



Corporate Office & Communication Address:

401 Aza House, 24, Turner Road, Bandra (W), Mumbai 400 050. Website: www.panamapetro.com
Phone : 91-22-4217777 | Fax : 91-22-4217788 | E-mail : ho@panamapetro.com
CIN No. L23209GJ1982PLC005062

August 04, 2023

BSE Limited

Pjiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400 001

Scrip Code: 524820

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor, Plot No. C/1
G Block, BKC, Mumbai-400 051

Scrip Symbol : PANAMAPET

Sub: Business Responsibility and Sustainability Report

Dear Sir/Madam,

Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Business Responsibility and Sustainability Report which also forms part of the Company's Annual Report for FY 2022-23.

We request you to take the same on your records.

Thanking You.

Yours faithfully,

For **PANAMA PETROCHEM LIMITED**

Gayatri Sharma

Company Secretary & Compliance Officer



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity:

1. **Corporate Identity Number (CIN) of the Listed Entity:** L23209GJ1982PLC005062
2. **Name of the Listed Entity:** Panama Petrochem Ltd.
3. **Year of incorporation:** 09.03.1982
4. **Registered office address:** Plot No. 3303, GIDC Estate, Ankleshwar, Gujarat-02
5. **Corporate address:** 401, Aza House, 24 Turner Road, Bandra(W), Mumbai-50
6. **E-mail:** ho@panamapetro.com
7. **Telephone:** 022-42177777
8. **Website:** www.panamapetro.com
9. **Financial year for which reporting is being done:** April 2022- March 2023
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Ltd. & National Stock Exchange of India Ltd.
11. **Paid-up Capital:** ₹ 12.10 Crore
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:
 - i. Hussein Rayani- Jt. Managing Director
 - ii. Contact No.- 022-42177777
 - iii. E-mail- hussain@panamapetrochem.com
13. **Reporting boundary** - The disclosures under this report are made on a standalone basis

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

| S. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|--------|------------------------------|-----------------------------------|-----------------------------|
| 1 | Manufacturing | Coke & Refined Petroleum Products | 100% |

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

| S. No. | Product/Service | NIC Code | % of total Turnover contributed |
|--------|-----------------|---|---------------------------------|
| 1 | Panoil | 192 (Manufacturer of refined petroleum products) | 98.11% |

III. Operations:

16. Number of locations where plants and/or operations/offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | 4 | 4 | 8 |
| International | 1 | 1 | 2 |



17. **Markets served by the entity:**

- a. Number of locations

| Locations | Number |
|----------------------------------|--|
| National (No. of States) | PAN-India |
| International (No. of Countries) | Globally the Company serves more than 75 countries |

- b. **What is the contribution of exports as a percentage of the total turnover of the entity?**

Over the years, the Company has been focusing on increasing its market reach. Presently the Company is serving the market requirements in more than 75 countries. Further, the Company has been undertaking several initiatives to grow its exports and to fulfil the market needs across the globe at present 33.46% of total turnover is contributed by exporting the products.

- c. **A brief on types of customers:** Our customers are from a range of diversified industry sectors from across the globe and we cater to various market segments including Cosmetic Manufacturers, Pharmaceutical Companies, Manufacturers of Rubber Tires, Rubber Products, Electrical Transformers, Lubricant Blenders and Off-Set Printing Ink.

IV. **Employees**

18. **Details as at the end of Financial Year: F.Y. 2022-2023**

- a. **Employees and workers (including differently abled):**

| S. No. | Particulars | Total | Male | | Female | |
|------------------|--------------------------------|-------|---------|---------|---------|---------|
| | | (A) | No. (B) | % (B/A) | No. (C) | % (C/A) |
| EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 126 | 104 | 82.54% | 22 | 17.46% |
| 2. | Other than Permanent (E) | 13 | 8 | 61.54% | 5 | 38.46% |
| 3. | Total employees (D + E) | 139 | 112 | 80.58% | 27 | 19.42% |
| WORKERS | | | | | | |
| 4. | Permanent (F) | 30 | 30 | 100% | Nil | 0% |
| 5. | Other than Permanent (G) | 81 | 78 | 96.30% | 3 | 3.70% |
| 6. | Total workers (F + G) | 111 | 108 | 97.30% | 3 | 2.70% |

- b. **Differently abled Employees and workers:**

| S. No. | Particulars | Total | Male | | Female | |
|------------------------------------|--|-------|---------|---------|---------|---------|
| | | (A) | No. (B) | % (B/A) | No. (C) | % (C/A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Permanent (D) | 0 | 0 | 0% | 0 | 0% |
| 2. | Other than Permanent (E) | 0 | 0 | 0% | 0 | 0% |
| 3. | Total differently abled employees (D+E) | 0 | 0 | 0% | 0 | 0% |
| DIFFERENTLY ABLED WORKERS | | | | | | |
| 4. | Permanent (F) | 0 | 0 | 0% | 0 | 0% |
| 5. | Other than permanent (G) | 0 | 0 | 0% | 0 | 0% |
| 6. | Total differently abled workers (F+G) | 0 | 0 | 0% | 0 | 0% |



19. Participation/Inclusion/Representation of women

| | Total (A) | No. and percentage of Females | |
|--------------------------|-----------|-------------------------------|-----------|
| | | No. (B) | % (B / A) |
| Board of Directors | 8 | 1 | 12.5% |
| Key Management Personnel | 6* | 1 | 16.67% |

* KMP includes members of the Board.

20. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

| | F.Y. 2022-23 | | | F.Y. 2021-22 | | | F.Y. 2020-21 | | |
|---------------------|--------------|--------|--------|--------------|--------|--------|--------------|--------|--------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 11.71% | 13.95% | 12.10% | 9.85% | 25.00% | 12.35% | 10.68% | 15.00% | 11.38% |
| Permanent Workers | 6.15% | NA | 6.15% | 6.15% | NA | 6.15% | 3.39% | NA | 3.39% |

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding/ subsidiary/ associate companies/ joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|--|--|-----------------------------------|---|
| 1 | Panol Industries RMC FZE | Subsidiary | 100% | The Overseas Subsidiary Company undertakes various community engagement or development activities and initiatives, independently, as per the laws/regulations applicable to it. |

VI. CSR Details

(₹ in Cr.)

| | | | |
|-----|------|---|----------|
| 22. | i. | Whether CSR is applicable as per section 135 of Companies Act, 2013 | YES |
| | ii. | Turnover | 1,708.24 |
| | iii. | Net worth | 770.68 |

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Panama Petrochem Ltd.'s Vigil Mechanism and Whistleblower Policy encompass Company's ethics, core values, integrity, principles and grievance redressal mechanism along with oversight of Board of Directors and role of top management.

The Vigil Mechanism provides a platform for all stakeholders to report any actual or potential malpractices. The Company's policy for grievance Redressal can be accessed at:

<http://panamapetro.com/wp-content/uploads/2015/12/Whistle-blower-policy.pdf>

Additionally, a dedicated e-mail id to receive grievances from the shareholders/investors and other stakeholders has been made available to the public at large on the website of the Company:

<http://panamapetro.com/contact-for-investor-grievances/>



| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy) | F.Y. 2022-2023 | | | F.Y. 2021-2022 | | |
|---|--|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at close of the year | Remarks |
| Communities | Yes | 0 | 0 | - | 0 | 0 | - |
| Investors (other than shareholders) | Yes | 0 | 0 | - | 0 | 0 | - |
| Shareholders | Yes | 3 | 0 | - | 0 | 0 | - |
| Employees and Workers | Yes | 0 | 0 | - | 0 | 0 | - |
| Customers | Yes | 0 | 0 | - | 0 | 0 | - |
| Value Chain Partners | Yes | 0 | 0 | - | 0 | 0 | - |

24. Overview of the entity’s material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

| S. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-------|--|--|---|--|--|
| 1. | Occupational Health and Safety | Risk & Opportunity | <p>RISK: Being in a petrochemical industry, health and safety of workforce is an inherent risk and non-compliance of safety norms will not only have an adverse impact on the brand name of the Company but will also give rise to several legal implications and penalties.</p> <p>OPPORTUNITY: Strong internal controls, root cause analysis of incidents, if any and corresponding corrective action plan will not only enhance employee/worker safety and well-being but will also lead to better productivity.</p> | Engaging in proactive assessment of health and environmental risks and subsequently developing appropriate remedial measures and implementing the strategies thereafter. | Positive and Negative |
| 2. | Business Ethics, compliance and governance | Risk & Opportunity | <p>RISK: Non-compliance will not only result in negative brand image but also lead to heavy fines and penalties.</p> <p>OPPORTUNITY: Timely and effective compliance with regulatory and legal mandates augment good ethical behavior within and outside the Company.</p> | The Company has in place an effective internal committee to ensure adherence of all regulatory compliances as applicable to the Company from time to time. | Positive and Negative |



| S. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-------|---------------------------|--|---|---|--|
| 3. | Waste Management | Risk & Opportunity | <p>RISK: Waste Management is a crucial aspect of the industry. It is of utmost importance that the method adopted for waste management is through approved disposal facility and with minimum impact on the environment.</p> <p>OPPORTUNITY: Effective Waste management techniques in alignment with the Company's environment conservation strategy will highlight the Company's commitment towards improving environment preservation, reduce disposal costs and lead to resource conservation as well.</p> | Adopting mechanisms to ensure adherence to waste management strategies, compliance of legal mandates and strengthening this framework in order to continue achieving minimum to zero waste from all our manufacturing activities. | Positive and Negative |
| 4. | Risk Management | Risk & Opportunity | <p>RISK Inadequate risk mapping and management systems will adversely impact the business organization at large affecting the financial and market standing of the Company.</p> <p>OPPORTUNITY: Risk Management relates to addressing the risks linked to the business, in a timely manner. Moreover, it also involves ascertaining and mapping the possible risks which the Company may face in the future. Consequently establishing strategies to over-come the same strengthens the Business continuity plan.</p> | The Management of the Company is actively involved in ascertaining the potential risks and threats the Company is prone to. The Risk management Committee of the Company is persistent in developing actionable mitigation steps to address and resolve the concerns. | Positive and Negative |
| 5. | Human Rights | Risk & Opportunity | <p>RISK Absence of a comprehensive Human Rights structure and failure in complying with the human rights standards will not only give rise to regulatory fines and penalties but impact the Company's performance from the perspective of the employees and the community as well.</p> <p>OPPORTUNITY Strict adherence to the Human Rights policy and having in place strong redressal mechanisms in this regard will outline the Company's commitment, help in retaining and attracting work force.</p> | The Company has identified the key Human Rights elements, set-up strong internal controls and mechanisms to address issues if any in this regard and has a dedicated department responsible for managing matters and violations related to Human Rights within the organization at large. | Positive and Negative |



| S. No | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|-------|--|--|---|--|--|
| 6. | Community Development : CSR Activities | Opportunity | Encouraging CSR initiatives in line with the needs of the community enables the Company to contribute to the society and practice good corporate governance in letter and spirit. | - | Positive |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Questions | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|---|---|----|----|----|----|----|----|----|----|
| Policy and management processes | | | | | | | | | | |
| 1. | a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | b. Has the policy been approved by the Board? (Yes/No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | c. Web Link of the Policies, if available | http://panamapetro.com/policies/ Some are internal policies and views are restricted to the respective stakeholders. | | | | | | | | |
| 2. | Whether the entity has translated the policy into procedures. (Yes / No) | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| 3. | Do the enlisted policies extend to your value chain partners? (Yes/No) | While the Policy is applicable to the Company and its employees, the Company is committed to enhance awareness on environment sustainability amongst its employees, associates and supply chain partners through effective engagement, communication and consultation | | | | | | | | |
| 4. | Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | The Company has adopted such policies based on the NGRBC Principles and conforms to the national and international standards. The Company is accredited as ISO 9001:2015; ISO 14001:2015 and ISO 45001:2018 certification by Benchmark. | | | | | | | | |
| 5. | Specific commitments, goals and targets set by the entity with defined timelines, if any. | N | N | N | N | N | N | N | N | N |
| 6. | Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met | NA | NA | NA | NA | NA | NA | NA | NA | NA |

