



NOCIL LIMITED

ESG Charter

NOCIL Ltd

(Environmental, Social & Governance Charter)

2023-24

Version 1.0 – 06.03.2023

For **NOCIL LIMITED**

S. R. Deo
Managing Director

**Approved by Core Committee on Sustainability on 06.03.2023 and
Approved by The Board of Directors on 24.03.2023.**



ESG CHARTER – 2023-24

INTRODUCTION

This ESG Charter outlines the vision, objectives, management system and governance controls of NOCIL Ltd (NOCIL/the Company) for efficient integration of Environmental, Social and Governance (ESG) principles.

NOCIL Ltd as a part of the Arvind Mafatlal Group firmly believes that ESG is about creating a tangible, practical plan that achieves tangible results. Success is not about climate change, diversity, and disclosures alone. It is about embedding these principles- and more across our businesses- from investment to sustainable innovation. Bringing together its best people and smartest technology the Company is fully geared to tackle the biggest challenges of today – and capture the best opportunities of tomorrow. NOCIL considers it as its onerous responsibility to contribute towards India becoming USD 5 trillion economy by 2025 and achieving net-zero emission target for 2070.

NOCIL acknowledges that all its stakeholders can have an impact on the environment and community. Therefore, the Company comprehends and endorses the need for adherence to ESG policies consistent with its values by all associated parties. The Company intends to integrate ESG parameters in its operations to leverage any potential opportunities on account of better





environmental management, social performance and improved governance principles.

This ESG Charter is prepared to assist the Board and Management of NOCIL in its oversight related to issues such as climate change crisis, protection of human rights, DE&I, occupational health & safety, and other ESG issues that are relevant and material to the Company. **In order to facilitate a smooth transition into the ESG journey, this ESG Charter provides guidance to the organization on matters that help create a robust ESG approach.**

This ESG Charter is designed in line with the SEBI LODR amended on 5th May, 2021, BRSR framework dated 10th May, 2021 and the UN Sustainable Development Goals 2015.

1. BOARD AND ESG

1.1. Board's Commitment

Under the guidance and supervision of the Board, the Company pursues as per its code of conduct, the highest standards of corporate responsibility and governance mechanisms in supporting and empowering the employees and other stakeholders.

1.2. Objective

This ESG Charter is designed with an aim to regularize sustainability reporting to ensure transparency in the disclosure mechanism of the Company at each level. We understand that over a period of time, the level of ESG awareness has increased and through this ESG Charter we aim to implement a strong and





uniform structure in the organization that empowers our Board, Senior Management and all internal as well as external stakeholders and further enhances transparency and accountability of records and controls. The Company would pursue objective ESG metrics in the said journey.

2. ESG COUNCIL: - CORE COMMITTEE ON SUSTAINABILITY

2.1. ESG Governance Structure

Great leadership sets the right direction, creates clear vision, helps align with people, inspires strong company culture & overall objectives and motivates the stakeholders for enhanced efforts towards sustainable development.

Aware of the impact of our business on the environment but also of the importance of social and governance aspects in any useful and sustainable investment strategy, the Company is committed to maximize the value for all stakeholders by incorporating strategies to strive for an approach that is more environmentally friendly while ensuring that human rights and governance parameters are also rightly secured. A **Core Committee** is formed as mentioned in point 8 of the Action Plan hereunder in this document. The responsibility of the said **Core Committee** is also elaborated.

Being a part of the Chemical Industry Sustainability is of paramount importance and the ESG program of the Company includes **Sustainability** as one of its strongest pillars besides incorporating broader social and corporate governance considerations. By adopting and implementing a strong and meaningful ESG program the Company has been able to establish **environmental** goals to reduce its carbon footprint, determine sourcing strategy, and set a foundation for how to eliminate unnecessary wastage. From a





social impact lens, the Company strives to build a meaningful diversity program, enhance employee health, and make lasting changes in the community. A strong **governance** foundation has enabled the Company to diversify its Board, enhance business ethics, increase stakeholder transparency, and protect privacy.

ENVIRONMENTAL INITIATIVES

As a chemical manufacturing company, we are consciously aware of the several regulations and standards applicable to us and hence, always aim to ensure that the same is regularly monitored and complied with. We intend to minimize effects of our operations on the environment and society as a whole. Committed to protection of the environment, the Company has implemented strategies and initiatives to encourage productivity, safety, and waste reduction, NOCIL's goal isn't just to satisfy environmental regulations, but also to integrate cutting-edge technologies, including **Green Chemistry**. The company's Research Centre has an experienced team dedicated to advancing environmental research and **Green Chemistry** thereby promoting sustainable business practices. As a responsible corporate citizen, NOCIL has adopted and implemented the '**5S Workplace Organization Method**' to promote productivity, safety, and waste reduction. On the pollution prevention and waste management front, the Company has implemented a '**3R approach to maintain a sustainable environment - 'Recovery, Reuse and Recycle'**'.





