presentation on Financial results</li> <li>Annual: Annual General Meeting; Annual Report</li> </ol> | <ol style="list-style-type: none"> <li>Understanding shareholder expectations</li> <li>Addressing their concerns</li> </ol>  |
| Vendors                  | No   | As needed: calls and meetings, emails, presentations, reviews.  | At regular intervals  | <ol style="list-style-type: none"> <li>Quality Management</li> <li>Pricing of products</li> <li>Purchase orders</li> <li>Supply chain management</li> </ol>                              |
| Communities              | Yes  | As needed: reviews, calls and meetings, surveys   | Annual  | <ol style="list-style-type: none"> <li>Sustainable ways of doing business</li> <li>Community welfare</li> <li>Business concerns</li> </ol>   |

**Leadership Indicators**

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company actively engages with its key stakeholders. A continuous engagement with the stakeholders helps the Company to meet its stakeholders' needs and expectations. The Board is kept abreast on recent developments and feedback on the same is sought from the Directors on regular basis.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No).

If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity. Continuous engagement with stakeholders helps in aligning expectations, thereby enabling the Company to better serve its stakeholders. The Company does take into consideration the material inputs/ feedbacks received from the customers. The Company recognises the importance of stakeholder consultation and hence stakeholder interactions are important. The Company is in compliance with the environmental guidelines with respect to the operations, waste management, effluent treatment and energy conservation.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

All the CSR initiatives of the Company are undertaken for the benefit and upliftment of disadvantaged and marginalised section of the society. Kindly refer to the Corporate Social Responsibility Report given separately in Annual Report.

**PRINCIPLE 5: Businesses should respect and promote human rights**

**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category               | FY 2022-23<br>Current Financial Year |                                       | FY 2021-22<br>Previous Financial Year |             |                                       |            |
|------------------------|--------------------------------------|---------------------------------------|---------------------------------------|-------------|---------------------------------------|------------|
|                        | Total (A)                            | No. employees/<br>workers covered (B) | % (B / A)                             | Total (C)   | No. employees/<br>workers covered (D) | % (D / C)  |
| <b>Employees</b>       |                                      |                                       |                                       |             |                                       |            |
| Permanent              | 561                                  | 561                                   | 100                                   | 566         | 566                                   | 100        |
| Other than permanent   | 0                                    | 0                                     | 0                                     | 0           | 0                                     | 0          |
| <b>Total Employees</b> | <b>561</b>                           | <b>561</b>                            | <b>100</b>                            | <b>566</b>  | <b>566</b>                            | <b>100</b> |
| <b>Workers</b>         |                                      |                                       |                                       |             |                                       |            |
| Permanent              | 1315                                 | 1315                                  | 100                                   | 1187        | 1187                                  | 100        |
| Other than permanent   | 787                                  | 787                                   | 100                                   | 692         | 692                                   | 100        |
| <b>Total Workers</b>   | <b>2102</b>                          | <b>2102</b>                           | <b>100</b>                            | <b>1879</b> | <b>1879</b>                           | <b>100</b> |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category                    | FY 2022-23<br>Current Financial Year |                          |          |                           | FY 2022-23<br>Current Financial Year |                          |           |                           |         |           |
|-----------------------------|--------------------------------------|--------------------------|----------|---------------------------|--------------------------------------|--------------------------|-----------|---------------------------|---------|-----------|
|                             | Total<br>(A)                         | Equal to Minimum<br>Wage |          | More than Minimum<br>Wage | Total<br>(D)                         | Equal to Minimum<br>Wage |           | More than Minimum<br>Wage |         |           |
|                             |                                      | No. (B)                  | % (B/ A) |                           |                                      | No. (C)                  | % (C / A) |                           | No. (E) | % (E / D) |
| <b>Employees</b>            |                                      |                          |          |                           |                                      |                          |           |                           |         |           |
| <b>Permanent</b>            |                                      |                          |          |                           |                                      |                          |           |                           |         |           |
| Male                        | 523                                  | 54                       | 10.33    | 469                       | 89.67                                | 64                       | 11.83     | 477                       | 88.17   |           |
| Female                      | 38                                   | 2                        | 5.26     | 36                        | 94.74                                | 0                        | 0         | 25                        | 100     |           |
| Other                       | 0                                    | 0                        | 0.00     | 0                         | 0.00                                 | 0                        | 0         | 0                         | 0       |           |
| <b>Other than Permanent</b> |                                      |                          |          |                           |                                      |                          |           |                           |         |           |
| Male                        | 0                                    | 0                        | 0        | 0                         | 0                                    | 0                        | 0         | 0                         | 0       |           |
| Female                      | 0                                    | 0                        | 0        | 0                         | 0                                    | 0                        | 0         | 0                         | 0       |           |
| Other                       | 0                                    | 0                        | 0        | 0                         | 0                                    | 0                        | 0         | 0                         | 0       |           |

