



Environmental, Social & Governance Policy

SKY GOLD AND DIAMONDS LIMITED
(Formerly Known as Sky Gold Limited)

CIN: L36911MH2008PLC181989

Registered & Corporate Office:

Plot No. D-222/2 TTC, MIDC Shirawane, Thane, Maharashtra, 400706

1. Preamble

We, Sky Gold and Diamonds Limited (“SGDL”) is a leading manufacturer of gold jewellery, renowned for its precision craftsmanship, innovation and commitment to responsible business practices. The Company recognizes that environmental, social and governance (“ESG”) considerations are integral to sustainable value creation and long-term business success. It makes sense, therefore, that a strong ESG proposition can create our value. Our (ESG) commitment to positively impact the environment, our customers, employees, and the community at large and other operational activities undertaken by us and will be integrated to the operations of our subsidiaries.

Our ESG processes and procedures focus on non-financial performance indicators that address a company’s approach towards responsible investment, sustainability, its impact on society and the environment, as well as other ethical and corporate governance considerations.

Our Sustainable Progress Strategy sets out three key pillars of activity that contribute to the world’s sustainable development agenda:

1.1 Environmental

The depletion of natural resources and the threat of climate change have raised concerns about the environment and the potential financial impact on businesses. Sustainable options are increasingly being considered as part of investment choices. The issues are diverse, but main focus areas are:

- Factors contributing to climate change
- Efficient energy consumption
- Responsible disposal of hazardous waste
- Sustainability of resources
- The impact of climate change on businesses

1.2 Social

Inclusion, diversity, and equality are becoming more important considerations in relation to the way in which businesses operate and can generate competitive advantage; with these areas attracting increasing scrutiny from a range of stakeholders.

In particular, there are increasing commercial benefits for our businesses which have inclusive and diverse work ethics and practices; and we look at the impact a company has on its employees, local communities and society. The main focus areas of consideration are:

- Preservation of human rights, and avoidance of any complicity in human rights abuses
- Equality and diversity amongst employees
- Non-discriminatory employment practices
- Ensuring there is no exploitation of child labour or indentured servitude
- Health and safety
- Animal welfare
- Corporate donations

1.3 Corporate Governance

Corporate Governance covers the rights and responsibilities of the management of a company – its structures, corporate values and accountability processes. This relates to the following areas:

- Management structure
- power balance between the CEO and Board, separation of Chairman from CEO, appropriate
- checks and balances for members of the management team.
- Employee relations and workplace grievances
- Executive remuneration
- Corporate Codes of Conduct

2. Object

The object is to (i) define Sky Gold's position regarding ESG and (ii) provide our employees with guidelines related to ESG for our decision-making processes. The ESG policy will also be used as a tool to communicate to the stakeholders how Sky Gold integrates ESG considerations into business decision-making processes across all service and product offerings.

2.1. ESG Vision

To be an environmentally and socially responsible Organization built on the foundation of 'Assurance', focused on generating sustainable long-term value for all our stakeholders.

3. Key Principles

Our Business Responsibility and Sustainability Reporting (BRSR)/ESG is based on the 9 principles in line with the 'National Guidelines on Responsible Business Conduct' (NGRBC). The said guidelines stipulated that the businesses should: –

Principle 1: conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable,

Principle 2: provide goods and services in a manner that is sustainable and safe,

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

Principle 4: respect the interests of and be responsive to all their stakeholders,

Principle 5: respect and promote human rights,

Principle 6: respect and make efforts to protect and restore the environment,

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

Principle 8: promote inclusive growth and equitable development, and

Principle 9: engage with and provide value to their consumers in a responsible manner.

The Company has adopted the aforementioned Nine key principles in company's ESG Policy in accordance with the SEBI Regulations.

4. Policies

Principle 1

4.1 Integrity, Ethics, Transparency & Accountability

4.1.1. Philosophy :

Sky Gold and Diamonds Limited lays down a strong foundation for ethical, transparent and accountable corporate citizenship which contributes towards the establishment of a corporate culture instilled with integrity. The Company has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in alignment with healthy growth of the Company.

4.1.2. Company's Policy:

4.1.2.1. The company shall abide by all the statutory obligations and shall not engage in practices that are abusive, corrupt, or anti- competitive and in case of any misdemeanor it would be dealt with in a timely and fair manner.

4.1.2.2. The company shall ensure that there are effective surveillance systems in place to avoid any complicity with actions of third parties that violates any of our principles.

4.1.2.3. The company shall ensure that it positively contributes towards public finances by in time payment of taxes and abide all laws governing it.

4.1.2.4. The company shall timely discharge its responsibility for making financial and other mandatory disclosures.

4.1.2.5. Every employee of the company shall abide by the values and the commitment to ethical business practices reflected in the company's Code of Conduct.

