ESG Assessment Report for GemCorp Recycling & Technologies Pvt. Ltd.

GEMCORP

Submitted By:

DHIR AND DHIR ASSOCIATES

ESG PRACTICE DESK

21 & 22, 3rd Floor, Onlooker Building,
Sir P.M. Road, Fort, Mumbai – 400001, India
Tel: +91 (22) 67472284

E-mail: sonal.verma@dhirassociates.com

Table of Contents

1. ABOUT - GEMCORP RECYCLING & TECHNOLOGIES PVT. LTD.

GemCorp Recycling & Technologies Pvt. Ltd. ("GemCorp" or "the Company" or "GRTPL") – The Business established in 2019, GemCorp seeks to strengthen the recycling ecosystem in a just and equitable manner with a focus on efficient logistics, provision of finance for working capital, upliftment, education, and on-ground action. GemCorp is aimed at uplifting the lives of waste reclaimers at the grassroots level with complete traceability and transparency across the value chain in India.

By improving the working and living conditions of reclaimers, who search plastic garbage for recyclable or reusable items, GemCorp hopes to assist India's transformation to a circular economy. More than 1,000 reclaimers and their families in India's informal economy have had their lives impacted by GemCorp. GemCorp helps families improve their life and eliminate child labour by offering training, prompt payments, social security, and leisure activities. In the end, this places the reclaimers in a structured setting.

GemCorp provided baling machines free of charge to the collection centres, a safe and healthy working environment, working capital assistance, and other benefits making the waste collection process organized and safer. The top reputed firms prepare due diligence of our suppliers. GemCorp's parent company, Gemini Corporation, with its 33 years of expertise in recycling, has helped introduce the best global recycling practices in India through these initiatives.
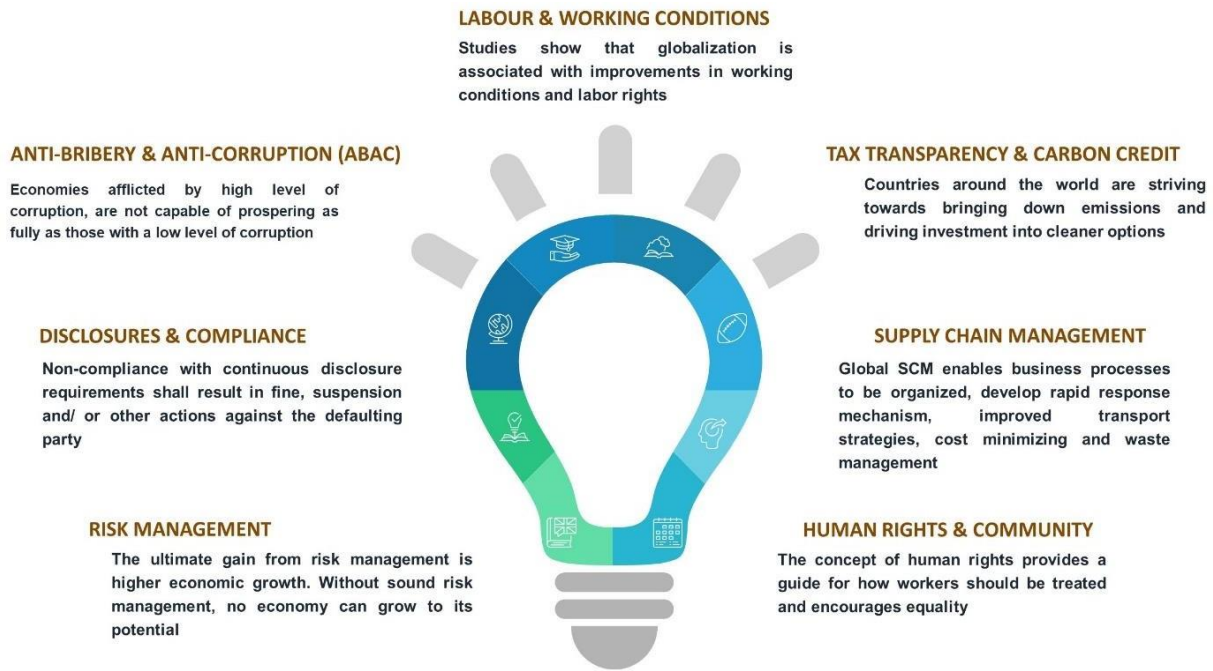
2. INTRODUCTION TO ESG

Environmental, Social and Governance (ESG) are a set of non-financial aspects of the business which are evaluated by investors world-wide in terms of assessing the sustainability of the business, the risk & growth zones and comparability with the peer industry players. Organizations worldwide are developing and also implementing (ESG) strategies to build sustainable businesses. With global business operations already undergone significant changes amidst the COVID-19 pandemic, ESG has become a very critical agenda for ensuring long-term sustainable growth for the Companies.

The ESG components are taken into account as factors that help ascertain both investment decisions and risk management with a lens of sustainability within the organization. The primary objective is to build a culture that encourages, promotes and achieves ethical business conduct which is more environmentally and socially conscientious, while adhering to prescribed/ applicable rules and regulations; and are more likely to sustainably succeed in the long run.

The past few years have seen a growing trend of ESG investments, which although has a long way ahead, the investors community has witnessed a significant shift in focus from a pure risk-based approach to real world outcomes. The concept of ESG risk as a screening test is on a rise for global investors, to help transition towards more sustainable business models and further contribute to sustainable development.

The Forbes report on The Future of ESG investing highlights that, assuming 15% growth, a third of the pace of the past five years, ESG assets could exceed $41 trillion by 2022 and $50 trillion by 2025.[1]

---

[1] https://www.forbes.com/sites/forbestechcouncil/2022/02/16/the-future-of-esg-investing/?sh=4a937995573e

LABOUR & WORKING CONDITIONS
Studies show that globalization is associated with improvements in working conditions and labor rights

ANTI-BRIBERY & ANTI-CORRUPTION (ABAC)
Economies afflicted by high level of corruption, are not capable of prospering as fully as those with a low level of corruption

TAX TRANSPARENCY & CARBON CREDIT
Countries around the world are striving towards bringing down emissions and driving investment into cleaner options

DISCLOSURES & COMPLIANCE
Non-compliance with continuous disclosure requirements shall result in fine, suspension and/ or other actions against the defaulting party

SUPPLY CHAIN MANAGEMENT
Global SCM enables business processes to be organized, develop rapid response mechanism, improved transport strategies, cost minimizing and waste management

RISK MANAGEMENT
The ultimate gain from risk management is higher economic growth. Without sound risk management, no economy can grow to its potential