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

Sustainability principles are integrated in our business activities and have guided our vision to build an enduring institution that serves towards the protection and long-term needs of its customers. Our sustainability framework is integral to our business and is structured on the three principles of **ESG** i.e. **Environmental**- initiatives & offerings that reduce our carbon footprint; **Social** - responsible conduct towards all stakeholders along with products and service offerings that benefits the society at large; and **Governance**- transparent practices that promote trust amongst all our stakeholders.



It has been our top most priority to uphold the principles of Corporate Governance to ensure transparency, integrity and accountability in our functioning. We have in place strong frameworks that maintain high standards of ethical and responsible conduct of business.

Panama Petrochem Ltd. rigorously encourages inclusive growth by providing employment and training opportunities to all its employees. Safety and well-being of our employees and contractual workers have always been a priority area of work.

Beyond this, Panama Petrochem Ltd. has a dedicated CSR programme which undertakes various community development initiatives across the country. Additionally, through its efforts in emission mitigation, water and energy conservation, efficiency and waste reduction, your Company has been proactively working towards reducing its operational impact on the environment. At the same time, we are also focusing towards eco-friendly product mix through investments in renewable energy, biofuels, and cleaner petroleum products. The Business Responsibility & Sustainability Report (BRSR) presents a snapshot of the Company’s ESG journey and performance during the financial year 2022-23.

Panama Petrochem Ltd. shall continue to improve upon its systems and matrices further so that the disclosures can become stronger in the times to come.

| | | |
|----|--|--|
| 8. | Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). | Name: Amirali E. Rayani DIN: 00002616 Designation: Chairman |
| 9. | Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details. | The overall responsibility of the Company's governance, ethics and sustainability practices rests with the Board and its Committees, who play a key role in identifying, mitigating and managing ESG risks and other material issues including management of sustainability related matters and reviewing various aspects of ESG focus areas, from time to time. |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee | Frequency(Annually/Half yearly/ Quarterly/Any other-please specify) | | | | | | | | | | | | | | | | |
|--|--|---|--------|--------|--------|--------|--------|--------|--------|--------|---|--------|--------|--------|--------|--------|--------|--------|
| | | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 |
| Performance against above policies and follow up action. Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | The Board/Board Committees meet on a periodic basis to review the performance of the Company's initiatives, targets, and future plan of action in this regard. | The principles of Business Responsibility are integral in the day-to-day operations of the Company, and the Company's performance is reviewed by the Board / Board Committees half yearly basis and as and when required. | | | | | | | | | | | | | | | | |
| 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. | | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | The policies of the Company are subject to audit and internal reviews conducted by the Company from time to time. | | | | | | | |

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated: Not Applicable since the policies of the Company cover all the principles on NGRBCs.



SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topics/principles covered under the training and its impact | %age of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors | 5 | The Company conducts familiarisation programmes for its Board of Directors and the Key Managerial Personnel of the Company at regular intervals which covers topics such as ESG parameters and targets, corporate governance practices, employee well-being, and all other regulatory updates. | 100% |
| Key Managerial Personnel | | | |
| Employees other than BoD and KMPs | 26 | The employees undergo various trainings or awareness sessions relating to technical/functional and behavioral aspects. | 82.01% |
| Workers | 4 | The workers of the employees are educated and trained on several technical and safety related matters at regular intervals. | 60% |

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

Being a compliance driven company, there have been zero non-compliance cases during the financial year 2022-2023.

| Monetary | | | | | |
|-----------------|-----------------|---|-------------------|--|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Amount (In INR) | Brief of the Case | Has an Appeal been preferred? (Yes/No) |
| Penalty/ Fine | NIL | | | | |
| Settlement | | | | | |
| Compounding fee | | | | | |
| Non-Monetary | | | | | |
| | NGRBC Principle | Name of the regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) | |
| Imprisonment | NIL | | | | |
| Punishment | | | | | |



3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

| Case Details | Name of the Regulatory/enforcement agencies/judicial institutions |
|--------------|---|
| N.A | N.A |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has in place an Anti-Corruption and Anti-Bribery Policy outlining the Company's commitment towards conducting its business activities with complete integrity and in an absolute fair and honest manner without compromising its ethical standards. The policy is also made available on the website of the Company: <http://panamapetro.com/wp-content/uploads/2023/05/Anti-Corruption-and-Anti-Bribery-Policy.pdf>

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

| | F.Y. 2022-23 | F.Y. 2021-22 |
|-----------|--------------|--------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |
| Workers | Nil | Nil |

6. Details of complaints with regard to conflict of interest:

| | F.Y. 2022-23 | | F.Y. 2021-22 | |
|--|--------------|---------|--------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | - | Nil | - |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | Nil | - | Nil | - |

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/ action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflict of interest.

Consistently ensuring adherence to its principles of ethics and integrity, consequently Panama Petrochem Ltd. has not faced any fine/penalty/ action taken by regulators/judicial institutions on cases of corruption and conflict of interest. Therefore, no corrective actions were required to be taken in this regard.

Leadership Indicators

- a. Does the Company have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, the Company has in place a 'Policy on Related Party Transactions', which is applicable to our board members. Transactions with the board members or any entity in which such board members are concerned or interested require prior approval in such cases, the interested directors abstain themselves from participating in the discussions at the meeting.