The company shall ensure that genuine cases of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.

Principle 2

4.2 Sustainability of Goods & Services

4.2.1 Philosophy:

Sky Gold and Diamonds Limited endeavors to embed the principles of sustainability and efficient utilization of resources, as far as practicable, into the various stages of product or service lifecycle including procurement of raw material /service, to improve the quality of life and people and mitigate the adverse impact on environment if any.

4.2.1. Company's Policy

The company shall work towards designing, producing and sourcing significant raw materials, products and services in a manner so as to continuously ensure efficient utilization of resources and use of low carbon process and technologies to minimize the adverse impact and create a balance between society, economy and environment.

4.2.1.1. The company shall continue to recognize and respect the rights of people who may be owners of traditional knowledge, craftsmanship and other forms of intellectual property, wherever relevant and shall strive for preservation of art, culture and craftsmanship.

4.2.1.2. In designing the products, the company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.

4.2.1.3. The company shall encourage responsible product lifecycle management, recycling of precious metals and efficient utilisation of resources, wherever applicable.

4.2.1.4. The company shall ensure that its products and services comply with all applicable statutes and regulations.

4.2.1.5. The Company shall encourage resource efficiency to the business associate and shall guide business associate members towards becoming more sustainable.

Principle 3:

4.3. Employee Well Being

4.3.1. Philosophy :

Sky Gold focuses on ensuring the well-being of all its employees including business associates. The safety and health of employees is extremely important to the Company. The Company believes in providing its employees equal opportunities to grow and perform as employee well-being is imperative to achieve a profitable growth. Ensuring diversity, preventing discrimination, safety and health are part of Sky's Code of Conduct.

4.3.2. Company's Policy:

Employee Well Being:

4.3.2.1. The company shall provide facilities for the wellbeing of its employees, including those with special needs.

4.3.2.2. Aligning people with business strategy

4.3.2.3. Delivering quality HR processes that develop leadership capability, organizational performance and strategic employee competencies.

4.3.2.4. Organizational transformation to global performance standards

4.3.2.5. The company shall take cognizance of the work-life balance of its employees, especially that of women.

Diversity, Equal Opportunity, Freedom of Association:

4.3.2.6. The company shall provide and maintain equal opportunities at the time of recruitment and separation as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.

4.3.2.7. The company shall respect the right to freedom of participation, association, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.

4.3.2.8. The Company shall ensure that there are systems and processes in place to enable them and the value chain partners to comply with all the regulatory requirements relating to its employees.

Prevention of Child Labour/ Forced Labour and Harassment

4.3.2.9. The company shall not use child labour, forced labour or any form of involuntary Labour, paid or unpaid.

4.3.2.10. The company shall ensure that no employee is made to work against his / her will or to work as bonded/forced labour, or subjected to corporal punishment or coercion of any kind, related to work ;

4.3.2.11. The company shall create systems and practices to ensure a humane workplace free from harassment (sexual harassment) and discrimination where employees feel safe and secure in discharging their responsibilities.

Principle 4:

4.4. Stakeholder Engagement

4.4.1. Philosophy:

Sky Gold recognizes employees, business associates (network of suppliers and dealers), customers, shareholders/investors and communities surrounding our operations and regulatory authorities as key stakeholders. The company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc.

4.4.2. Company's Policy:

4.4.2.1. The company shall develop system, process and mechanism to understand the expectations and concerns of its stakeholders, define its purpose and scope of engagement, and commit to being responsive towards them.

4.4.2.2. The company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.

4.4.2.3. The company shall commit to resolve differences and redress grievances with stakeholders in a just, fair and equitable manner.

4.4.2.4. The Company shall ensure that all the stakeholders benefit from the value or profit generated by the Company. In case of any conflict that arises, the Company shall ensure that the same is resolved in a just, fair and equitable manner.

4.4.2.5. The Company may engage with relevant stakeholders, where appropriate, while formulating significant policies and initiatives.

Principle 5:

4.5. Human Rights

4.5.1. Philosophy:

Sky Gold respects and promotes human rights for all individuals. The company's commitment to human rights and fair treatment is set in its Code of Conduct. The Code provides for conducting the operations with honesty, integrity and openness with respect for human rights and interests of employees.

4.5.2. Company's Policy :

4.5.2.1. The company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals and groups whose human rights are impacted by the business have access to grievance redressal mechanisms.

4.5.2.2. The company shall recognize and respect the human rights of all relevant stakeholders and groups, including that of communities, consumers and vulnerable and marginalized groups. This includes carrying out human rights with due diligence to identify, prevent, mitigate and account for how they address adverse human rights impacts.

4.5.2.3. The company should ensure that awareness programmes are regularly held to make their employees conscious about their human rights.