HUMAN RIGHTS & COMMUNITY
The concept of human rights provides a guide for how workers should be treated and encourages equality
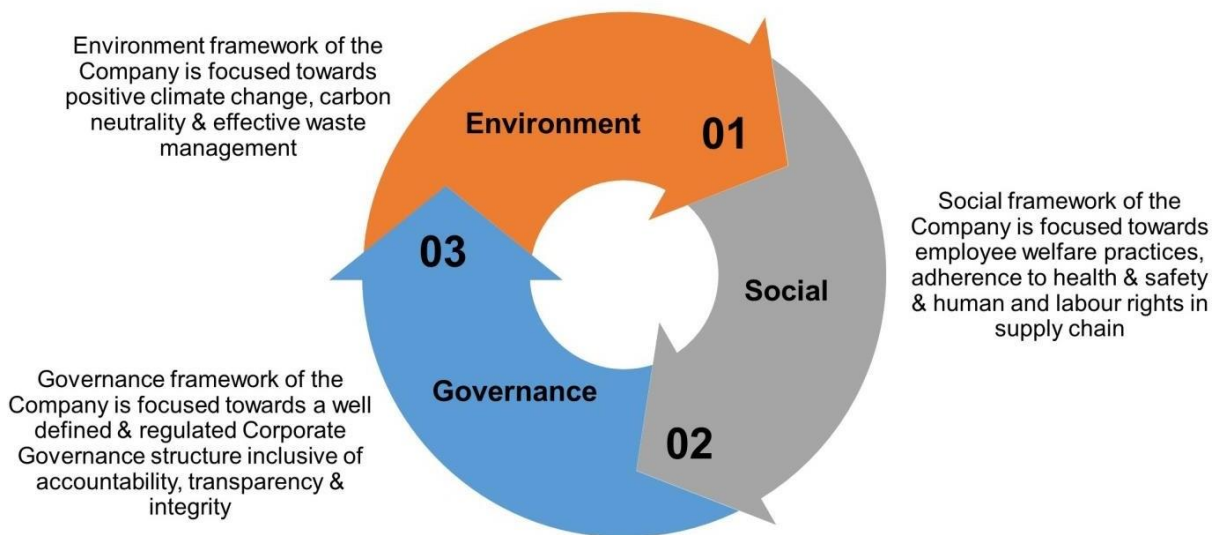
Critical ESG Aspects from viewpoint of GRTPL

Environment signifying the "E" refers to the functioning of the organization in the natural environment, which are exposed to major environmental risks which include the direct financial and operational implications for organizations. The environmental aspect of ESG includes examination by investors of a company's natural resource usage and the impact of its operations and value chain on the environment, including through resource use and carbon emissions. Some of the environment components include climate change, carbon emissions, water crisis, renewable energy and natural capital.

"S" denoting **Social** in the ESG concept refers to the impact businesses have on their stakeholders i.e. customers, employees and the communities in which they operate. According to the UNPRI, one of the sectors that will be pivotal for achieving the Sustainable Development Goals while driving business savings and revenues is health and well-being. It includes human capital, labour standards, human rights, diversity & inclusion, privacy & data security and community engagement.

The **Governance** aspect is denoted by the letter "G" which involves corporate governance and business integrity. While the former pertains to the policies and procedures to be adhered to by organizations. The latter signifies with how a company deals with issues like corruption and bribery and avoid engaging with parties who may risk an organization's reputation. Governance covers components such as corruption & bribery, business ethics, board governance and diversity and ownership.

Sustainable Business Framework

Environment framework of the Company is focused towards positive climate change, carbon neutrality & effective waste management

Environment 01

Social framework of the Company is focused towards employee welfare practices, adherence to health & safety & human and labour rights in supply chain

Social

03

Governance framework of the Company is focused towards a well defined & regulated Corporate Governance structure inclusive of accountability, transparency & integrity

Governance

02

Sustainable Business Framework for GRTPL

3. WHY ESG ASSESSMENT IS IMPORTANT?

ESG Assessment is important for the following 5 aspects:

- ➢ Macro Elements within each of the 3 categories are identified and checked
- ➢ First level ESG health check of the organization
- ➢ Introduction of the concept of ESG to stakeholders
- ➢ Ground work laid for Micro Assessments to be done
- ➢ Course Correction at an early stage

ESG assessment is the first step towards understanding the health of the organization in terms of ESG.

4. BENEFITS OF ESG ASSESSMENT

Benefits of ESG Assessment are manifold. Assessing the health of the organization on the ESG parameters not only helps the prospective investors but also shows the path to sustainable business practices to the Company itself.

ESG Assessment: Critical benefits

Organisation & Stakeholders – mutual benefit

Business Continuity

Assessment of level of sustainable business practices that the Organisation is following to ensure business continuity, logetivity & risk management

Compliance Comfort

Assessment of level of compliance that the Organisation is following, which is one of the major Corporate Governance indicator

Reputation management

ESG Assessment and rating gives boost to the image of the Organisation and trust of the investors

Comfort to investors

Sustainability based investments rely on ESG score of organization and the assessment helps them gauge the 'investability' of the Company

Critical Benefits of ESG Assessment

5. DETAILS OF KPIs

Each of the three categories were analyzed for important KPIs to be checked at Level 1 ESG Assessment. A certain logic was used to list down the number of KPIs as given in the table below.

Category	Environment	Social	Governance	Total
No of Data Elements/ KPIs	64	101	115	280

As seen from the table above, the KPIs either emanate from a law or a social/ environmental aspect not mandated by law.

Break up of total elements divided into E, S & G categories
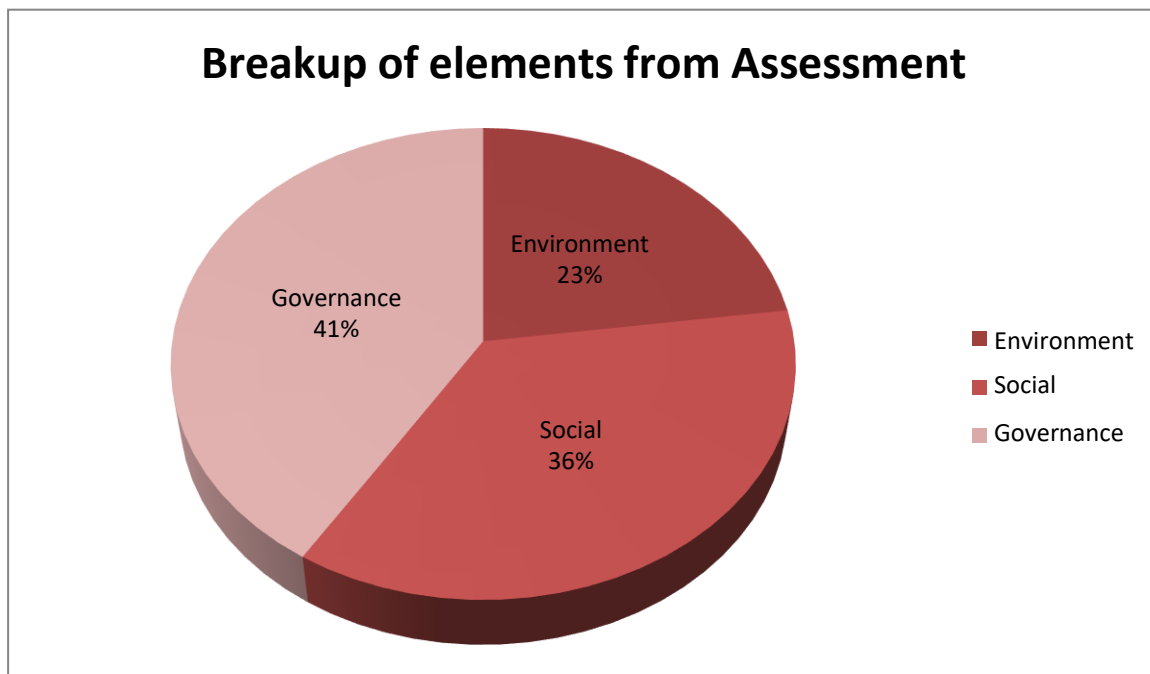
Impact areas under ESG

ENVIRONMENT	SOCIAL	GOVERNANCE
Biodiversity	Business & Human Rights	Governance Framework & Corporate Responsibility
Climate Change & Carbon Emission	Product Liability & Social Opportunities	Sustainable Finance & Corporate Behaviour
Environmental Liability – Pollution & Waste Management	Internal Policy Management	Advisory & Stakeholder Management
Ownership of Natural Assets & Capital Markets	Benchmarking Industry Best Practices	Audits & Reporting Mechanisms

6. SCOPE OF WORK

The Company has mandated Dhir and Dhir Associates to conduct an ESG assessment for the organization and its operations.