The policy can be viewed at: <http://panamapetro.com/wp-content/uploads/2022/04/Related-Party-Transaction-Policy.pdf>

Additionally, the Company has an approved Code of Conduct for Board Members and Senior Management Personnel wherein a Director / KMP is mandated to refrain from engaging in any activity or having a personal interest that presents a conflict of interest.

Furthermore, in compliance with the statutory provisions and the Code of Conduct, requisite annual disclosure(s) are submitted by the Director's / KMP to the Company, which are taken on record.



PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the Company, respectively.**

For the financial year under review your company has not made any investment in R&D and capital expenditure for improving the environmental and social impact of products and processes.

2. a. **Does the Company have procedures in place for sustainable sourcing? (Yes/No) : Yes!**
 b. **If yes, what percentage of inputs were sourced sustainably?**

The Company embeds in place principles of sustainability throughout the life cycle of its production including procurement of raw materials and transportation of the final products to its designated locations.

The Company endeavours to focus on protection of environment, stakeholders interest and cost effectiveness while procuring any raw material or goods, keeping in mind the need for quality and consistency.

The Company has policies and robust process to ensure sustainable sourcing from Business Associates. The Company's Responsible Supply Chain Management governs all the engagements.

The Company has been working to enhance the degree of sustainability associated with its sourcing practices, through process of risk analysis and risk control. As a result, during the financial year 2022-23, 100% of inputs were sourced in a sustainable manner.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

Panama Petrochem Ltd. believes in going beyond compliance and has taken numerous steps to improve waste management practices across its operations. All businesses are optimized to minimise waste generation through evaluation of various options of resources, technologies and processes. These processes are also continuously reviewed and improvement initiatives are suitably undertaken and monitored for effectiveness. The company has in place a comprehensive standard operating procedure for handling and safe disposal of the waste generated.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

EPR is not currently applicable to the Company.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. **Details of measures for the well-being of employees:**

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|---------------------|-----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| Permanent employees | | | | | | | | | | | |
| Male | 104 | 84 | 80.77% | 92 | 88.46% | NA | | 104 | 100% | 0% | |
| Female | 22 | 18 | 81.82% | 18 | 81.82% | 22 | 100% | NA | | 0% | |
| Total | 126 | 102 | 80.95% | 110 | 87.30% | 22 | 17.46% | 104 | 82.54% | 0% | |
| Other than Permanent employees | | | | | | | | | | | |
| Male | 8 | 6 | 75% | 6 | 75% | NA | | 8 | 100% | 0% | |
| Female | 5 | 3 | 60% | 4 | 80% | 5 | 100% | NA | | 0% | |
| Total | 13 | 9 | 69.23% | 10 | 76.92% | 5 | 38.46% | 8 | 61.54% | 0% | |



b. Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|---|------------------|-----------|--------------------|-----------|--------------------|-----------|--------------------|-----------|---------------------|-----------|
| | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B / A) | Number (C) | % (C / A) | Number (D) | % (D / A) | Number (E) | % (E / A) | Number (F) | % (F / A) |
| Permanent workers | | | | | | | | | | | |
| Male | 30 | 17 | 56.67% | 28 | 93.33% | NA | 30 | 100% | 0% | | |
| Female | <i>There were no female permanent workers employed for the period under review.</i> | | | | | | | | | | |
| Total | 30 | 17 | 56.67% | 28 | 93.33% | NA | 30 | 100% | | | |
| Other than Permanent workers | | | | | | | | | | | |
| Male | 78 | 56 | 71.79% | 67 | 85.90% | Nil | | | | | |
| Female | 3 | 3 | 100% | 3 | 100% | | | | | | |
| Total | 81 | 59 | 72.84% | 70 | 86.42% | | | | | | |

2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.

| Benefits | F.Y. 2022-23 | | | FY. 2021-22 | | |
|----------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 71.22% | 84.68% | Yes | 71.88% | 83% | Yes |
| Gratuity | 90.65% | 27.03% | Yes | 95.31% | 35% | Yes |
| ESI | 28.78% | 53.15% | Yes | 32.81% | 58% | Yes |

* The Company has an Employee Group Gratuity Trust.

3. Accessibility of workplaces

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

We are committed to providing a safe, conducive and an enabling work environment to all our employees and workers. Since currently there are no differently abled employees/workers in the Company hence the requirements as mandated under the Rights of Persons with Disabilities Act, 2016, are not applicable to the Company. However, the same will be incorporated when the Organization employees differently abled individuals in the future.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Since the Company does not have any differently abled employees/workers within the organization, hence, incorporating the said policy is not applicable to the Company at the current stage.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------------|---------------------|----------------|--|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 100% | 100% | No permanent workers have taken any parental leave in FY 2022-23 | |
| Female | 100% | 100% | | |
| Total | 100% | 100% | | |



6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

| | Yes/No (if yes, then give details of the mechanism in brief) |
|--------------------------------|---|
| Permanent Workers | The Company has a strong grievance mechanism in place which encourages its employees and workers irrespective of their categories to bring to attention any instances of unethical behavior, incidents, frauds or violation. As a part of the Global Whistleblower Policy, the company provides its employees/workers across the organization to report and redress their grievances. Additionally, the Company has incorporated an Internal Complaints Committee (ICC) dedicated to handling POSH-related matters and to address the grievances of each of the employees and workers of the organization. |
| Other than Permanent Workers | |
| Permanent Employees | |
| Other than Permanent Employees | |

7. Membership of employees and worker in association(s) or Unions recognised by Company:

There are no unions/association at any level of employment in the organization, hence, this is not applicable to the Company.

