

KARIWALA INDUSTRIES LIMITED

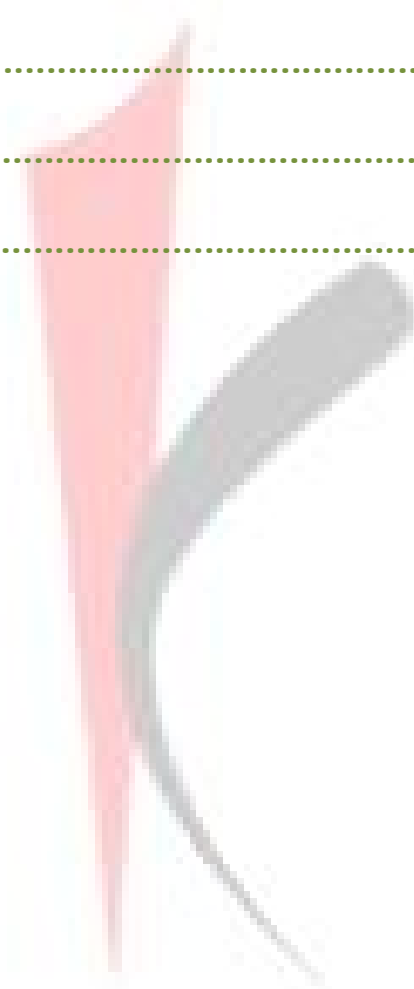
COMMUNICATION ON PROGRESS ON THE UNITED NATIONS GLOBAL COMPACT

SEPTEMBER 2018

KARIWALA

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The logo features a stylized 'K' composed of two overlapping shapes: a red triangle pointing downwards and a grey curved shape that forms the right side of the 'K'.

KARIWALA



Anil Kariwala
Chairman & Managing Director

STATEMENT

Our Group is fully aligned with the United Nations Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption. We are committed to conducting our business in an environmentally sound and sustainable manner, safeguarding pollution prevention, providing excellent workplace conditions and being committed to the communities in which we operate.

Our determination to make a positive difference in the lives of customers, communities and among our workers (and, more generally, all of our stakeholders) is reflected in our support for the United Nations Global Compact and commitment to support all 17 SDG's of United nation.

Our business strategy and policies incorporate the ten principles of the UNGC. Being a good corporate citizen– and working towards sustainability goals - is an ambition enthusiastically embraced at all levels of management within our company.

One of our major objectives is to disseminate the 10 principles of the Global Compact in our business ecosystem because this can make the world a better place for the generations to come.

In our first COP, we summarised the initiatives we have made against these principles.

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HUMAN RIGHTS

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2

Make sure they are not complicit in human rights abuses.

Kariwala Industries Limited fully considers and respects the Universal Declaration of Human Rights and supports sustainable development goals To remove Poverty in all forms , end hunger, achieve food security and improved nutrition and promote sustainable agriculture , Ensure healthy lives and promote well-being for all at all ages . Kariwala Industries Limited have also established and maintained social accountability management system which takes care of the workers in the operation directly or indirectly with the organisation and also caters for the society where the organisation is in operation

We Support and want to make cities and human settlements inclusive, safe, resilient and sustainable.

Implementation

Written corporate procedures, system manuals and directives are compliant with UNGC principals and requirements of OHSAS 18001 standard. The respective documents are published in our factories Main notice board and are available to all employees.

Also, new employees are informed about human rights corporate procedures and policies through induction seminars during their first working days.

Measurement of Outcome

An open-door and suggestion box policy has been established where employees can report grievances to upper management. No report has been filed over last one year. Furthermore, audits to suppliers regarding, among other issues, human rights, labour rights, are performed. Under the same framework, our company is under audit by external auditors (Intertek, UL and other Auditing agencies).



LABOUR RIGHTS

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4

The elimination of all forms of forced and compulsory labour;

Principle 5

The effective abolition of child labour; and

Principle 6

The elimination of discrimination in respect of employment and occupation.

Kariwala Industries Limited abides by local legislation as well as endorses the ILO's Declaration on Fundamental Principles and Rights at Work. Kariwala Industries Limited, has been one of the first companies in eastern part of India to be acknowledge social accountability as part of system. This framework ensures the existence of a safe working environment in which non-discriminatory policies are applied and equal opportunities are offered to all employees irrespective of gender, age, and nationality. Furthermore, employee trade union rights are respected, as well as health and safety procedures are faithfully adhered to. We support everyone to achieve gender equality and empower all women and girls. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

We are also been certified by OHSAS 18001 Health & Safety standard. The application of the standard assists the company to preserve a safe and healthy work environment, through the identification of the hazards and the risks assessment. Some indicative Health & Safety actions are:

- Training of employees on health & safety issues
- Setting in place procedures and guidance for the production line.
- Conduction evacuation-building drills
- Display escape route plans on all floors

Implementation

In this framework, an integrated human resources management system which includes: recruitment, career development system, performance appraisal system, rewards system, training and development system has been designed and implemented. The integrated human resources management system aligns with our principle that our employees have to be rewarded in accordance with their performance and their contribution to the achievement of company's goals.

Our Company practices freedom of association and recognizes the right to collective bargaining. We have a workers committee and it has been active ever since company's starting and meets every month and whenever called by any member of the committee. The "open-door" policy and suggestion box policy, according to which employees can raise issues to upper Management any time, facilitates the direct communication among all the hierarchy levels.