ESG assessment was to be conducted under the Environment, Social and Governance categories to understand the as-is status of GRTPL with respect to ESG.

Kick Off

Stakeholder Identification

Document collection and sharing

Analysis by team on submitted documents

Discussion with stakeholders on missing Proof, NC and Final Report Submission
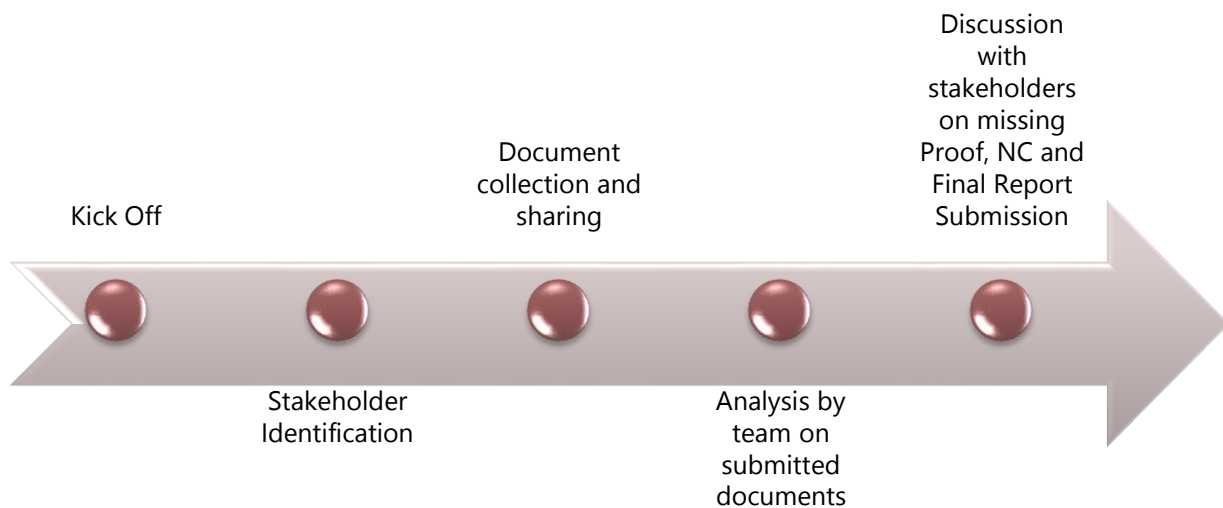
7. METHODOLOGY OF THE ASSESSMENT

The following methodology was followed to complete the ESG assessment.

❋ The Kick off meeting is the first step of starting the entire ESG assessment for any organization. The necessity stems from not just the need to inform and educate but also to set a tone of importance regarding the entire assessment. The tone is set from the top that the assessment is to be taken in all sincerity and with a determined purpose.

❋ The next step is to share the ESG assessment sheets which includes Environment, Social and Governance.

❋ Once the ESG assessment sheets are shared, the client has to analyze the sheets to identify the relevant stakeholders who will share the necessary comments, supporting documents and evidence. It is required for a Single Point of Contact – SPOC to coordinate this.

❋ Once the stakeholders have been identified and briefed about the requirements, they share the necessary comments and documents which get collated and shared with Dhir and Dhir ESG team.

❋ The ESG team analyses the comments and documents received. The team then conducts discussions with the relevant stakeholders in case they wish to understand additional details about a particular comment or document.

❋ Once the final documents are submitted and discussions are completed, the final report is submitted for perusal.

Journey at GRTPL

⚡ The Kick off for GRTPL was conducted on the 9th November, 2022.

⚡ Environment, Social and Governance Assessment sheets were shared with the team on the same day.

⚡ The central team coordinated and sent documents and comments over the next weeks. Few calls were conducted for clarity & understanding of GRTPL teams.

⚡ The final inputs for all 3 ESG assessment sheets post discussion & calls came around 14th December, 2022.

8. STATISTICS

ESG ASSESSMENT BREAKUP
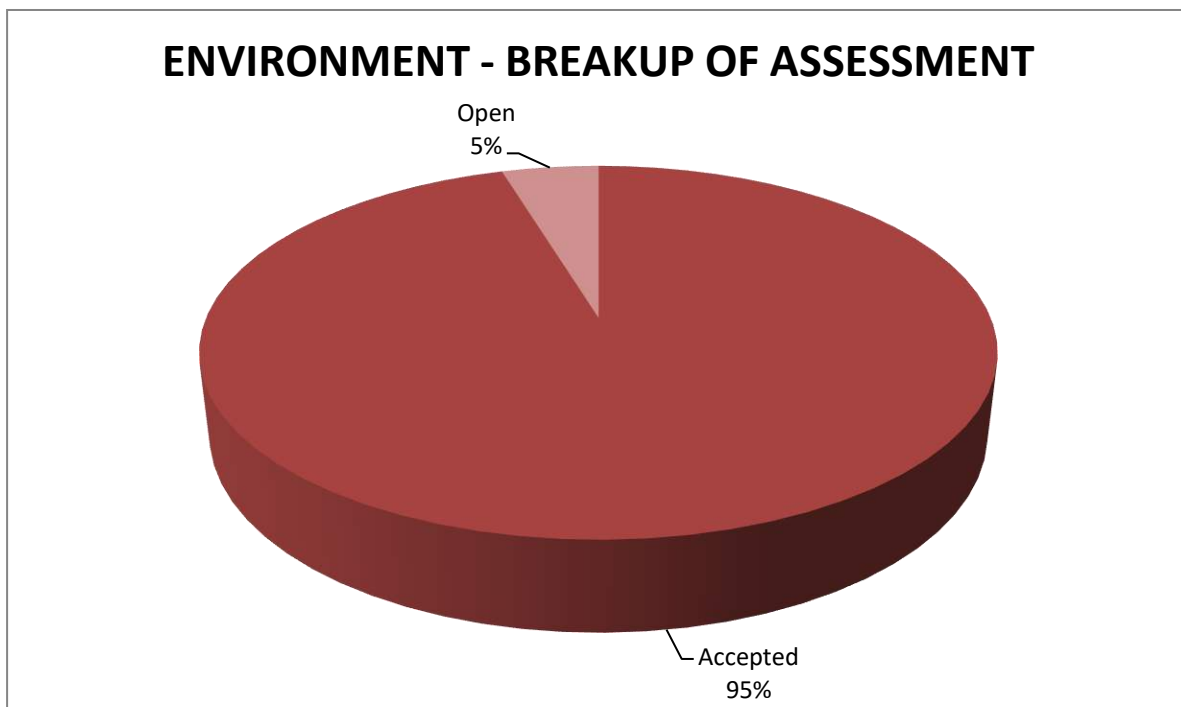
Sr No	Category	Total No. of elements	Accepted elements	Open elements
1	Environment	64	61	3
2	Social	101	98	3
3	Governance	115	111	4
	Total	**280**	**270**	**10**