8. Details of training given to employees and workers:

| Category | F.Y. 2022-23 | | | | | F.Y. 2021-22 | | | | |
|---------------------------------------|--------------|-------------------------------|---------------|----------------------|---------------|--------------|-------------------------------|-------------|----------------------|-------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B / A) | No. (C) | % (C/A) | | No. (E) | % (E / D) | No. (F) | % (F / D) |
| Permanent Employees | | | | | | | | | | |
| Male | 104 | 45 | 43.27% | 73 | 70.19% | 101 | 101 | 100% | 101 | 100% |
| Female | 22 | 4 | 18.18% | 17 | 77.27% | 21 | 21 | 100% | 21 | 100% |
| Total | 126 | 49 | 38.89% | 90 | 71.43% | 122 | 122 | 100% | 122 | 100% |
| Other than Permanent Employees | | | | | | | | | | |
| Male | 8 | 6 | 75% | 8 | 100% | 4 | 4 | 100% | 4 | 100% |
| Female | 5 | 3 | 60% | 5 | 100% | 2 | 2 | 100% | 2 | 100% |
| Total | 13 | 9 | 69.23% | 13 | 100% | 6 | 6 | 100% | 6 | 100% |
| Permanent Workers | | | | | | | | | | |
| Male | 30 | 11 | 36.67% | 17 | 56.67% | 35 | 35 | 100% | 35 | 100% |
| Female | NA | | | | | | | | | |
| Total | 30 | 11 | 36.67% | 17 | 56.67% | 35 | 35 | 100% | 35 | 100% |
| Other than Permanent Workers | | | | | | | | | | |
| Male | 78 | 0 | 0% | 0 | 0% | 65 | 0 | 0% | 0 | 0% |
| Female | 3 | 0 | 0% | 0 | 0% | 0 | 0 | 0% | 0 | 0% |
| Total | 81 | 0 | 0% | 0 | 0% | 65 | 0 | 0% | 0 | 0% |

9. Details of performance and career development reviews of employees and worker:

| Category | F.Y. 2022-23 | | | F.Y. 2021-22 | | |
|----------------------------|--------------|------------|---------------|--------------|------------|---------------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Permanent Employees | | | | | | |
| Male | 104 | 102 | 98.08% | 101 | 91 | 90.10% |
| Female | 22 | 22 | 100% | 21 | 16 | 76.19% |
| Total | 126 | 124 | 98.41% | 122 | 107 | 87.70% |
| Permanent Workers | | | | | | |
| Male | 30 | 30 | 100% | 35 | 35 | 100% |
| Female | NA | | | | | |
| Total | 30 | 30 | 100% | 35 | 35 | 100% |



| Category | F.Y. 2022-23 | | | F.Y. 2021-22 | | |
|---------------------------------------|--------------|---------|-----------|--------------|---------|-----------|
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| Other than Permanent Employees | | | | | | |
| Male | 8 | 6 | 75% | 4 | 0 | 0% |
| Female | 5 | 3 | 60% | 2 | 0 | 0% |
| Total | 13 | 9 | 69.23% | 6 | 0 | 0% |
| Other than Permanent Workers | | | | | | |
| Male | 78 | 0 | 0% | 65 | 0 | 0% |
| Female | 3 | 0 | 0% | 0 | 0 | 0% |
| Total | 81 | 0 | 0% | 65 | 0 | 0% |

10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the Company? (Yes/ No). If yes, the coverage such system?**

Yes. Occupational Health and Safety management system has been implemented at Panama Petrochem Ltd. The system covers all its employees and workers at all operational locations.

The Safety Management Framework covers all the business activities and the same are aligned with the ISO 45001:2018 requirements. The coverage is 100% and includes all employees and workers.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

Your Company as such does not process or generate any hazardous products or by-products during its manufacturing activities. In spite of that the Company has established mechanism and processes to identify work-related hazards by undertaking a hazard identification and risk mapping assessment, including impact assessment and adopting necessary control measures thereafter for the identified risks.

The work-related hazard and the risk assessment is carried out for all kinds of routine and non-routine activities. Various risk assessment and management techniques are applied to identify and manage hazards while simultaneously ensuring adherence with all safety limits.

- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, The Company has well-established Standard Operating Procedures (SOP) for employees and workers to identify and report work-related hazards and the subsequent steps to mitigate them. In addition, the Company trains its employees and workers to the extent possible with occupational health and safety modules. The training modules cover aspects of the methodology to identify work-related hazards, analyse the risks associated with it and take subsequent steps to mitigate them. The trainings and safety modules also equip the employees with the right procedure of reporting work-related hazards and the steps to remove themselves from such situations.

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, all the sites have access to non-occupational medical and healthcare services by insurance policies or ESIC schemes. In addition, personnel are being trained to respond appropriately to medical emergencies on-site.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | F.Y. 2022-23 | F.Y. 2021-22 |
|---|-----------|--------------|--------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| Total recordable work-related injuries | Employees | 0 | 0 |
| | Workers | 0 | 0 |



| Safety Incident/Number | Category | F.Y. 2022-23 | F.Y. 2021-22 |
|---|-----------|--------------|--------------|
| No. of fatalities | Employees | 0 | 0 |
| | Workers | 0 | 0 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 0 | 0 |
| | Workers | 0 | 0 |

Panama Petrochem Ltd. maintains high standards of occupational health and safety management system and reinforces such measures periodically, as a result of which there have been ZERO Safety related incidents during the financial year.

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The safety of our employees and workers is our utmost priority. Safety trainings and inspections are carried out to ensure all safety guidelines are successfully implemented. We track the effectiveness of our health & safety mechanism across the organization periodically. All incidents, if any are thoroughly investigated with a root cause analysis followed by corrective actions being promptly adopted.

13. Number of Complaints on the following made by employees and workers:

| | F.Y. 2022-23 | | | F.Y. 2021-22 | | |
|--------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | Nil | Nil | - | Nil | Nil | - |
| Health & Safety | Nil | Nil | - | Nil | Nil | - |

14. Assessments for the year:

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | 100% |
| Working Conditions | 100% |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

To ensure effectiveness of all the components of the safety system and activities, various audits are carried out, and the outcome of such audits are implemented in a time bound manner to the extent possible.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

ESSENTIAL INDICATORS

1. Describe the processes for identifying key stakeholder groups of the entity.

Stakeholder Engagement plays a critical role in the success of Panama Petrochem Ltd. The Company consistently takes efforts to ensure that the needs and expectations of all its stakeholders are addressed in a timely and appropriate manner.