| Category                    | FY 2022-23<br>Current Financial Year |                          |         |                           | FY 2022-23<br>Current Financial Year |                          |         |                           |       |
|-----------------------------|--------------------------------------|--------------------------|---------|---------------------------|--------------------------------------|--------------------------|---------|---------------------------|-------|
|                             | Total<br>(A)                         | Equal to Minimum<br>Wage |         | More than Minimum<br>Wage | Total<br>(D)                         | Equal to Minimum<br>Wage |         | More than Minimum<br>Wage |       |
|                             |                                      | No. (B)                  | % (B/A) |                           |                                      | No. (E)                  | % (E/D) |                           |       |
|                             | Workers                              |                          |         |                           |                                      |                          |         |                           |       |
| <b>Permanent</b>            |                                      |                          |         |                           |                                      |                          |         |                           |       |
| Male                        | 1032                                 | 546                      | 52.91   | 486                       | 944                                  | 297                      | 31.46   | 647                       | 68.54 |
| Female                      | 283                                  | 123                      | 43.46   | 160                       | 243                                  | 91                       | 37.45   | 152                       | 62.55 |
| Other                       | 0                                    | 0                        | 0.00    | 0                         | 0                                    | 0                        | 0       | 0                         | 0     |
| <b>Other than Permanent</b> |                                      |                          |         |                           |                                      |                          |         |                           |       |
| Male                        | 614                                  | 614                      | 100     | 0                         | 567                                  | 567                      | 100     | 0                         | 0     |
| Female                      | 173                                  | 173                      | 100     | 0                         | 125                                  | 125                      | 100     | 0                         | 0     |
| Other                       | 0                                    | 0                        | 0       | 0                         | 0                                    | 0                        | 0       | 0                         | 0     |

**3. Details of remuneration/ salary/ wages, in the following format:**

|                                  | Male   |   | Female |   | Others |   |
|----------------------------------|--------|---|--------|---|--------|---|
|                                  | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
|                                  |        |   |        |   |        |   |
| Board of Directors (BoD)         | 2      | 446875  | 0      | Nil   | 0      | NA  |
| Key Managerial Personnel         | 1      | 335750  | 1      | 335750  | 0      | NA  |
| Employees other than BoD and KMP | 523    | 25650   | 38     | 25650   | 0      | NA  |
| Workers                          | 1646   | 12803   | 456    | 11367   | 0      | NA  |

**4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**  
YES

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

The Company is committed to providing a safe and positive work environment. The Company regards respect for human rights as one of its fundamental and core values and strives to support, protect and promote human rights to ensure that fair & ethical business and employment practices are followed. The Company is committed to providing a work environment that ensures that every employee/ worker is treated with dignity, respect and afforded equitable treatment. The Company is also committed to promoting a work environment that is conducive to the professional growth of its employees and encourages equality of opportunity. The Company strictly prohibits sexual harassment, harassment based on race, religion, national origin, ethnic origin, color, gender, age, citizenship, veteran status marital status or a disability. The employees can raise the concern for the violation of human rights/ harassment to their reporting Manager or Senior Management. The Company also has zero tolerance towards and prohibits all forms of slavery, coerced labour, child labour, human trafficking, violence or physical, sexual, psychological or verbal abuse.