Innovation driving Sustainability.

From the procurement of inputs to serving the needs of customers, **Total Quality Management (TQM)** is a fundamental component of the NOCIL's business.

The Company has consistently built systems and processes over the years to adhere to international business process standards at each step and to build on continuous improvement recommendations resulting from different audits by suppliers, customers, and certifying organizations. NOCIL's **D7 TQM activities**, which ensure the correct quality of product and services, have improved the Company's competitiveness and are one of the primary drivers of growth. The Company's R&D facilities have been recognized by the **Dept of Scientific and Industrial Research (DSIR), Ministry of Science & Technology**. As a result of its commitment to impeccable R&D initiatives the Company has been able to reduce energy consumption and work out environmental strategies for sustainable growth.

The Company's Certifications which demonstrate its commitment to ESG: (i) **ISO 14001: 2015: Environment Management System**; (ii) **ISO 45001: 2018: Occupational Health & Safety Management System**; (iii) **ISO 50001: 2018: Energy Management System**

Process Safety Initiatives



The Company takes pride in being certified by **The Indian Chemical Council** as a **'Responsible Care'** holder since 2018 , which ensures continuous improvements in the areas of **environmental protection, health, safety and secured transportation of the raw material and delivering the finished**



products. Implementation of the Responsible Care principles ensures that the Company maintains the highest standards of **Health, Safety and Environment (HSE)**, to ensure a safe and healthy work environment and this is confirmed by periodic audits.

SOCIAL & CSR INITIATIVES

For NOCIL, CSR is treated as *“More than an obligation, more than a duty “*

As a part of the Arvind Mafatlal Group, NOCIL firmly believes that discharge of Corporate Social Responsibility *in itself is a feeling that the Company belongs to the people at large and more so to the people the Company serves.* The Company has pledged its resources in various sectors and is striving continuously with the sole objective of creating an environment of well-being in all spheres of life. The group has been implementing a range of CSR activities **over the last fifty years, in areas like healthcare, education, women’s upliftment in rural India and environment protection.** We believe our employees are our greatest assets and we are particularly attentive and dedicated to providing adequate health care, security and well-being at workplace. We are on a continuous journey to imbibe a culture that supports and encourages DE&I, with an increased focus on businesses’ social responsibility towards our employees, supply chains and the community in which we operate. **The objective is to work on continuous improvement, facilitating enhanced training and creating a safe and healthy workplace environment.**

GOVERNANCE

The Company’s policy on Corporate Governance is based on the principles of full disclosure, fairness, equity, transparency and accountability in the various





aspects of its functioning, leading to the protection of the stakeholders' interests and an enduring relationship with the stakeholders. The Company ensures compliance with the best corporate governance practices as laid down by the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in letter and spirit. The Company has adopted the (i) **Code of Conduct for the Directors and Senior Managerial Personnel**; and (ii) **Code for Fair Disclosure and Conduct as required under the SEBI (Prohibition of Insider Trading) Regulations, 2015**. The Company has also implemented strong financial & internal controls, best corporate governance practices, robust compliance framework and risk management oversight.

OUR COMMITMENT

The Company works with the philosophy of *Ethics of Excellence*. It is this philosophy that has made the company as one of the dependable players in the world and the largest manufacturer chemicals in India. The Company firmly believes in growth through technological innovations, global accreditations, customer delight coupled with a responsible approach towards health, safety, and environment. As a *Responsible Care* company, the Company is endeavoured to comply with all applicable legal and internal environmental, health, and safety regulations in *letter and spirit* help to better preserve energy and natural resources, prevent pollution, and safeguard health and safety.

OUR ACTION PLAN

Our action plan starts from evaluating existing commitment and annual disclosures, basis which we gradually transition to adapting a KPI driven framework for our ESG program that reflects long-term value and how our business drives sustained value in a virtuous cycle. An integral part of our ESG





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journey also involves integration of global performance standards and practices to further demonstrate the Company's commitment and alignment to global goals for sustainable development.

For NOCIL LIMITED

A handwritten signature in purple ink, appearing to read 'S. R. Deo'.

S. R. Deo
Managing Director