4.5.2.4. The company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.

4.5.2.5. The Company shall enlighten its business partners and third parties with whom it conducts business to abide by this policy.

4.5.2.6. The Company shall ensure that there is an active mechanism to take corrective actions to address issues linked to its business causing, contributing or otherwise being linked to adverse human rights.

Principle 6:

4.6. Preservation of Environment

4.6.1. Philosophy:

Sky Gold places highest corporate priority in ensuring and adhering to best procedures relating to environmental protection. The Company sets high standards in the area of environmental responsibility — striving for performance that does not merely comply with regulations but reduces environmental impacts. The Company believes that it has a responsibility to take care of the planet and preserve its beauty, hence to use resources in a sustainable manner and strength for future generations.

4.6.2. Company's Policy:

4.6.2.1. The company shall utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.

4.6.2.2. The company shall ensure that there are proper policies and procedures to measure and address its adverse impact on environment at all stages of its life cycle. The company shall assess the environmental impact and bear the cost of pollution abatement with due regard to public interest.

4.6.2.3. The company shall proactively engage in the best industry practices for persuading and encouraging its stakeholders across its business associate to adopt these principles of re-use and recycle its resources in an optimal manner. The company shall emphasize on balanced use of plastics and use biodegradable resources.

4.6.2.4. The company shall develop Environment Management Systems and contingency plans and processes that shall help it in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations.

4.6.2.5. The company shall continuously seek to improve their environmental performance by adopting innovative and cleaner production methods.

4.6.2.6. The Company shall explore renewable energy sources, including solar energy, for its manufacturing facilities, offices and operational locations, wherever feasible.

Principle 7:

4.7. Public and Regulatory Policy

4.7.1. Philosophy:

Sky believes that a lot can be achieved by the company if it works together with the Government, legislators, trade bodies and regulators in a responsible and transparent manner to create positive social and environmental outcomes. Sky has always strived to create a positive impact in the business eco-system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large.

4.7.2. Company's Policy:

4.7.2.1. The company shall ensure that policy advocacy is conducted in a transparent and ethical manner.

4.7.2.2. The Company shall undertake policy advocacy through trade and industry chamber and association and other similar collective platforms.

4.7.2.3. The company shall work with industry organizations that are engaged in policy advocacy in a fair and responsible manner respecting/abiding by the human rights.

Principle 8:

4.8. Inclusive Growth & Equitable Development

4.8.1. Philosophy:

Sky Gold has always believed to ensure protection of interests of all stakeholders of the Company in harmony with healthy growth of the Company. In compliance with section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has adopted a CSR policy through which it undertakes the projects in accordance with Schedule VII of the Companies Act, 2013.

4.8.2. Company's Policy:

4.8.2.1. The company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.

4.8.2.2. The company shall be sensitive towards the needs and concerns of the local communities while designing and implementing the company's CSR Programmes and operations in regions that are underdeveloped and vulnerable.

4.8.2.3. The company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 as per the recommendation of the CSR committee and as per the CSR policy of the company.

4.8.2.4. The Company shall ensure that the business takes proper responsibility to minimize any adverse impacts that it has on social, cultural and economic aspects of society.

4.8.2.5. The Company shall ensure development of skills of karigars, art, handcrafted materials and the societal development at large.

Principle 9:

4.9. Customer Value

4.9.1. Philosophy:

Sky is a consumer centric company, and the foundation of the company is based on the trust, satisfaction and loyalty of our consumers across the world. Sky is dedicated to delivering products that excite customers and meet their requirements. Sky's products are the result of understanding consumers' unmet desires, through path breaking technology by combining generations of practical experience with a continuous flow of new knowledge. An invigorating synergy of karigari and Craftmanship has been the backbone of Sky's innovative product pipeline to ensure sustainable growth over the years to come.

4.9.2. Company's Policy :

4.9.2.1. The company shall consider the overall well-being of the customers and that of society.

4.9.2.2. The company shall maintain the customer database in a responsible manner that does not infringe/breach their right to privacy.

4.9.2.3. The company shall ensure that it does not engage in any anti-competitive practices that restrict the freedom of choice in any manner while designing, promoting and selling its products.

4.9.2.4. The company shall promote and advertise its products in ways that do not mislead or confuse the consumers.

4.9.2.5. The company shall provide an active and transparent grievance redressal mechanism to address customer concerns and feedback.

5. The Company's ESG Governance Matrix

5.1. ESG Committee: The Board may constitute an ESG Committee or assign ESG oversight responsibilities to an existing Committee or designated members of senior management

5.2. ESG Steering Group: The Steering Group will comprise of the ESG team members, and others suggested by the ESG committee. The steering group will oversee and manage the environmental, social and management risks within SGL portfolio and by doing so help implement the ESG Policy and present any/all developments to the ESG Committee.