The Company has in place an internal process to identify the stakeholder groups or institutions that add value/impact the business performance in any way. The Company has identified Customers, Communities, Business Partners/Vendors/Contractors, Employees and Contract Workers, Regulatory Bodies, Shareholders/Investors as key stakeholders that are critical for the growth of the Company and who are directly or indirectly influenced/affected by the Company.



2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder group | Whether identified as Vulnerable & Marginalized Group | Channels of Communication E-mail, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others | Frequency of engagement. (Annually/half yearly/Quarterly/ Others-please specify | Purpose & Scope of the engagement including key topics and concerns raised during such engagement |
|--|--|---|--|---|
| Customers | No | Customer Satisfaction & Feedback Survey, Grievance Redressal | Ongoing, Need Based basis | <ul style="list-style-type: none"> • Product Quality and safety • Feedback on new product launched. • Environment friendly products. • Quality of service rendered. • Timeliness and effectiveness in meeting deadlines. |
| Communities | Yes | Direct engagement and through the Company's CSR project implementation partners (NGO) | As and when required | <ul style="list-style-type: none"> • Community Development Activity • CSR Activities |
| Business Partners/ vendors/ Contractors | No | Business Conferences/Vendor meets/ Trade Fairs | Ongoing | <ul style="list-style-type: none"> • Engagement with suppliers, vendors enables the Company to identify the key material issues impacting the supply chain |
| Employees & Contract Workers | No | <ul style="list-style-type: none"> • Employee Satisfaction survey/feedback • Grievance redressal. • Employee/Workmen Review. | Annually, Need Based | <ul style="list-style-type: none"> • Facilitating learning & Developing • Track performance • Implementation of best practices |
| Regulatory Bodies | No | Quarterly Reports, Annual Reports | Annually, Half-Yearly, Quarterly, Need Based | <ul style="list-style-type: none"> • Statutory Compliances • Strengthening system • Strong corporate governance. |
| Shareholders/ Investors | No | Annual Reports, Earnings Call, Company's Website. Investor Presentations, Annual General Meeting, Complaints & Grievance Management | Annually, Half-Yearly, Quarterly, Need Based | <ul style="list-style-type: none"> • Business Growth and profitability. • Return to shareholders. • Market Standing |



PRINCIPLE 5: Businesses should respect and promote human rights

ESSENTIAL INDICATORS

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | F.Y. 2022-23 | | | F.Y. 2021-22 | | |
|------------------------|--------------|--------------------------------------|---------------|--------------|--------------------------------------|-------------|
| | Total (A) | No. of employees/workers covered (B) | % (B / A) | Total (C) | No. of employees/workers covered (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | 126 | 85 | 67.46% | 122 | 122 | 100% |
| Other than permanent | 13 | 10 | 76.92% | 6 | 6 | 100% |
| Total Employees | 139 | 95 | 68.35% | 128 | 128 | 100% |
| Workers | | | | | | |
| Permanent | 30 | 12 | 40% | 35 | 35 | 100% |
| Other than permanent | 81 | 0 | 0% | 65 | 65 | 100% |
| Total Workers | 111 | 12 | 10.81% | 100 | 100 | 100% |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | F.Y. 2022-23 | | | | | F.Y. 2021-22 | | | | |
|-----------------------------|--------------|-----------------------|--------|------------------------|--------|--------------|-----------------------|--------|------------------------|--------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | %(B/A) | No. (C) | %(C/A) | | No. (E) | %(E/D) | No. (F) | %(F/D) |
| Employees | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 104 | - | - | 104 | 100% | 101 | - | - | 101 | 100% |
| Female | 22 | - | - | 22 | 100% | 21 | - | - | 21 | 100% |
| Other than permanent | | | | | | | | | | |
| Male | 8 | - | - | 8 | 100% | 4 | - | - | 4 | 100% |
| Female | 5 | - | - | 5 | 100% | 2 | - | - | 2 | 100% |
| Workers | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | 30 | - | - | 30 | 100% | 35 | - | - | 35 | 100% |
| Female | NA | | | | | | | | | |
| Other than permanent | | | | | | | | | | |
| Male | 78 | - | - | 78 | 100% | 63 | - | - | 63 | 100% |
| Female | 3 | - | - | 3 | 100% | 2 | - | - | 2 | 100% |



3. Details of remuneration/salary/wages, in the following format:

| | Male | | Female | |
|----------------------------------|--------|--|--------|--|
| | Number | Median remuneration/salary/ wages of respective category | Number | Median remuneration/salary/ wages of respective category |
| Board of Directors (BoD) | 4 | 2,83,60,000 | NA | |
| *Key Managerial Personnel | 1 | 51,51,888 | 1 | 38,33,280 |
| Employees other than BoD and KMP | 107 | 3,68,062 | 26 | 3,33,098 |
| Workers | 30 | 1,82,804 | NA | |

* Excluding the Directors who fall under the category of KMP (Key Managerial Personnel).

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes!

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company maintains a zero-tolerance approach towards any human rights misconduct. We have established a transparent and accessible internal system to effectively address and resolve any issues related to human rights. Our Human Rights Policy outlines clear guidelines and mechanisms to prevent and address violations. Our Global Whistleblower Policy ensures comprehensive protection for all employees against victimization.

Human rights are a fundamental part of our ethical values and are integrated into our day-to-day operations, guaranteeing strict compliance with labor rights, health and safety regulations, non-discrimination policies, and the Prevention of Sexual Harassment (POSH) Act of 2013.

Additionally, we have an Internal Complaints Committee dedicated to handling POSH-related matters. We take appropriate disciplinary actions whenever necessary.

The Head of the Human Resource Department assumes the accountability of discerning, authentication, and effectively resolving grievances brought forth by the employees/workers of the organization.