**6. Number of Complaints on the following made by employees and workers:**

| Category                             | FY 2022-23<br>Current Financial Year |   |         | FY 2021-22<br>Previous Financial Year |   |         |
|--------------------------------------|--------------------------------------|---|---------|---------------------------------------|---|---------|
|                                      | Filed during<br>the year             | Pending<br>resolution at<br>the end of year | Remarks | Filed during<br>the year              | Pending<br>resolution at<br>the end of year | Remarks |
| Sexual Harassment                    | 0                                    | 0   | 0       | 0                                     | 0   | 0       |
| Discrimination at<br>workplace       | 0                                    | 0   | 0       | 0                                     | 0   | 0       |
| Child Labour                         | 0                                    | 0   | 0       | 0                                     | 0   | 0       |
| Forced Labour/Involuntary<br>Labour  | 0                                    | 0   | 0       | 0                                     | 0   | 0       |
| Wages                                | 0                                    | 0   | 0       | 0                                     | 0   | 0       |
| Other human rights related<br>issues | 0                                    | 0   | 0       | 0                                     | 0   | 0       |

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

- Internal Complaints Committee is constituted as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, to receive, investigate the complaint and to provide independent judgement.
- Whistle Blower Policy of the Company provides adequate safeguard against the whistle blower and no one is denied access to the Chairman of the Audit Committee or in exceptional cases to the Board of Directors for appropriate relief.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)**

YES

**9. Assessments for the year.**

|                             | % of your plants and offices that were assessed<br>(by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child labour                | 100%   |
| Forced/involuntary labour   |  |
| Sexual harassment           |  |
| Discrimination at workplace |  |
| Wages                       |  |
| Others – please specify     |  |

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.**

**Leadership Indicators**

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.**

During the reporting period, no business processes were required to be modified or introduced for addressing human rights grievances/complaints.

**2. Details of the scope and coverage of any Human rights due-diligence conducted.**

The Company is committed to protecting and respecting Human Rights as well as remedying rights violations in case they are identified. The Company has constituted Internal Complaints Committee to receive and investigate the complaints with respect to Sexual Harassment of Women at Workplace. The Company has also framed Whistle Blower/ Vigil Mechanism Policy which provides adequate safeguard to the whistle blower and no one is denied access to the Chairman of the Audit Committee or in exceptional cases to the Board of Directors for appropriate relief. As an equal opportunity employer, we

have zero tolerance towards the discrimination on the basis of race, colour, religion, sex, national origin, gender identity, gender expression, sexual orientation or disability status.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016? (YES OR NO)  
YES

4. Details on assessment of value chain partners:

|                                  | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---|
| Sexual Harassment                | -   |
| Discrimination at workplace      | -   |
| Child Labour                     | -   |
| Forced Labour/Involuntary Labour | -   |
| Wages                            | -   |
| Others – please specify          | -   |

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above. -  
Not applicable

## PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

### Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|--|--------------------------------------|---------------------------------------|
| Total electricity consumption (A) (in TJ)  | 48.72                                | 49.33                                 |
| Total fuel consumption (B) (in Litre)  | 522596.55                            | 497711                                |
| Total fuel consumption - Coal (B) (in Ton)   | 14057.51                             | 13388.1                               |
| Energy consumption through other sources (C) (Kwh)                                       | 80355                                | 41888                                 |
| Total energy consumption (A+B+C)   | -                                    | -                                     |
| Energy intensity per rupee of turnover<br>(Total energy consumption/ turnover in rupees) | -                                    | -                                     |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. NO

