sutlej
textiles and industries limited

ENVIRONMENT, SOCIAL AND GOVERNANCE POLICY

1. **INTRODUCTION**

   Sutlej Textiles and Industries Limited ("Sutlej") strongly believes that prioritizing sustainability in all its business operations will lead to a resilient and sustainable economy through long-term value creation for its stakeholders and the nation.

   We at Sutlej believe in Sustainable Development. Sustainable Development, to us, is not limited to businesses we are involved in but also the ecosystem that our businesses operate in. It's about the lives we touch, the communities we nourish, and the innovations that will lead to a sustainable future. In line with these beliefs, we express our commitment to Environment, Social and Governance ("ESG") principles and leverage the diversity to create sustained and scalable impact.

2. **Purpose**

   The purpose of the Environment, Social and Governance Policy ("the Policy") is to ensure, reiterate and reflect that Sutlej runs its businesses in a sustainable and responsible manner. It shall also enable Sutlej to assess various ESG aspects that impacts business and how risks associated with each one of them can be managed better.

3. **Scope**

   The Policy sets our expectations of all those who work with us and extends to all our employees, contractors, and other value chain partners as applicable.

4. **Policy Commitment**

   Sutlej commits itself towards:
   - conducting and governing itself with integrity, and in an Ethical, Transparent and Accountable manner;
   - providing goods and services in a sustainable and safe manner;
   - respecting and promoting the well-being of all its stakeholders;
   - promoting and protecting human rights;
   - protecting and restoring the environment and practicing energy conservation by focusing on adoption of energy efficient processes across its business operations;
   - compliance with applicable laws and regulations wherever the business is conducted;

- working in partnership with local communities for their holistic development to create social, environmental, and economic value;
- adhering to a high standard of corporate governance and ensuring robust internal controls, transparency in reporting and accountability to all stakeholders; and
- upholding a high standard of business ethics and personal conduct by employees; every employee is required to strictly follow the Sutlej Code of Conduct which covers the professional and ethical standards in conducting business.

Environment: Sutlej is committed in conducting its business in an environmentally conscious manner, through continuous improvement in operations and by reduction of negative impacts on environment. Sutlej focuses on using sustainable fibres in its manufacturing processes through continuous research and development initiatives. Sutlej implements and advocates proper waste management. Sutlej is also dedicated to protecting and enhancing biodiversity in and around its projects.

Social: Sutlej is conscious of its responsibilities towards stakeholders and society at large. Sutlej is an equal opportunity provider and is sensitive for the health and well-being of all its employees and their families. Sutlej works towards a future that is inclusive and equal for all without discrimination and prohibits child labour and forced labour in any form. Sutlej engages with the local communities in the areas of its operations and takes steps for promoting their well-being.

Governance: Sutlej is committed in conducting its business in a fair and ethical manner with integrity, adhering to all the rules and regulations that govern its business operations. Sutlej provides comprehensive financial and non-financial reporting and feedback and is aligned with the best disclosure practices thereby building trust amongst all its stakeholders. Sutlej is committed to building a responsible and responsive culture with sound governance practices.

5. **General**
   ➢ The Policy shall be published on Sutlej's website.
   ➢ The President & CEO is empowered and authorised to interpret, clarify, revise, amend / modify or discontinue any or all the provisions of this Policy from time to time.

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