Accepted vs Open Elements

	Environment	Social	Governance
Accepted	61	98	111
Open	3	3	4
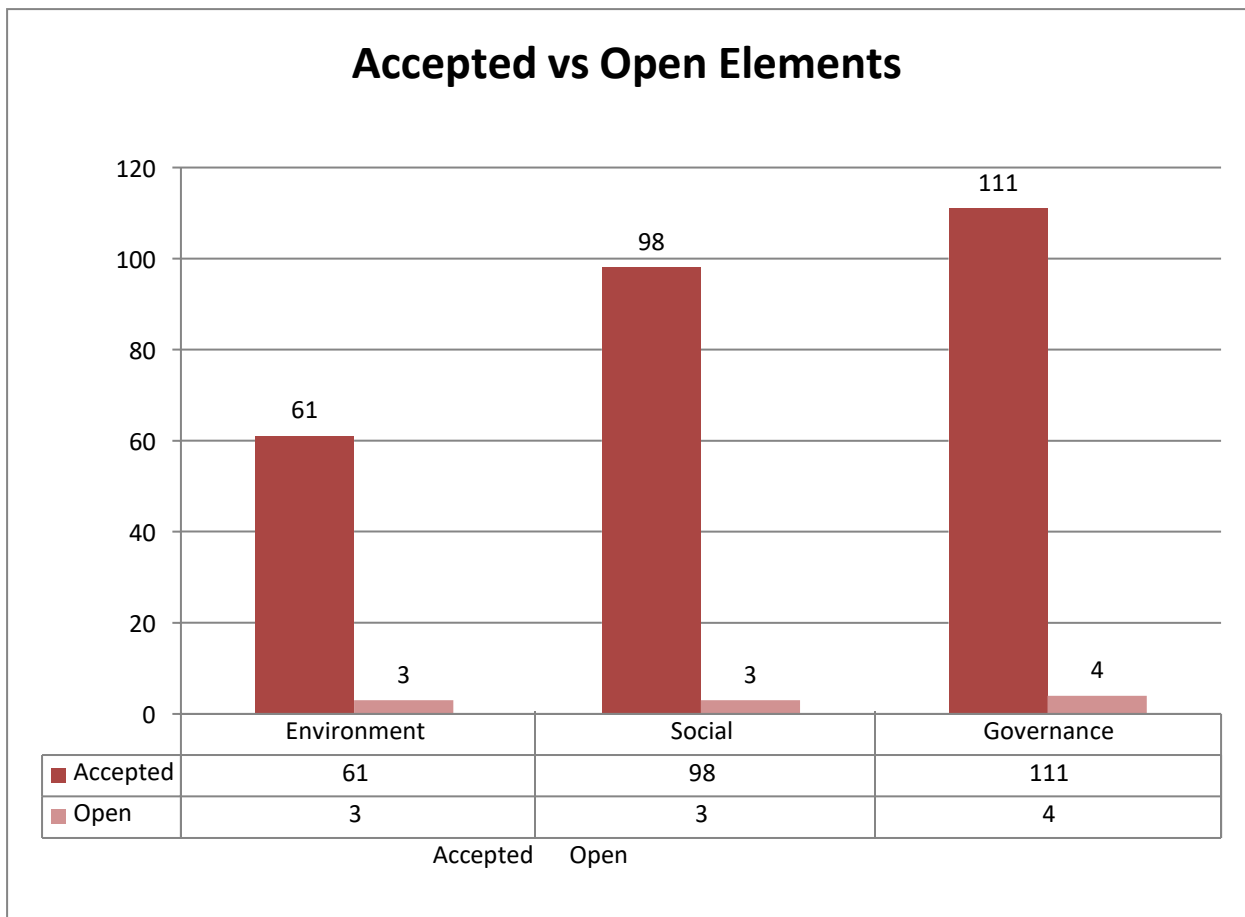
Accepted   Open

9. ELEMENT-WISE ASSESSMENT DETAILS

ENVIRONMENT ASSESSMENT

Percentage of Accepted and Open Elements in the Environment Assessment

ENVIRONMENT - BREAKUP OF ASSESSMENT

Open 5%

Accepted 95%
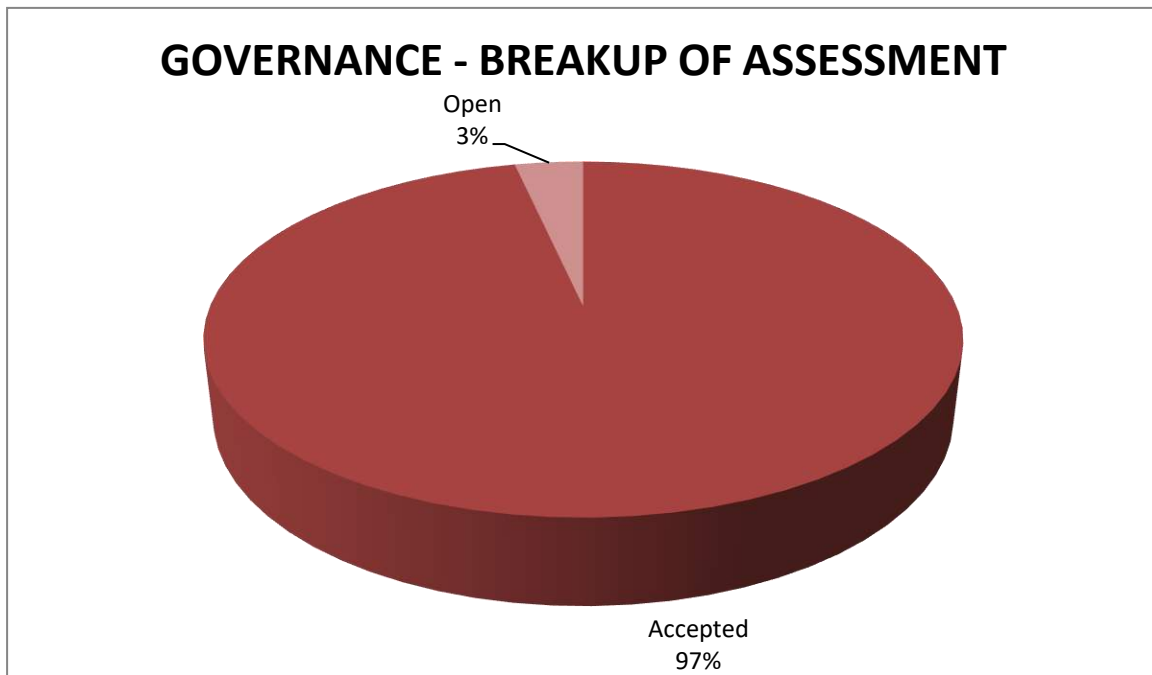
Sr No	Assessment Element	Reason for element being open	Recommendation/ Importance
1	Do you have ISO 14064 certification?	GemCorp does not have an ISO 14064 certification	The standard provides a framework for the verification of GHG inventories and projects, which gives more credibility to the GHG-reduction process.
2	Is there any solar cell installed?	Solar cell is not yet installed	Installation of solar panels can significantly reduce electricity expenses. The company can run on renewable energy by installing panels on the rooftops of plants
3	Have you conducted any assessment on implementation of Environmental policy in place including parameters like Biodiversity, Rainwater Harvesting, Underwater ground usage etc.	GemCorp has not conducted any implementation assessment as of now. Rainwater harvesting mechanism to be formalised and structured according to the company's environmental policy.	An environment policy lays down mechanism and layout for activities conducted by the company keeping in account its environmental impact and mitigating those factors. Having an assessment helps in a positive manner to act against climate change and eventually scoring high on ESG parameters