6. Number of Complaints on the following made by employees and workers:

| | F.Y. 2022-23 | | | F.Y. 2021-22 | | |
|----------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | Nil | Nil | - | Nil | Nil | - |
| Discrimination at workplace | Nil | Nil | - | Nil | Nil | - |
| Child Labour | Nil | Nil | - | Nil | Nil | - |
| Forced Labour/Involuntary Labour | Nil | Nil | - | Nil | Nil | - |
| Wages | Nil | Nil | - | Nil | Nil | - |

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has formulated a Vigil Mechanism/ Whistle Blower Policy for all the stakeholders of the Company to report to the management concerns about unethical behavior, actual or suspected fraud or violation of any of the provisions of law/ rules or regulations effective for the time being in force including the Company's code of conduct.



The Policy provides for adequate safeguards against victimization of individuals who avail the mechanism and also provides for direct access not only to the Head of the Department but directly to the Managing Director of the Company and in exceptional cases to the Chairman of the Audit Committee as well.

It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

Additionally, the Company has in place Prevention of Sexual Harassment Policy to ensure a safe and non-discriminatory work environment for its employees, workers across the organization and has formed an Internal Complaints Committee to address any instances of sexual harassment at the workplace.

8. Do human rights requirements form part of your business agreements and contracts?

The Company at this point does not cover human rights clause in its commercial contracts, but on case to case basis does cover aspects of Human Rights. Additionally, we encourage our business partners to adhere to responsible business practices in relation to human rights including compliance with applicable laws and regulations in this regard.

9. Assessments of the Year:

| | %age of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|--|
| Child Labor | We are not conducting formal assessments on these topics; however, we are in compliance with all applicable laws and regulations |
| Forced/Involuntary Labor | |
| Sexual Harassment | |
| Discrimination at Workplace | |
| Wages | |
| Others- | |

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

The Company is committed towards creating a safe workplace for all its employees and workmen, necessary steps are taken to ensure that no employee/worker of the Company is subjected to harassment of any kind.

The Company has laid down strong policies, procedures and internal controls to redress and take appropriate corrective actions in case of any complaints or non-compliance.

Moreover, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, an Internal Complaints Committee has been formed to address any instances of sexual harassment at the workplace.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

ESSENTIAL INDICATORS

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

| Parameter | F.Y. 2022-23 (in GJ) | F.Y. 2021-22 (in GJ) |
|---|---------------------------------|---------------------------------|
| Total electricity consumption (A) | 2459.286 | 1918.5804 |
| Total fuel consumption (B) | 1992.93 | 2726.47 |
| Energy consumption through other sources (C) | 1001.19 | 1277.46 |
| Total energy consumption (A+B+C) | 5453.406 | 5922.5104 |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) | 0.000000318 | 0.000000383 |
| Energy intensity (optional) – the relevant metric may be selected by the entity. | 0.036014426 | 0.033988773 |

Note: No independent assessment/evaluation/assurance has been carried out by an external agency for FY 2022-23.



2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | F.Y. 2022-2023 | F.Y. 2021-2022 |
|---|----------------|----------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third party water | 6985 | 8247 |
| (iv) Seawater / desalinated water | - | - |
| (v) Others | - | - |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | 6985 | 8247 |
| Total volume of water consumption (in kilolitres) | 6985 | 8247 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.00000041 | 0.00000053 |
| Water intensity(optional)–the relevant metric may be selected by the entity | 0.046129111 | 0.047328817 |

Note: No independent assessment/evaluation/assurance has been carried out by an external agency for FY 2022-23.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Company implements water conservation through reduce, reuse and recycle approach within its manufacturing locations. The quality of effluent discharge where applicable is ensured as per regulatory requirements.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Air emission are monitored regularly to ensure that we are in compliance with the permissible limits of applicable regulatory norms.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

| Parameter | Unit | F.Y. 2022-23 | F.Y. 2021-22 |
|---|---------------------------------|--------------------------|--------------------------|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 209.30 | 282.05 |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | Metric tonnes of CO2 equivalent | 539.01 | 413.50 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | | 0.00004 Kg of C02 | 0.00005 Kg of C02 |
| Total Scope 1 and Scope 2 emission intensity (optional)– the relevant metric may be selected by the entity | | 5.21 Kg of C02 | 3.99 Kg of C02 |

Note: Independent evaluation has been carried out by 4C Consulting Private Limited.

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

Although we do not have dedicated projects to reduce GHG Emissions, however, the electricity consumed by the Company is sourced from renewable energy, simultaneously we also undertake several other measures to improve efficiency and reduce our energy consumption ensuring minimum carbon footprint.



8. Provide details related to waste management by the entity, in the following format:

The Company operates with a waste free approach, ensuring no wastage of resources, thereby demonstrating a commitment towards sustainable practices.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Constant efforts have been taken to ensure zero generation of waste. We have a proactive maintenance schedule for all our machinery and periodic inspection with an objective to ensure no generation of waste.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

Not Applicable

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

Based on the nature of our business, the Company complies with all the environmental norms as applicable from time to time.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

ESSENTIAL INDICATORS

- 1. a. **Number of affiliations with trade and industry chambers/associations:** Panama Petrochem Ltd. is a member of 1 trade association, during the period under review.
- b. **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to:**

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|--------|---|---|
| 1 | Bombay Chamber of Commerce | National |

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Panama Petrochem Ltd., adheres to all the relevant policies and procedures as applicable to the Company, to ensure that there are no instances of non-compliance pertaining to anti-competitive conduct.

PRINCIPLE 8: BUSINESS SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

ESSENTIAL INDICATORS

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

During the financial year No Social Impact Assessments of projects were undertaken by the Company.



2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

The Company has not engaged in any Rehabilitation and Resettlement activity during the financial year.

3. Describe the mechanisms to receive and redress grievances of the community.

All the Stakeholders of the Company including the Community at large, can raise their complaints/concerns through the e-mail id's provided at the Company's website, which is monitored and addressed thereupon, in a timely manner.