3. Provide details of the following disclosures related to water, in the following format:

| Parameter   | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |                                      |                                       |
| (i) Surface water   | 0                                    | 0                                     |
| (ii) Groundwater  | 284186                               | 294960.1                              |
| (iii) Third party water   | 298370                               | 430723                                |
| (iv) Seawater / desalinated water   | 0                                    | 0                                     |
| (v) Others  | 0                                    | 0                                     |
| <b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>       | 582556                               | 725683.1                              |
| <b>Total volume of water consumption (in kilolitres)</b>                              | 582556                               | 725683.1                              |
| <b>Water intensity per rupee of turnover</b> (Water consumed / turnover)              | 0.000106322                          | 0.000143698                           |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity | -                                    | -                                     |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, Recognizing the importance of water as a resource, we undertake several initiatives to optimize the consumption and reduce resultant wastewater generation through our reuse or recycle schemes. Such wastewater is further recovered and used back in process.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter                           | Please specify unit | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|-------------------------------------|---------------------|--------------------------------------|---------------------------------------|
| NOx                                 | mg/Nm <sup>3</sup>  | 123.23                               | 109.38                                |
| SOx                                 | mg/Nm <sup>3</sup>  | 232.54                               | 270.01                                |
| Particulate matter (PM)             | mg/Nm <sup>3</sup>  | 361.37                               | 375.20                                |
| Persistent organic pollutants (POP) |                     | –                                    | –                                     |
| Volatile organic compounds (VOC)    |                     | –                                    | –                                     |
| Hazardous air pollutants (HAP)      |                     | –                                    | –                                     |
| Others – please specify             |                     | –                                    | –                                     |

\* Other air emissions i.e. Persistent Organic Pollutants (POP), Volatile Organic Compounds (VOC), Hazardous Air Pollutants (HAP), are not being monitored currently.

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter   | Unit  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|---|--------------------------------------|---------------------------------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | -                                    | -                                     |
| Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | -                                    | -                                     |
| Total Scope 1 and Scope 2 emissions per rupee of turnover   |   | -                                    | -                                     |
| Total Scope 1 and Scope 2 emission intensity (optional)   |   | -                                    | -                                     |
| – the relevant metric may be selected by the entity   |   | -                                    | -                                     |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details. Yes.

The Company aims to reduce the green house gas emission and increase use of alternative / clear energy source. The Company has invested and installed a 1.8 MW solar power plant at its units in West India, which meets ~30% of electricity consumption of said units via Solar energy, further contributing towards the growth of clean energy. Company has invested in lithium Ion MHE (warehouse truck & forklifts) leading to efficiency, energy saving. With above efforts Company has reduced its emission levels.

8. Provide details related to waste management by the entity, in the following format:

| Parameter  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|--|--------------------------------------|---------------------------------------|
| <b>Total Waste generated (in metric tonnes)</b>  |                                      |                                       |
| Plastic waste (A)  | 0                                    | 0                                     |
| E-waste (B)  | 0.39                                 | 0.45                                  |
| Bio-medical waste (C)  | 0                                    | 0                                     |
| Construction and demolition waste (D)  | 0                                    | 0                                     |
| Battery waste (E)  | 0                                    | 0                                     |
| Radioactive waste (F)  | 0                                    | 0                                     |
| Other Hazardous waste. Please specify, if any. (G)   | 0                                    | 0                                     |
| Other Non-hazardous waste generated (H).<br>Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) | 26.62                                | 18.37                                 |
| <b>Total (A + B + C + D + E + F + G + H)</b>   | <b>27.01</b>                         | <b>18.82</b>                          |

| Parameter   | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) |                                      |                                       |
| <b>Category of waste</b>  |                                      |                                       |
| (i) Recycled  | 0.36                                 | 0                                     |
| (ii) Re-used  | 0.2                                  | 1.4                                   |
| (iii) Other recovery operations   | 0                                    | 0                                     |
| <b>Total</b>  | <b>0.56</b>                          | <b>1.4</b>                            |

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

| Category of waste               |              |              |
|---------------------------------|--------------|--------------|
| (i) Recycled                    | 3.97         | 3.64         |
| (ii) Re-used                    | 22.28        | 13.78        |
| (iii) Other recovery operations | 0.20         | 0            |
| <b>Total</b>                    | <b>26.45</b> | <b>17.42</b> |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Waste generation being an inevitable part of manufacturing process, efforts have been taken to create value from waste. With an aim to divert a significant quantum of waste from going to the landfills, the Company has adopted systems and procedures that helps repurpose used material and reintroduce excess material into the production process. The Company follows legally prescribed procedures and applies environmentally sound disposal techniques for disposing hazardous waste whereas the non-hazardous waste is sold to authorised recyclers/ government authorities/ government agents. Safety and environmental sustainability are integral parts of strong product development processes established by the Company."