SOCIAL ASSESSMENT

Percentage of Accepted & Open Elements in the Social Assessment

SOCIAL - BREAKUP OF ASSESSMENT

Open
3%

Accepted
97%

Sr No	Assessment Element	Reason for element being open	Recommendation/ Importance
1	Does the Company have the following policies? a) Employee benefits and requirements b) Retrenchment policy c) Commitment towards non-tolerance of child labour and forced labour d) Discrimination of any kind e) Equal opportunities f) Provisions for employees transfer to remote locations g) Diversity, Equality & Inclusion (DE&I) h) Resettlement policy i) Group insurance policy for the workmen and employees a j) Maternity policy k) Workplace accident prevention policy l) Conflict of interest policy m) Occupational health & safety policy n) Human Rights Policies	DE&I Policy to be formulated	Policy management is an integral part of a company. Considering the nature and scope of operations, Gemcorp is advised to start formulating strategies to come up with DE&I policy.

2	Does the company have a grievance redressal mechanism in place for the employees & workers to make formal complaints?	The company does not have a formal grievance redressal mechanism as of now	Gemcorp is advised to formulate a stringent grievance redressal policy. The purpose of this policy is to provide mechanism for employees to raise grievances arising from their employment, working conditions, entitlements, service conditions.
3	Is there a grievance redressal mechanism for addressing complaints of a. civil society, b. customers, c. local communities, d. shareholders and e. suppliers and f. any other relevant stakeholders?	The company does not have a formal grievance redressal mechanism as of now	It is suggested that Gemcorp creates a strict procedure for handling complaints. Grievance Redressal Policy's goal is to give employees a way to voice complaints about their jobs, working conditions, rights, and service requirements.

GOVERNANCE ASSESSMENT

Percentage of Accepted & Open Elements in the Governance Assessment

GOVERNANCE - BREAKUP OF ASSESSMENT

Open
3%

Accepted
97%

Sr No	Assessment Element	Reason for element being open	Recommendation/ Importance
1	Does the company have elements of effective Business Continuity Management into its policies?	Business Continuity Plan has not been formalised yet	Business Continuity Policy is a set of standards and guidelines that an organization can enforce to ensure resilience and proper risk management taking into account business operations of the company.
2	Does the company have following policies in place? Please share the copies: - Anti-bribery & Anti-corruption policy - Code of conduct / Code of ethics - Anti-corruption and anti-money laundering policy - Policy towards business integrity - Policy on internal control - Whistle blower policy - Conflict of interest Policy	The following policies have not been formulated: -Anti-Bribery Policy -AML Policy -Policy towards business integrity -Policy on internal control -Whistle blower policy	It is advised to have all these company policies as they help a company to run its operations smoothly. These policies also help in promoting ethical corporate governance.
3	Is stakeholder consultation on ESG related concern taken into consideration/incorporated into policies or activities of the entity?	The company has not any consultation yet	The company should identify key stakeholders when it comes to ESG and need to bridge the gap and bring all of them on the same foot having the same vision on all ESG aspects.

4	Do the identified risks have an impact on the Company's financial standing?	Gemcorp is yet to identify and conduct the risks and impact of financial performance	Identifying business continuity, operational and reputational risks is advisable from a strong ESG profiling point of view.

10. STATUS ON SDG ALIGNMENT

The Sustainable Development Goals (SDGs) is a common term in today's business world. Companies across domains, jurisdictions and business operations are seen to lay emphasis on their commitment and consequently aligning their efforts with the Goals. The term SDGs first came to light in the year 2015, when the United Nations adopted the 17 goals as a universal call to action against on-going material issues pertaining to different ESG components having a detrimental effect on the environment and the society at large, while also causing adverse effects on economic growth.
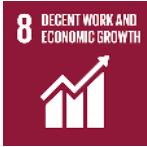
As the fundamental cornerstone to secure the future of business growth, increasing number of companies are seen to align their efforts and initiatives against relevant SDGs. Keeping the same view point, pursuant to the assessment responses, we have identified and accordingly tagged the Company activities in line with the appropriate SDGs.

The SDG-wise mapping of the Company's activities and initiatives is mapped hereunder basis the activities pertaining to following areas–

  i.   Drinking Water Testing
  ii.   IS0 14001 Certification
  iii. IS0 45001 Certification
  iv.   IS0 9001 Certification
  v.   Global Recycling Standards Certification
  vi.   Ocean Bound Plastic Collection & Recycle Certificate
  vii. Circular Economy and Labour Upliftment
  viii. UNIGEM- The Digital Marketplace
  ix.   Waste management
  x.   REMAKE- Plastic Credit Program
  xi.   Stakeholder Engagement and Empowering Workforce
  xii. Gemcorp Reclaimer's Outreach Program
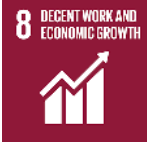
SDG Goals	Activities
	Drinking Water Testing : The company conducts drinking water quality test as per **ISO 10500** and it has been found to be within the range of standards set by ISO. Safe drinking water for the employees adds to their good health and well-being and forms a very critical aspect of carrying sustainable business and is in alignment with Goal 3 & Goal 6.
	ISO 14001:2015 Certification: ISO 14001 is a standard/management system that exists in GemCorp to help the company in minimizing the operation i.e. processes that negatively affect the environment and causes adverse effects on/that may hamper the Air, Water, or Land. This certification upholds Gemcorp's commitments towards climate change and sustaibility. The standard directly contributes to the Goal 13, Goal 14, Goal 15 and Goal 12.
	ISO 45001:2018 Certification: Occupational Health and Safety is a major concern for any organization and the goal of ISO 45001 is to lessen the occupational injuries and diseases, including promoting physical and mental health by fulfilling the OHS objectives in the organization. Thus, by being an ISO 45001 certified company, Gemcorp is taking care of its OHS objectives. The standard directly contributes to the Goal 3, Goal 6, Goal 8 & Goal 16.

