

## **GP PETROLEUMS LIMITED**

### **BUSINESS RESPONSIBILITY POLICY AND PRINCIPLES:**

#### **1. Introduction**

GP Petroleums Limited ('the Company') is a public limited company incorporated on July 6, 1983 under the Indian Companies Act, 1956 (Corporate Identity Number L23201MH1983PLC030372).

The equity shares of the Company are listed on BSE Limited, National Stock Exchange of India Ltd and as such the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are applicable and binding on it.

#### **2. Scope and purpose**

SEBI vide its notification dated December 26, 2019 promulgated an amendment in the listing regulations and made it mandatory for the top 1000 listed companies based on market capitalization to submit Business responsibility Report.

Business Responsibility refers to the commitment of an enterprise to operate in an economic, social and environment sustainable manner while balancing the interests of diverse stakeholders.

The reporting requirement is effective from financial year 2019-20. The company shall have to publish the Business Responsibility statement in its annual report for the financial year 2019-20.

This Policy on Business Responsibility ('BR Policy' or 'Policy') has been framed in line with the suggested framework as provided by the SEBI based on the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs and is intended to ensure that the Company contributes towards sustainable development and fulfills its social, environmental and economical responsibilities.

This Policy endorses the Company's commitment to follow principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs towards conducting its business.

In view of the above, the Board of Directors are requested to consider and approve the policy as deemed appropriate.

#### **3. Applicability:**

This Policy applies to all the directors and employees of the Company across all its functions, offices, units and depots.

#### **4. Implementation:**

The Chief Executive Officer (CEO) of the Company shall have the authority to oversee the implementation of this Policy. The CEO may take support of such functional heads for the effective implementation of the Policy.

#### **5. Definitions:**

5.1 "Board" shall mean Board of Directors of the Company.

5.2 "Companies Act" shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended.

5.3 "Company" shall mean GP Petroleums Limited or GPPL

5.4 "Policy" means Business Responsibility Policy.

5.5 "Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by The SEBI, as amended, from time to time.

5.6 "Stock Exchange" shall mean a recognized Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (regulation) Act, 1956.

5.7 "Senior Management" means employees of the Company who are members of its core management team excluding directors comprising all members of management one level below the Board, including the functional heads and Key Managerial Personnel.

5.8 "Applicable law" means the various statutes, delegated legislation (rules, regulations, bye-laws), notifications, binding orders of governmental or statutory authorities, as and to the extent the same is applicable to the Company.

## **6. Key principles**

The Company has adopted the following nine key principles of Business Responsibility, prescribed in the SEBI guidelines:

- Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- Principle 3: Businesses should promote the wellbeing of all employees
- Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- Principle 5: Businesses should respect and promote human rights Principle 6: Businesses should respect, protect, and make efforts to restore the environment
- Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- Principle 8: Businesses should support inclusive growth and equitable development
- Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

### **6.1 : Ethics, Transparency and Accountability**

- The Company believes in value based governance and practices. The code of conduct of the company adopted by the Board specifies that the Board and the senior management shall act honestly, fairly and ethically and diligently in their conduct both within the organization and the external stakeholders.
- Additionally, as part of HR policy, code of conduct is signed by all executives on joining the Company which deal with Ethics at work place, integrity, confidentiality, discipline, no conflict of interest in dealing with matters relating to the Company and restraining giving and receiving of gifts and other benefits in the course of business dealing with all stakeholders of the Company viz suppliers, customers etc. Employees shall not, directly or indirectly solicit or accept any personal fee, commission or other form of remuneration arising out of transactions involving the Company. Any offer, promise or grant of gift may be made only if it is customary and / or are of a commemorative nature.
- The Board of Directors is accountable to the shareholders and the management is accountable to the Board of Directors. Each executive and employee is similarly accountable for the functions and responsibilities entrusted to him / her. The Board and the senior management shall ensure a cooperative, efficient, positive, harmonious and productive work environment and work with the objective of enhancing shareholders value and shall not discriminate on the basis of race, religion,

colour, creed, sex, disability or marital status. The Company believes in free and open competition and shall not indulge in any anti-competitive or unfair practice or abuse its dominant position in the market.

- The Company shall ensure that all its business decisions and transactions shall be fair, transparent and appropriate disclosures are provided on financial and non-financial matters as per the applicable laws and subject to the requirement of confidentiality for the purpose of protection of the Company's business and strategic interests. The Company shall have a zero tolerance for bribery and corruption in its business dealings. Participation by employees in general customer meets, seminars, conferences organized by business partners under an open invitation will also not fall under the purview of this clause. The Company shall avoid, to the extent possible involvement in practices, either by itself or by any third party that are in violation of this Policy.