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format: NOT APPLICABLE

| S. No.         | Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? (Y/N)<br>If no, the reasons thereof and corrective action taken, if any. |
|----------------|--------------------------------|--------------------|--|
| NOT APPLICABLE |                                |                    |  |

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| NOT APPLICABLE                    |                      |      |   |  |                   |

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: YES

| S. No. | Specify the law / regulation / guidelines which was not complied with | Provide details of the non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|--------|---|---------------------------------------|---|---------------------------------|
| -      | -   | -                                     | -   | -                               |
| -      | -   | -                                     | -   | -                               |

#### Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter   | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| <b>From renewable sources</b>                                   |                                      |                                       |
| Total electricity consumption (A)                               | 653000 Kwh                           | 145465.55 Kwh                         |
| Total fuel consumption (B)                                      | -                                    | -                                     |
| Energy consumption through other sources (C)                    | -                                    | -                                     |
| <b>Total energy consumed from renewable sources (A+B+C)</b>     | 653000 Kwh                           | 145465.55 Kwh                         |
| <b>From non-renewable sources</b>                               |                                      |                                       |
| Total electricity consumption (D)                               | 12880333 Kwh                         | 13836506 Kwh                          |
| Total fuel consumption (E)                                      | 522596.55 (Litre); 14057.51 (Ton)    | 497711 (Litre); 13388.1 (Ton)         |
| Energy consumption through other sources (F)                    | 80355 Kwh                            | 41888 Kwh                             |
| <b>Total energy consumed from non-renewable sources (D+E+F)</b> | -                                    | -                                     |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

2. Provide the following details related to water discharged:

| Parameter  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|--|--------------------------------------|---------------------------------------|
| <b>Water discharge by destination and level of treatment (in kilolitres)</b> |                                      |                                       |
| (i) To Surface water   |                                      |                                       |
| - No treatment   | NIL                                  | NIL                                   |
| - With treatment – please specify level of treatment                         | NIL                                  | NIL                                   |
| (ii) To Groundwater  |                                      |                                       |
| - No treatment   | NIL                                  | NIL                                   |
| - With treatment – please specify level of treatment                         | 228344<br>(ETP TREATMENT)            | 246324<br>(ETP TREATMENT)             |
| (iii) To Seawater  |                                      |                                       |
| - No treatment   | NIL                                  | NIL                                   |
| - With treatment – please specify level of treatment                         | NIL                                  | NIL                                   |
| (iv) Sent to third-parties   |                                      |                                       |
| - No treatment   | NIL                                  | NIL                                   |
| - With treatment – please specify level of treatment                         | 250236<br>(Biological Treatment)     | 272760<br>(Biological Treatment)      |
| (v) Others   |                                      |                                       |
| - No treatment   | NIL                                  | NIL                                   |
| - With treatment – please specify level of treatment                         | NIL                                  | NIL                                   |
| <b>Total water discharged (in kilolitres)</b>                                | 478580                               | 519084                                |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

