

DCM SHRIRAM LIMITED

Business Responsibility Initiatives, Policy and Framework

A. Background

1. Ministry of Corporate Affairs have formulated “National voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business”.
2. Under the NVGs the following “Nine Key Principles” have been outlined to assess Environmental, social and Governance Norms

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2: Business 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: Business 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

3. Pursuant to Notification of SEBI Listing Regulations, 2015 , the Annual Report of prescribed Listed entities shall contain a Business Responsibility Report describing the initiatives taken by the Listed entity from an Environmental, Social and Governance Perspective, keeping in view the above nine key principles.
4. DCM Shriram has been following the above said Principles over the years and this framework is documented to re-emphasise and consolidate the Company’s approach and policy in this regard.

B. The Core Values and Beliefs of DCM Shriram

1. The Core values and Beliefs of DCM Shriram are formally documented. All the core elements, including the Nine Key Principles, of being socially, environmentally and economically responsible as a business enterprise, are deeply embedded in the Company’s core values and beliefs.
2. Company’s core values and Beliefs are rooted in its heritage and reflect its conviction to build a vibrant, growing and resilient organisation.
3. These are a way of life at DCM Shriram and not just initiatives

4. The Values and Beliefs are core to the Company, and within that overall ethos Company adopts policies and practices which are vibrant and evolving taking into account the best in class standards.
5. All Company policies are followed across businesses and entities within the DCM Shriram family, and guide the Company while establishing and maintaining relationships with all stakeholders including joint ventures, partners, suppliers, contractors etc.

C. Overall Policy and Reaffirmation of Nine Key Principles

1. In view of the foregoing, the Company takes this opportunity to re-affirm its long standing commitment to the social, environmental and economic responsibilities (“Business Responsibilities”), which have always guided the DCM Shriram family.
2. The Company’s overall Business Responsibilities policy encompasses commitment to the Nine Key Principles
 1. The Nine Key Principles permeate through, the several policies, codes of conduct, mechanisms and operating principles, and guidelines, already applicable in the Company. These have been formulated by the Board of Directors, or by the concerned senior officials empowered in that regard, and have developed overtime in consultation with, and keeping in view the interests of, the relevant stakeholders.
 2. All of these have been formally communicated to relevant stakeholders:
 - a. For external stakeholders: Generally by placing on the Company’s Website unless otherwise communicated specifically. The salient links to the Company’s website are as follows:

<http://dcmsriram.com/our-values>

<http://dcmsriram.com/company%27s-policies>

<http://dcmsriram.com/Operating-principles-and-guidelines>
 - b. For internal stakeholders: Generally the disclosures are through the Company’s intranet unless otherwise communicated.
 3. The Company also actively engages in advocacy and opinion building, directly and in its capacity as a member of several local, national and international chambers of commerce and industry, and similar associations. Company is committed to adopting a wholistic approach in all its advocacy initiatives as a responsible corporate citizen.

D. Framework - Ongoing Initiatives

1. All initiatives taken by the Company from an environmental, social and governance perspective are regularly monitored. Implementation is driven by the Board of Directors or Corporate Management Board or Group Management Board or Business Heads or Key Managerial Personnel, depending upon the nature, desired impact and size and scope of the initiative.
2. Assessment and monitoring of the Business Responsibilities initiatives is an ongoing process and is integrated with business reviews. For more significant initiatives special reviews take place at Board, the Board Committees or Senior Management levels, as required. The

Company already has Corporate Social Responsibility Board Committee which monitors, assesses and implements the CSR initiatives and Policy. In addition, Company has several internal and external officials for assessment. For instance internal auditor evaluates financial processes and transactions, company secretary oversees corporate governance and compliances, CSR head ensures the implementation of CSR policy and undertakes the impact assessment of CSR initiatives . The external auditors cover aspects like CSR spend and expenditure on various initiatives.

3. The NVGs released by the Government are a refinement over the Corporate Social Responsibility Voluntary Guidelines, 2009. In line with the same, the Board has appointed a Director Incharge to monitor the implementation of the Company's Business Responsibility (BR) initiatives, policy and framework, to keep the Board apprised and to take such other actions as may be deemed necessary from time to time.
4. A team comprising of the Director Incharge and select senior executives, has been set up to overall lead and enable the success of BR initiatives. Going forward, all major BR initiatives of the Company particularly from an environmental and governance prospective shall be assessed by the said Team. .
5. As and when required, the said Team shall deploy any external/internal agency for a comprehensive evaluation/audit in any area (s).
6. The Company's subsisting Vigil Mechanism will continue to serve as grievance redressal mechanism for the above.

E. Going Forward

1. Social, Environmental and Economic responsibilities of the businesses is an ever evolving process, and business enterprises operate in a dynamic environment. DCM Shriram continually aligns its financial and business objectives in harmony with the contemporaneous expectations of the Society, the environment and all stakeholders in a sustainable manner.
2. Accordingly Company's policies, codes, practices, operating principles shall continue to be periodically reviewed and re-calibrated to meet these evolving needs in a sustainable manner, within the ethos of its Core values and Beliefs which form the bedrock for the entire organization.