## **6.2 : Safety and Sustainability of Goods and Services**

The Company is engaged in manufacturing and marketing of lubricants. The impact of all the operations on the Environment and Society must be clearly understood by all employees responsible for these operations. The Company shall, at all times, ensure that the goods / products it produces are safe and sustainable. The Company shall strive to evaluate and recognise the risks and concerns related to its products and services and communicate the same to its consumers through proper product labelling. The Company is committed to continuously improve its Safety Standards, Sustainability and Environmental Management System through following processes:

- Minimizing the consumption of electrical energy, chemicals and natural resources.
- Encouraging use of renewable / replenishable / sustainable resources.
- Compliance to applicable legal requirements and other requirements related to environmental aspects.
- Prevention of pollution to air, water and land by using environment friendly chemicals and continuous reduction of hazardous material in the processes.
- Reduction in generation of identified wastes.
- Promotion & adoption of environmental friendly and non-hazardous materials, components and processes in the design and manufacture of lubricants.
- Providing detailed information to customers for handling the products and disposal of the products or any of their components after their useful life cycle
- Setting, Maintaining, Monitoring the Environmental Objectives & Targets
- Promoting Environmental and Safety Awareness among all the employees, vendors and contractors.
- Pursuing business goals with balance of the social, environmental and economic aspects throughout the life cycle of the goods from design to disposal i.e. from acquisition of raw materials through manufacturing and processing, smart packaging, distribution and transportation, use and reuse, recycling and disposal

## **6.3 : wellbeing of employees**

- The Company understands the worth of a healthy and sound human resource. The Company should ensure an environment which generates sense of belongingness, loyalty and commitment amongst the employees and ensure a systematic chain or hierarchy which allows better flow of information, ideas, suggestions and understanding amongst the employees and the Senior Management and a proper channel through which the grievances of the employees are taken up and addressed by the Senior Management.
- The Company shall refrain from employing child labour, forced labour or any form of involuntary labour, paid or unpaid in any of its offices, units or depots. The Company shall advocate a business

environment that favors the concept of equal employment opportunities both at the time of recruitment as well as during the course of employment for all without any discrimination.

- The company shall ensure timely payment of salaries, wages, allowances and other benefits to employees at all levels as per the statutory provisions and shall abide with the rules and regulations stipulated by local/ Central Government on minimum wages and promote work-life balance among all its employees.
- The Company shall provide a workplace environment that is safe, hygienic, humane, comfortable, facilitating and which upholds the dignity of the employees. The Company shall comply with the statutory provisions with regard to health, safety and well-being of its employees and regularly communicate the safe and hygienic health habits to its employees. The Company shall at all times have a policy against sexual harassment of women at workplace as prescribed.
- The Company shall conduct programs/meets for enhancing the skills of its employees through various sensitization programs, webinars, cross functional teams for exchange of ideas and deliberate on business issues faced by the Company. Such programs shall include training to workers in units to handle machines and products used during manufacturing and application of paints.
- The Company shall have good HR practises for attracting and retaining talents including awards, recognitions, appraisals, employee engagement, mentoring, training and career development. The Company should strive to regularly communicate to its employees all the policies related to them so as to keep them aware of the same and allow them to take optimum advantage of the same.

#### **6.4: protection of stakeholder's interest**

- The Company shall regularly and systematically identify its internal stakeholders like promoters, employees and workers and external stakeholders like shareholders, investors, suppliers, consumers, government including regulators, banks and financial institutions. The Company shall have continuous engagement with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner. The Company shall resolve differences with stakeholders in a just, fair and equitable manner. The Company should promptly address the investor grievances through the stakeholder's relationship committee of the Company.
- The Company has in place a Corporate Social Responsibility policy to address the concerns of the vulnerable and the marginalised. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company shall be driven towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders in a structured manner for the benefit of society.
- Subject to the requirement of confidentiality for the purpose of protection of the Company's business and strategic interests, the Company shall ensure to disclose all the relevant information with respect to the Company, its product and services to the relevant stakeholders so as to enable the stakeholders to take an informed decision.

#### **6.5: Promoting Human Rights**

- The Company appreciates and believes that human rights are inherent, universal, indivisible and interdependent in nature. The Company understands and continuously strives to promote human rights as mentioned in the Constitution of India in the provisions of Fundamental Rights and Directive Principles of State Policy and also the guidelines of the International Bill of Human Rights. The Company shall ensure to inculcate and integrate values of human rights in the management systems and all departments throughout the organisation.