**3. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres): NOT APPLICABLE**

For each facility / plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

| Parameter   | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|--------------------------------------|---------------------------------------|
| <b>Water withdrawal by source (in kilolitres)</b>                                     |                                      |                                       |
| (i) Surface water   | -                                    | -                                     |
| (ii) Groundwater  | -                                    | -                                     |
| (iii) Third party water   | -                                    | -                                     |
| (iv) Seawater / desalinated water   | -                                    | -                                     |
| (v) Others  | -                                    | -                                     |
| <b>Total volume of water withdrawal (in kilolitres)</b>                               | -                                    | -                                     |
| <b>Total volume of water consumption (in kilolitres)</b>                              | -                                    | -                                     |
| <b>Water intensity</b> (optional) – the relevant metric may be selected by the entity | -                                    | -                                     |
| <b>Water discharge by destination and level of treatment (in kilolitres)</b>          |                                      |                                       |
| (i) To Surface water  | -                                    | -                                     |
| - No treatment  | -                                    | -                                     |
| - With treatment – please specify level of treatment                                  | -                                    | -                                     |
| (ii) To Groundwater   | -                                    | -                                     |
| - No treatment  | -                                    | -                                     |
| - With treatment – please specify level of treatment                                  | -                                    | -                                     |
| (iii) Into Seawater   | -                                    | -                                     |
| - No treatment  | -                                    | -                                     |
| - With treatment – please specify level of treatment                                  | -                                    | -                                     |
| (iv) Sent to third-parties  | -                                    | -                                     |
| - No treatment  | -                                    | -                                     |
| - With treatment – please specify level of treatment                                  | -                                    | -                                     |
| (v) Others  | -                                    | -                                     |
| - No treatment  | -                                    | -                                     |
| - With treatment – please specify level of treatment                                  | -                                    | -                                     |
| <b>Total water discharged (in kilolitres)</b>   | -                                    | -                                     |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. -

**4. Please provide details of total Scope 3 emissions & its intensity, in the following format:**

| Parameter   | Unit  | FY 2022-23<br>Current Financial Year | FY 2021-22<br>Previous Financial Year |
|---|---|--------------------------------------|---------------------------------------|
| Total Scope 3 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) | Metric tonnes of CO <sub>2</sub> equivalent | Not Available                        | Not Available                         |
| <b>Total Scope 3 emissions per rupee of turnover</b>  |   | Not Available                        | Not Available                         |
| <b>Total Scope 3 emission intensity</b> (optional) – the relevant metric may be selected by the entity  |   | Not Available                        | Not Available                         |

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. NO

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. NOT APPLICABLE
6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Kindly refer Annexure III (Report on conservation of energy, technology absorption) of the Directors' Report forming part of the Annual Report.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link. Emergency plan is prepared at all plants and mock drills are conducted at regular intervals. Following are the major components of the emergency plan:
- All probable hazards, their place, potential, damaging capacity and areas in case of all accidents, dangerous occurrence, emergencies and disasters happening in or affecting the jurisdiction at any time detailed emergency response for each hazard scenario.
  - Emergency response team on site consisting of site main controller, incident controller, firefighting team, first aiders, communications team, power and utility teams
  - Responsibilities and functions of key member's emergency response team and alternates.
  - Emergency control centre and minimum infrastructure required in emergency control centre.
  - List of Regulatory agencies with names and telephone Numbers.
  - List of Telephone numbers of Local Hospitals and telephone numbers.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.
- During year, there was no significant adverse impact to the environment arising from the value chain of the entity.
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. -

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

**Essential Indicators**

1. a. Number of affiliations with trade and industry chambers/ associations. - 7
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations        | Reach of trade and industry chambers/ associations (State/National) |
|--------|--|---|
| 1      | Cotton Textiles Export Promotion Council                     | National  |
| 2      | Synthetic & Rayon Textiles Export Promotion Council (SRTEPC) | National  |
| 3      | Handloom Export Promotion Council                            | National  |
| 4      | Carpet Export Promotion Council                              | National  |
| 5      | Textiles Committee, Ministry of Textiles Government of India | National  |
| 6      | ASMECHEM - Chamber of Commerce and Industry of India         | National  |
| 7      | Coir Board   | National  |

2. Provide details of corrective action taken or underway on any issues related to anti - competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| NOT APPLICABLE    |                   |                         |

#### Leadership Indicators

1. Details of public policy positions advocated by the entity:

| S. No.         | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly /Others – please specify) | Web Link, if available |
|----------------|-------------------------|-----------------------------------|--|--|------------------------|
| NOT APPLICABLE |                         |                                   |  |  |                        |

### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web link |
|-----------------------------------|----------------------|----------------------|---|--|-------------------|
| NOT APPLICABLE                    |                      |                      |   |  |                   |

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

| S. No.         | Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (In INR) |
|----------------|--|-------|----------|---|--------------------------|---|
| NOT APPLICABLE |  |       |          |   |                          |   |