SDG Goals	Activities
	ISO 9001:2015 Certification: ISO 9001 is a quality management system and demonstrates the ability of GemCorp to consistently provide products and services that meet needs and demand of the customers and applicable statutory and regulatory requirements. The standard directly contributes to the Goal 9 & Goal 12.
	Global Recycled Standard Certificate: GRS covers processing, manufacturing, packaging, labelling, trading and distribution of all products for tracking and verifying the content of recycled materials in a final product. It supports the company to verify the recycled content of their products as well as be responsible for social, environment, and chemical practices in the organization. Gemcorp is committed to global standards of recycling and thus, holds the GRS certificate in this domain contributing towards Goal 12 & Goal 13.
	Ocean Bound Plastic Collection & Recycle Certificate: OBP is the abandoned plastic waste on its own way to our ocean. Capturing OBP before it becomes ocean plastic is a direct and extremely effective strategy of GemCorp to reduce the harm that is being done to our seas and thus, holds an OBPC certificate. OBPRC is a certification that helps GemCorp for a developing approach towards the waste management and recycling. Holding the certificate signifies Gemcorp's extremely effective tool that helps to recycle the waste in

SDG Goals	Activities
	effective and considerate manner. These certifications contribute towards the Goal 12, Goal 13 & Goal 14.
	Circular Economy and Labour Upliftment: GemCorp aims to aid the transition to a circular economy in India by improving the working and living conditions of re-claimers who scavenge plastic waste to find recyclable or reusable materials. GemCorp has touched the lives of more than 1,000 re-claimers and their families by provides training, timely, wages, social security, and recreational activities for families to enhance their lives and prevent child labor, ultimately bringing the re-claimers to an organized environment. GemCorp provides bailing machines free of charge to the collection centres, a safe and healthy working environment, government identification, working capital assistance, and other benefits making the waste collection process organized and safe. These initiatives directly contribute towards Goal 1, Goal 3, Goal 8 & Goal 10.
	UNIGEM- The Digital Marketplace UniGem is an in-house developed application backed by blockchain, helps in providing end-to-end traceability of the waste collected. UniGem is backed by an ingenuitive financial mechanism to substantially accelerate the

SDG Goals	Activities
	collection and segregation of waste in developing economies. UniGem platform has been designed to act as technology backed recycle program and provide Circular economy as a service. It provides a marketplace for EPR & Plastic Credits with Complete traceability of sourcing of waste and their recycling information. The blockchain system provides QR based tracking system and unique hash keys to identify and ensure that the integrity & reliability of the waste collection and recycling data and confirms the circular loop. This program of GemCorp contributes to Goal 9 & Goal 13.
	Waste management: **Plastic Recycling:** Establishing plastic recycling units to convert post-consumer and industrial plastic waste into granules/pellets by mechanical recycling method. It also has a forward integration through its blown film and bag making machines. **Metal Processing:** Dealing in non-ferrrous scrap like zurik, zobra, motors and has a processing unit where segregation of mix metal waste is carried out and the sorted material is sold to end users to recycle and reuse. Dealing in scrap with the intent to reduce waste going into oceans and landfills. GemCorp procures from various brands and recycles the collected waste through partner recyclers. The company's activities in itself contribute towards Goal 12, Goal 13, Goal 14 & Goal 15.

SDG Goals	Activities
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE **11** SUSTAINABLE CITIES AND COMMUNITIES **13** CLIMATE ACTION **17** PARTNERSHIPS FOR THE GOALS	**REMAKE- Plastic Credit Program:** GemCorp has complete control over the supply chain of plastic waste to recyclate production. It provides end to end transparency and traceability from collection to recycling. Against these collections and recycling, GemCorp issues **ReMake Plastic Credit Certificates**. The Brands/Plastic Producers/Consumers can purchase these plastic credit certificates and claim to offset their plastic footprint. GemCorp will use the proceeds from sale of these to invest in capex to expand the collection system, recycling facilities and a portion of the proceeds to invest in uplifting the reclaimers and other social projects. GemCorp is developing a standard code of conduct. Any project fulfilling the conditions of the code of conduct can apply for verification by one of the GemCorp approved verification agencies. Upon successful verification, the project will be eligible to issue ReMake plastic credits through GemCorp's Unigem Platform. This program directly contributes towards Goal 9, Goal 11, Goal 13 & Goal 17.
1 NO POVERTY **3** GOOD HEALTH AND WELL-BEING	**Stakeholder Engagement and Empowering Workforce:** Along with ensuring a transparent and traceable supply chain, GemCorp focuses on value generation- training, equipping and assisting the scrap collection centres and waste collectors (ragpickers or re-claimers) by providing them with the requisite tools and know-how needed to double their collection and thus double their revenues.

SDG Goals	Activities
8 DECENT WORK AND ECONOMIC GROWTH **10** REDUCED INEQUALITIES	GemCorp identifies collection centres to partner with. After the background check and verification process, GemCorp provides them with Bailing Machines at zero investment. In return, GemCorp agrees with them to purchase a monthly minimum quantity of waste at prevailing market rates and places. By engaging with more intermediaries, GemCorp organizes the sector and products a win-win situation, where the company wins by securing more input, the intermediaries win through a free baler machine and secure monthly sale contracts for their output, and waste pickers win by being identified and by included in GemCorp's Re-claimers Outreach Program. These initiatives directly contribute towards Goal 1, Goal 3, Goal 8 & Goal 10.
1 NO POVERTY **2** ZERO HUNGER **3** GOOD HEALTH AND WELL-BEING **8** DECENT WORK AND ECONOMIC GROWTH **11** SUSTAINABLE CITIES AND COMMUNITIES	**GemCorp Reclaimer's Outreach Program:** Through its associated baler facilities, the company identifies the waste collectors and their families, provide them with monthly groceries and toys for children. In addition, GemCorp is committed to improving the working conditions of waste collection centres by providing better infrastructure and training and ensuring they have proper Ids, Bank accounts, and social security benefit. This program is directly contributing towards Goal 1, Goal 2, Goal 3, Goal 8 & Goal 11.

It is observed that the Company is in alignment with the 17 UN-SDGs through its activities. However, as a part of its journey, it is recommended that it adopts a more advanced & structured approach and move ahead in its journey by taking up:

- More structured monitoring of GHG Scope 1, 2 & 3 emissions as per UN approved standards;
- Dow Jones Sustainability™ World Index evaluation

11. CONCLUSION

The ESG health checkup for THE COMPANY was done via these ESG Assessments. After a careful assessment, we concluded that the ESG Level 1 score to be as follows:

Sr No	Category	Total Number of Elements	Accepted	Percentage of Accepted points	Open	Percentage of Open points
1	Environment	64	61	95.31	3	4.69
2	Social	101	98	97.03	3	2.97
3	Governance	115	111	96.52	4	3.48

12. GENERAL RECOMMENDATIONS

ESG Assessment showed traditional manner of complying with and maintaining compliance requirements. The system needs to adopt more technological advanced and robust mechanisms so that the ESG health improves.

In addition to the specific recommendations mentioned against specific KPIs above, there are some general/ common recommendations on the basis of assessments made:

Environmental Recommendations

1. It is recommended to monitor Green House Gas emissions out of activities;
2. It is advised to implement rain water harvesting and use of renewable energy sources.
3. It is also suggested to integrate and update the company's environment policy and conduct its implementation assessment at regular intervals.

Social Recommendations

1. It is recommended that GRTPL should have a more comprehensive policy hub w.r.t. people, employees and communities at large;
2. It is suggested that GRTPL should have a training schedule for Human Rights training sensitizing sessions on Diversity, Equality & Inclusion;
3. It is suggested to have more women involvement in the company and promote gender equality;
4. It is recommended to prepare a grievance redressal mechanism for all the stakeholders of the company;

Governance Recommendations

1. With respect to KPI policies and codes, it is observed that a flow of authority needs to be created in order to formalise the corporate governance mechanism.
2. It is advised to formulate certain policies which directly affect the business operations such as Business Continuity Plan, Anti-corruption Policy etc.