- The Company shall respect the human rights of all stakeholders associated with it and groups including its customers, shareholders, investors, public at large within and beyond the workplace including that of communities and vulnerable and marginalized groups and ensure that all stakeholders impacted by the business shall have access to grievance redressal mechanisms.
- The Company shall endeavour to promote the awareness and realization of human rights across its value chain and also try to influence its stakeholders to abide with the aforesaid principle.

#### **6.6: Protection of environment**

- As an Environmentally responsible Company, GPPL shall commits itself to take all necessary initiatives towards optimization and continual reduction in utilization of natural resources and also manmade resources.
- The Company shall continuously endeavor to use the latest energy efficient technologies to ensure optimal utilization of the resources without having to compromise with the quality of its products.
- The Company shall comply with all legal / regulatory requirements related to environment protection, management and sustainable development.
- The Company shall identify hazardous process, assess its risk and determine appropriate control measures to minimize the impact on Environment.
- The Company shall strive to reduce adverse impact on environment by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy in its process, operation or product or service.
- The Company shall initiate environment management programmes and initiatives to minimize impact on environment.
- The Company shall promote customer awareness in environment management to minimize impact on environment during usage of the Company's products.
- The Company shall have in place an Environment Management Systems (EMS) which shall deal with the preventing, mitigating and controlling environmental damages and disasters and also devise plans to deal with contingencies.

#### **6.7: Public and Regulatory Policy**

- As a Corporate entity, the Company understands its responsibility to function within the democratic set up and the constitutional framework. The Company and its employees respect the legal / regulatory framework and shall comply with all the applicable provisions of existing local, state, national, and international laws. They shall also follow and obey the policies, procedures, rules and regulations relating to the business of the Company.
- The Company shall strive to engage with the Government and be a part of various chambers and associations to make recommendations/ representations before regulators and associations for advancement and improvement of the industry it does business. The executives of the Company

shall participate and play an active role in committees, associations etc. constituted for industry reforms and advancement.

- The Company believes that policy advocacy must preserve and expand public good and thus shall never advocate any policy change to benefit itself alone or a select few.

#### **6.8: Inclusive growth and equitable development**

- The Company considers the society as its integral part and believes that it cannot work in isolation without society and therefore, as it develops, the society should also progress. The Company is committed towards minimising the negative impact on society, if any being created by the Company in the course of its business.
- The Company therefore, through its CSR activities, shall continuously participate in activities related to promoting employment, enhancing vocational /technical skills as also, healthcare, education, development of sports, rural development and poverty alleviation, promoting well-being of the overall society, etc The Company shall also ensure that it plans the expansion / acquisitions in such a manner that there are no cases of displacements.
- The Company shall make efforts to innovate and invest in the process and technologies to promote the wellbeing of the society, putting the local and the underdeveloped regions in priority. The Company shall strive to increase its presence in remote areas and rural parts of the country including through its factories distribution channels.
- The company should have good research and development programme that encourages development of new products or processes which meets the business objectives, is indigenous, contributes to the wellbeing of the society and helps reduce dependency on offshore markets. The company should try to procure its purchases locally and as far as practicable from micro, small and medium enterprises.

#### **6.9: Value to customers and consumers**

- The Company acknowledges that no business can survive in absence of customers. The Company shall continuously strive to provide such goods and services to its consumers in a manner that creates value for both. The Company shall strive to make available such goods and services that are safe, competitively priced, easy to use and safe to dispose off, for the benefit of its customers.
- The Company shall ensure that all the information related to ingredients, handling of the product, manner to use and other risks associated with the products viz. to the individual, to society, to the planet are disclosed truthfully and factually to the customers so that the customers can exercise their freedom to consume in a responsible manner.
- The Company shall take initiative to educate its consumers regarding the responsible and proper usage of its products through various workshops etc. The Company shall also ensure that the advertisements and promotions of its products should not mislead or confuse the customers or in any way violate the any of the principles of this Policy. The Company commits to exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.

- The Company shall establish a customer relationship management for adequate grievance redressal mechanisms for the consumers and also address customer concern and feedbacks. The Company shall maintain a specific section in its website where the customers can post their queries, grievances, suggestions, feedback for the products of the Company. Wherever required, the Company shall escalate the complaints to the level of business heads, regional heads/ functional heads, the Chief Executive Officer and the Chairman.

***The Business Responsibility Policy was approved by the Board of Directors of the Company at the Board Meeting held on June 24, 2020.***