3. Describe the mechanisms to receive and redress grievances of the community.

The Company has deployed its factory employees who regularly visit the communities and interact with people to ascertain and address community concerns, if any. Based on these interactions, we have not encountered any specific grievances from the community at present.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Parameter  | FY 2022-23  | FY 2021-22              |
|--|---|-------------------------|
|  | Current Financial Year  | Previous Financial Year |
| Directly sourced from MSMEs/ small producers                         | 5.9   | 6.16                    |
| Sourced directly from within the district and neighbouring districts | The Company has setup its manufacturing unit at location where major Raw Materials are available locally in surrounding area hence priority is given to suppliers in local community. |                         |

### Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
|--|-------------------------|

NOT APPLICABLE

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| S. No. | State | Aspirational District | Amount spent (In INR) |
|--------|-------|-----------------------|-----------------------|
| -      | -     | -                     | -                     |

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) Widows / Women Workers/ Tribal Community.

Yes. The Company works with small producers based on their quality, operational efficiency and design capability of the vendors. The Company also provides opportunity to various marginalized /vulnerable community residing in the surrounding area of the factory to whom various hand made work can be delegated.

- (b) From which marginalized /vulnerable groups do you procure? Widows / Women Workers/ Tribal Community.

- (c) What percentage of total procurement (by value) does it constitute?

The constant efforts are made by the Company to engage the rural women residing.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share | Amount spent (In ₹) |
|--------|--|--------------------------|---------------------------|------------------------------------|---------------------|
|--------|--|--------------------------|---------------------------|------------------------------------|---------------------|

NONE

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
|-------------------|-------------------|-------------------------|

NOT APPLICABLE

6. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|--------|-------------|---|--|
| -      | -           | -   | -  |

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

#### Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has business-to-business (B2B) model. The Company sell it's products to vendors which ultimately sell the products to the end consumers. The Company has in place a mechanism for each consumer, where they can raise complaint and provide feedback to the Merchandiser.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

|   | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters product relevant to the (Energy Used, Water Consumed, No. of People involve in production etc)* | –                                 |
| Safe and responsible usage  | 100                               |
| Recycling and/or safe disposal  | 100                               |

\* The Company operates into B2B Model and exports manufactured products to large retailers around the world, hence product specifications & other details are provided as instructed by the Customers.

3. Number of consumer complaints in respect of the following:

|                                | FY 2022-23<br>Current Financial Year |                                   |         | FY 2021-22<br>Previous Financial Year |                                   |         |
|--------------------------------|--------------------------------------|-----------------------------------|---------|---------------------------------------|-----------------------------------|---------|
|                                | Received during the year             | Pending resolution at end of year | Remarks | Received during the year              | Pending resolution at end of year | Remarks |
| Data privacy                   | NIL                                  |                                   |         | NIL                                   |                                   |         |
| Advertising                    |                                      |                                   |         |                                       |                                   |         |
| Cyber-security                 |                                      |                                   |         |                                       |                                   |         |
| Delivery of essential services |                                      |                                   |         |                                       |                                   |         |
| Restrictive Trade Practices    |                                      |                                   |         |                                       |                                   |         |
| Unfair Trade Practices         |                                      |                                   |         |                                       |                                   |         |
| Other                          |                                      |                                   |         |                                       |                                   |         |

4. Details of instances of product recalls on account of safety issues:

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | NIL    | 3. N.A.            |
| Forced recalls    |        |                    |

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has Cyber Security Policy and same can be accessed on the website of the Company at <https://www.fazethree.com/policies/>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services - NONE

**Leadership Indicators**

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information relating to all the products provided by the Company are available on the Company's website at <https://www.fazethree.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Labels on safe and responsible usage are printed on the products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services - Not applicable

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

Yes. The Company displays all requisite production formation on the product as per the applicable laws.

**Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)** - Not applicable since the Company operates through business-to-business (B2B) model.

5. Provide the following information relating to data breaches:

- a. Number of instances of data breaches along-with impact - NIL
- b. Percentage of data breaches involving personally identifiable information of customers - NA