Depending upon the nature of the grievance, the matter is further taken up by the concerned department to resolve the same.

The Stakeholders can connect with the company through either of the following links:

<http://panamapetro.com/ho-details/>

Or

<http://panamapetro.com/contact-for-investor-greviances/>

Additionally, the Company has in place a Global Whistle Blower Policy which is available on the website of the Company for easy access to all the stakeholders of the Company.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| | F.Y. 2022-23 | F.Y. 2021-22 |
|---|--------------|--------------|
| Directly Sourced from MSM's/small producers | 0% | 0% |
| Sourced Directly from within the district and neighboring districts | 10% | 10% |

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable, as the Company did not undertake any Social Impact Assessment for its CSR Projects for the Financial Year 2022-23.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

During the Financial Year under review the Company has successfully implemented its CSR Obligation, however, no activity was undertaken in Aspirational Districts as identified by the Government Bodies.

3. (a) Do you have a Preferential Procurement Policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups?

The Company does not have a Preferential Procurement Policy. Suppliers are selected based on Company requirement and supplier assessment.

(b) From which marginalised/vulnerable groups do you procure?

Not Applicable

(c) What percentage of the total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not applicable.



5. Details corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Not Applicable to the Company for the period under review.

6. Details of Beneficiaries of CSR Projects:

| CSR Project | No. of persons benefitted from the CSR Projects | % of beneficiaries from the vulnerable and marginalized groups. |
|--|---|--|
| Panama Petrochem Ltd. carries out its CSR initiatives in a wide range of areas specified under Schedule VII of the Companies Act, 2013. Our interventions are focused on several key areas such as Healthcare, Education, Sustainable Livelihood, Environment Sustainability etc | The primary objective of the CSR Projects is to reach out to the communities from the weak socio-economic background ranging from the rural to the urban population. Project wise beneficiary details are available separately under CSR section of the Annual Report. | All CSR Projects are targeted towards socio-economic development of marginalized and vulnerable communities including the economically backward groups. Additionally, the Company's prime focus is value addition to the society and the communities around it. |

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback:

A well-established system is in place for dealing with customer feedback and complaints. Customers are provided multiple options to connect with the Company through email, telephone, website, feedback forms, etc. All complaints are appropriately addressed and all efforts are taken to resolve the same in a timely manner.

The Customers also have access to the Global Whistle Blower Policy of the Company, which has been made available on the Website of the Company.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

| | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | 100% |
| Safe and responsible usage | 100% |
| Recycling and/or safe disposal | 0% |

3. Number of consumer complaints in respect of the following:

| | F.Y. 2022-23 | | F.Y. 2021-22 | |
|--------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|
| | Received during the year | Pending resolution at end of year | Received during the year | Pending resolution at end of year |
| Data privacy | NIL | | | |
| Advertising | | | | |
| Cyber-security | | | | |
| Delivery of essential services | | | | |
| Restrictive Trade Practices | | | | |
| Unfair Trade Practices | | | | |

4. Details of instances of product recalls on account of safety issues:

| | Number | Reasons for Recall |
|-------------------|--------|--------------------|
| Voluntary Recalls | Nil | N.A |
| Forced Recalls | Nil | N.A |



5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

The use of information and telecommunication technologies is increasing, resulting in greater security threats to the digital infrastructure. A breach of the digital security or disruptions to the digital infrastructure of the Company, due to cyber-attacks or any human error could lead to serious consequences to its businesses. These impacts may include injury to staff, loss of control, impact on continuity or damage to assets and services, harm to the environment, the loss of sensitive data or information, legal and regulatory breaches and reputational damage. Keeping in view the damage that can be caused to the Company, its management continues to strengthen its responses to cyber security threats through proactive and reactive risk mitigations. The Company has constituted a dedicated Risk Management Committee with the responsibility of overseeing the risks faced by the Company and proposing appropriate corrective measures to address them.

The Risk Management Policy of the Company covers aspects of Cyber Security Risks as well, and the same is made available on the website of the Company.

The Company has procured a distinct insurance cover aimed at mitigating potential risks arising from cyber security threats.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

The Company has Zero tolerance towards unethical activities or malpractices of any form in business operation, marketing or data privacy norms. We maintain high standards in conducting our business and ensure compliance with regulatory obligations. Consequently, during the financial year under review, no complaints or instances arose in this regard hence, no material corrective actions were required to be taken pertaining to the same.

LEADERSHIP INDICATORS

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

Information relating to the products and services provided by the Company can be assessed through <http://panamapetro.com/>

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

The Company essentially relies on its product packaging which provides all the necessary information on safe and responsible usage of the products. Additionally, the Company extends an opportunity to explain about its products, innovations, new technology and techniques that are implemented to enhance product quality and work methodology through Contracts, MoUs and our Sales Policy which has specific information on the usage of products. Trade fairs, business conferences, and customer interactions, whether in the form of visits or meetings, constitute vital channels for disseminating information about safe and responsible usage of products.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

The business continuity and disaster management function supports the strategic objective of the organization and proactively strengthens the organization's ability to effectively respond to internal and external threats in the event of any disruption. The end-to-end framework is effectively managed through defined policy, procedures, guidelines and through in-house developed tools that support planning and communication with all stakeholders. The Company has a dedicated mechanism to inform its consumers about the risk of disruption/discontinuation of essential services. We provide timely information in case of planned shutdown/ sale or supply disruptions including at the times of unplanned shutdowns if any, the Company takes all preventive actions to handle the fluctuations ensuring minimum impact.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

The Company strives to promote informed decisions, hence measures are taken to ensure adequate and accurate information to be disseminated on the product label. Additionally, product specs are sent along with the transportation documents.

Furthermore, Consumer Satisfaction Surveys are being conducted periodically to assess the consumer satisfaction levels and consumer trends.

5. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches along-with impact: Nil

b. Percentage of data breaches involving personally identifiable information of customer: Nil