Recommendations for ISO Certifications based on UN SDGs

▪	Goal 2	ISO 26000: Social responsibility
▪	Goal 3	ISO 37101: Sustainable development in communities
▪	Goal 5	ISO 26000: Social responsibility ; SA 8000
▪	Goal 6	ISO 24518: Crisis management of water utilities ISO 24511:2007: Guidelines for the management of wastewater utilities and for the assessment of wastewater services
▪	Goal 7	ISO 50001: Energy management
▪	Goal 8	ISO 37001: Anti bribery
▪	Goal 9	ISO 44001: Collaborative business relationship ISO 56002: Innovation management
▪	Goal 10	ISO 26000: Social responsibility
▪	Goal 12	ISO 20400: Sustainable procurement
▪	Goal 13	ISO 14067:2018: Greenhouse gases - carbon footprint of products ISO 14080:2018: Greenhouse gas management and related activities - framework and principles for methodologies on climate actions

In addition to the aforementioned, it is recommended that the Company should onboard various policies, if not adopted still, for better functioning in the organization which the management can undertake to create in a suitable timeline. The list is exhaustive but not limited to as follows. The following is on Priority 1, 2, 3 (1 being the highest priority):

Sr. No.	Policy	ESG Categorisation	Priority
1	Confidentiality Policy	Social	1
2	Code of Business Conduct Policy	Governance	1

3	Paid Time-Off Policy	Social	1
4	Travel and Entertainment Policy	Social	2
5	Equal Employment Opportunity Policy	Social	1
6	Company Holiday Policy	Social	1
7	Email Policy	Social	1
8	Whistle-blower Policy	Governance	1
9	Signature and Authorization Policy	Social	2
10	Record Retention Policy	Social	2
11	Sexual Harassment Policy	Social	1
12	Internal Disclosure Certificate Process Policy	Governance	3
13	Record Disposal and Retention Policy	Governance	2
14	Policy and Practice Development Policy	Governance	1
15	Compensation Policy	Social	1
16	Manual Journal Entry Review Policy	Governance	2
17	Career Planning Policy	Social	3
18	Workstation Use Policy	Social	2
19	Compliance with Security Laws Policy	Governance	1
20	Vendor Contract Library Management	Governance	2
21	Vehicle Procurement Policy	Governance	3
22	Research and Development Expense Policy	Governance	3
23	Emergency Policies and Procedures Manual	Social	1
24	Workplace Violence Policy	Social	2

25	Employment - Conflict of Interest Policy	Governance	2
26	Social Media Policy	Social	3
27	Corporate Website Policy	Governance	2
28	Sensitive Data Handling Policy	Governance	2
29	Corporate Image and Communication Standards Policy	Governance	3
30	Dress Code Policy	Social	1
31	Employee Expense Policy	Social	2
32	Internet and Email Acceptable Use Policy	Governance	2
33	Harassment & Discrimination Policy	Social	1
34	Fraud Policy	Governance	1
35	Employer & Employee Rights Policy (Business & Human Rights)	Social	2
36	Compliant Handling Policy & Procedures	Social	2
37	Purchase Order Policy	Governance	2
38	Related Party Transaction Policy	Governance	1
39	Third Party Policy	Governance	1
40	Order Management Policy	Governance	3
41	Internal Use of Inventory Policy	Governance	3
42	Non-Standard Terms Policy - helps to empower the sales organization, to serve the company's customers and channel partners, and to make the company easy to do business with.	Social	3
43	Disbursement Authorization Policy	Governance	3

44	Family Medical Leave Policy	Social	3
45	Industrial Leave of Absence Policy	Social	3
46	Month End Close Policy	Governance	3
47	Non-Routine Transactions Policy	Governance	2
48	Firearms, Weapons & Explosives Policy	Governance	3
49	Employment of Related Persons Policy	Social	3
50	Immigration Policy	Governance	3
51	Claim Resolution/Payment Verification Policy	Governance	2
52	Production System Access Policy	Governance	2
53	Check Distribution Policy	Governance	2
54	Employee Termination Policy	Social	1
55	Order Receipt & Fulfilment Policy	Governance	2
56	Injury & Illness Prevention Policy	Social	2
57	Accounting: Asset-Backed Securitization and Factoring of Receivables Policy	Governance	3
58	Conflict of Interest Policy	Governance	1
59	Data Management Policy	Governance	2
60	Insurance Verification Policy	Governance	2
61	Termination of Benefits Liability Policy	Social	2
62	Fringe Benefit Adjustment Policy	Social	3
63	Background Checks and Confidentiality Policy: Contractors	Social	3
64	New Disclosures Policy	Governance	3

65	Internal Company Knowledge Sharing Policy	Social	3
66	Sick Leave Policy	Social	1
67	Sales Training Policy	Social	2
68	Rent Expenses & Facilities Leases Policy	Social	2
69	Vacation Policy	Social	3
70	Grievance Policy and Procedures	Social	2
71	New Hire Paperwork Policy	Governance	2
72	Sales Conduct Policy	Governance	2
73	Personal Records Policy	Social	2
74	Overtime Policy	Social	3
75	Relocation Assistance Policy	Social	1
76	Internal Transfer/ Job Posting Policy	Social	2
77	Hourly Payroll Policy	Social	2
78	Independent Contractor Policy	Social	2
79	Personal Leave of Absence Policy	Social	3
80	Referral Bonus Policy	Social	2
81	Approval and Authorization Policy	Governance	2
82	Smoking Policy	Social	3
83	Banking Policy	Governance	3
84	Background Checks Policy	Governance	3
85	Worker' Compensation Policy	Social	3
86	Alcohol & Other Drugs Policy	Social	3

87	Fair Employment Policy	Social	2
88	Chart of Accounts Policy	Governance	2
89	Bad Debt Policy	Governance	2
90	Spreadsheets Control Policy	Governance	3
91	Capital Assets Policy	Governance	2
92	Cash Policy	Governance	2
93	Record Management Policy	Governance	1
94	Accounts Payable Policy	Governance	2
95	Credit and Collections Policy	Governance	2
96	Fixed Assets Policy	Governance	2
97	Purchasing Policy	Governance	2
98	Finance End-User Computing Policy	Governance	2
99	Allowance for Doubtful Accounts	Governance	2
100	Accrued Liabilities Policy	Governance	2
101	Accounts Receivable Policy	Governance	2
102	Account Reconciliation Policy	Governance	3
103	Special Payment Handling Policy	Governance	3
104	Cheque Request Policy	Governance	3
105	Receiving Policy	Governance	3
106	Prepaid Expenses Policy	Governance	3
107	Inventory Policy	Governance	3
108	Intercompany Accounting Policy	Governance	3

109	Employee Stock Purchase Plan Policy	Governance	2
110	Stock Grant Quarterly Approval Policy	Governance	2
111	Cash Account Transaction and Approval Policy	Governance	2
112	Finance Code of Conduct Policy	Governance	2
113	Accounts Receivable Policy	Governance	2
114	Rebate Payments Policy	Governance	2
115	Cash Handling Policy	Governance	2
116	Relationship with External Auditors Policy	Governance	3
117	Vendor Selection Policy	Social	3
118	Employee Expense Reimbursement Audit Policy	Governance	3
119	Tax Accounting Policy	Governance	2
120	Invoice Deduction Policy	Governance	2
121	Indirect Procurement Policy	Governance	2
122	Vendor Setup & Maintenance Policy	Governance	2
123	Credit Risk Policy	Governance	2
124	Credit & Debt Memo Policy	Governance	2
125	Customer Master File Maintenance Policy	Governance	2
126	Vendor Contracting Policy	Governance	2
127	Invoicing Policy	Governance	2
128	Manual General Ledger Journal Entries Policy	Governance	2
129	General Ledger Account Reconciliations Policy	Governance	2
130	Financial Document Access Control Policy	Governance	2

131	Accounts Receivable Policy: Cash Collections	Governance	2
132	Consolidated Financial Statement Reporting and Disclosures Policy	Governance	2
133	Tax Process Policy	Governance	2
134	Accounts Receivable Write-Offs Policy	Governance	2
135	Account Structure Policy	Governance	2
136	Foreign Exchange Management Policy	Governance	3
137	Inventory Valuation Policy	Governance	3
138	Sales Return Policy	Governance	2
139	Inventory Cycle Count Policy	Governance	3
140	Accounts Receivable – Employee Receivable Policy	Governance	2
141	Deferral of Collateral Charges Policy	Governance	2
142	Duplicate Deduction Policy	Governance	2
143	Petty Cash Policy	Governance	2
144	Payables and Accrued Liabilities Policy	Governance	2
145	Asset Management Policy	Governance	2
146	Unusual or Non-Recurring Items Policy	Governance	3
147	Corporate Treasury Policy	Governance	2
148	Accounting for Goodwill Policy	Governance	3
149	Mobile Device Acceptability Use Policy	Social	3
150	Data Backup and Retention Policy	Governance	2
151	IT Security Policy	Governance	1
152	IT Change Management	Governance	1

153	Encryption Key Management Policy	Governance	2
154	IT Data Management Policy	Governance	1
155	Intranet and Internet Security Policy	Social	2
156	Card Holder Data Handling Policy	Social	2
157	Data Management: Data Backup and Storage Policy	Governance	2
158	IT Network Access Policy	Governance	2
159	Cellular Phone Policy	Social	3
160	Approved Software Policy	Governance	2
161	Supplier Records & Management Policy	Governance	2
162	Web Internet Use Policy	Social	2
163	General Password Policy	Social	3
164	End-User Computing Tools Policy	Governance	3
165	Systems Development Lifecycle (SDLC) and Change Management Policy	Governance	2
166	User Password Policy	Social	2
167	User Authentication & Authorization Policy	Social	2
168	Network Security Policy	Governance	2
169	Security & Access Policy and Procedures	Governance	2
170	Enterprise Assessment and Monitoring Policy	Governance	3
171	Virus Awareness Policy: Employee Responsibilities	Social	3
172	Remote Network Access Policy	Governance	2
173	Finance Systems Policy	Social	2

174	Software Upgrade Policy	Social	3
175	Risk Management Policy	Governance	2
176	Foreign Corrupt Practices Policy	Governance	1
177	Disaster Recovery Team Policy	Governance	1
178	Fraud Response Policy	Governance	1
179	Contingent Liability Policy	Governance	2
180	Acquisition Policy	Governance	3
181	Facility Access Controls Policy	Governance	3
182	Management Reporting: Purchasing Policy	Governance	3
183	Dispute Resolution Policy	Governance	3
184	Environmental Policy	Environmental	1
185	Contract and Project Approval Policy	Governance	2
186	Energy Conservation Policy	Environmental	2
187	Corporate Governance Policy: Relationship with Internal Auditors	Governance	2
188	Corporate Governance Policy: Board Committees	Governance	2
189	Corporate Governance Policy: Stakeholders Meetings	Governance	2
190	Trading Risk Management Policy	Governance	3
191	Sustainability Policy	Environmental	1
192	Internal Controls Policy (e.g. Sarbanes-Oxley Management Testing Plan Policy) - helps to summarize management's approach to plan, organize, execute, document and support its assessment of the effectiveness of a company and	Governance	1

	its subsidiaries' internal control over financial reporting.		
193	Intercompany Commissions/Royalty Policy	Governance	3
194	License & Royalties Policy	Governance	3
195	Business Planning Policy	Governance	3
196	Insider Trading Policy	Governance	2
197	ISO 9000 Certification Policy	Governance	3
198	Anti-Bribery Compliance Program Policy	Governance	1
199	Financial Policy Development Policy	Governance	3
200	Third Party Access Policy	Governance	3
201	Shareholders' Equity – Investor Relations Policy	Governance	2
202	Internal Audit Report and Response Processing Policy	Governance	3
203	Internal Audit Policy	Governance	1
204	Waste Management Policy	Environmental	1
205	Bio-Medical Waste Management Policy	Environmental	1
206	Health, Safety & Environment Protection Policy	Environmental	1
207	Corporate Water Management Policy	Environmental	1
208	Environmental Purchasing Policy	Environmental	2
209	HIV Policy	Social	2
210	Rights of Indigenous People Policy	Social	2

ANNEXURE I

ABBREVIATIONS

1. ESG – Environmental, Social and Governance
2. GHGs - Greenhouse Gases
3. OHS- Occupational Health and Safety
4. SDGs- Sustainable Development Goals
5. EPR – Extended Producer Responsibility
6. ISO - International Organization for Standardization
7. KMP – Key Managerial Personnel
8. DE&I – Diversity Equality & Inclusion
9. R&D – Research and Development
10. KPI – Key Performance Indicator
11. UN – United Nations

Limitations and Disclaimer:

This Report is purely based on the facts stated above. We have not undertaken any independent investigation or are not to be held responsible for the authenticity or veracity of the facts produced above.

All our observations are based on the soft copies provided on mail and through video conferencing. No hard copies of any of the documents were actually shared by the company with us.

In relation to the matters contained in this Report, we have not sought views of any other statutory, regulatory, government, judicial or quasi-judicial authority and thus will not be responsible for any divergent view that may be taken by such authority.

This Report is given for the sole benefit of the addressees and is not to be relied upon by or communicated to any other person or for any other purpose, nor is it to be quoted or made public in any way, without our prior written consent.

This Report is given on the basis of Applicable Laws in force and applied by Indian courts at the date of this Report. We will have no obligation to notify any addressee of this Report of any change in Applicable Laws or its application after the date of this Report.

In giving this Report, we have assumed, in relation to the documents/details/information which we have examined, that:

- There are no other documents or other arrangements having binding effect that modify or otherwise affect the terms of the documents relied upon or referred to in this Report or are material to the matters on which this Report is given;
- There are no facts or circumstances in existence and that no events have occurred, which render such documents void or voidable, repudiated, frustrated, or capable of rescission for any reason, and in particular without limitation, by reason of the lack of, consideration, default, fraud, or misrepresentation;
- All documents dated earlier than the date of this Report on which we have placed reliance, remain true, complete and accurate, and in full force and effect on the date of this Report; and

- That any authorizations, exemptions, consents or licenses required from, or any registrations or filings required to be made with any authority in any jurisdiction in relation to the effectiveness of the documents relied upon orreferred to in this Report, have been obtained by the parties.

Date : 9th May, 2023
Place : Mumbai

Mr. Sonal Verma
Partner – ESG & Global Leader
(Markets & Strategy)