We maintain transparency and update the employees continuously through the bulletin boards, e-mail, staff meetings and publications. Hiring and promotion of employees are based on meritocracy and criteria like academic, qualifications, skills and track record.

Measurement of Outcome

Employees are appreciative of the harmonious working environment, a proof of which is the fact that no serious employees' grievances have been filed with the Management during the last year. Kariwala Industries Limited respects the non-discrimination principle and favours the diversity within teams. Equal payment is ensured for same job irrespectively from sex, race, physical ability etc. Till date no incidents of discrimination were reported/found in any of the internal /external audits carried out. We have also been recognised by UNGC India chapter for our steps towards women empowerment and implementing equal opportunities to all.

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ENVIRONMENT PRINCIPLES

Principle 7

Businesses should support a precautionary approach to environmental challenges;

Principle 8

Undertake initiatives to promote greater environmental responsibility; and

Principle 9

Encourage the development and diffusion of environmentally friendly technologies.

Kariwala Industries Limited supports the UNGC principles on environment and has been monitoring the environmental impact of its activities since 2009.

Implementation

In 2009, an Environmental Management System (EMS) was adopted aiming at controlling the environmental impact of its activities. The EMS is certified in accordance with the international standard ISO 14001 (since 2000). Its maintenance, in parallel with the commitment in environmental efficiency and employees' awareness and training, are among the main priorities towards sustainable development.

Procedures for recycling and reusing materials are applied where ever possible. Surveys concerning occupational risks and environmental hazards are carried out at in the facility in order to assess the risks, minimize environmental impacts and initiate preventive actions. Indicatively: preventive maintenance on equipment and electrical networks is performed, electrical parameters are regulated, video-conference equipment which reduces the number of business trips required is used, integrated information systems which reduce the consumption of paper are used, 90% of our workers come to factory on bicycle,

bought initially by loan given by us.

Depending on their physical and chemical properties, waste produced is collected by authorized companies and delivered to authorized facilities for provisional storage, sorting, recycling, treatment, recovery or disposal.

In the framework of climate change awareness, Kariwala Industries Limited calculates and monitors greenhouse gas emissions produced from Air conditioners, we maintain an ODS inventory and ensure 0% leakage of CFC gases.

Kariwala Industries Limited recognises the importance of preserving biodiversity and it follows all the environment norms and possesses all the necessary clearance from State and National environment regulations.

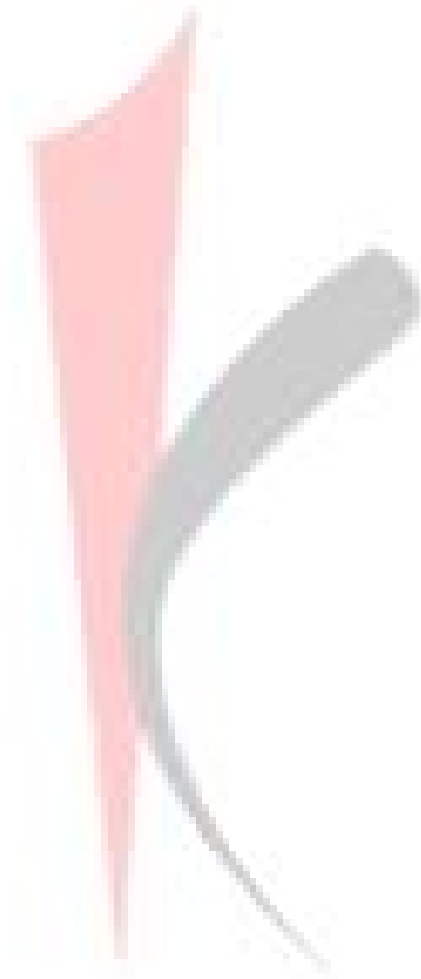
We Support the SDG's of UNGC in line with environmental sustainability

- Ensuring availability and sustainable management of water and sanitation for all
- Ensure access to affordable, reliable, sustainable and modern energy for all
- Ensure sustainable consumption and production patterns
- Take urgent action to combat climate change and its impacts
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Measurement of Outcome

Kariwala Industries Limited defines and documents identification and evaluation methods of all environmental aspects of its operations and their associated impacts. Evaluation is performed against predefined criteria including legislative and other regulatory requirements. Emergency Response Plans are designed to secure prevention and mitigation of the associated environmental impacts. We maintains continual improvement by setting specific environmental objectives based on identified environmental impacts, monitoring and documenting the achievement of these objectives.

Under the framework of ISO 14001 certification, Kariwala Industries Limited is audited by independent certification bodies on a regular-basis and is re-certified every three years.



KARIWALA

DON'T GIVE
DON'T TAKE



KARIWALA

ANTI CORRUPTION PRINCIPLE

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Kariwala Industries Limited recognizes and values integrity, excellence, innovation and customer satisfaction, and is committed to the highest standard of ethical behaviour in all its actions and decisions.

The Standing Order (properly verified by the State regulatory authorities) illustrates the policies and employees' obligations. One of these obligations is that employees are not allowed to accept payments, gifts, bribes offered for their Employments services or obtain privileges or other benefits for themselves, or on their relatives 'account.

We support and Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels and also support to Strengthen the means of implementation and revitalize the global partnership for sustainable development

Implementation

Disciplinary actions are enforced when an employee violates provisions of Standing orders including, acceptance of payments, gifts and bribes. These actions are described in detail in the company's Standing order. Also, a complaint process, which is described in the company's Standing order, is in place.

Standing order is available to all employees in Main notice board. Induction seminars regarding company anti-corruption procedures and Standing order are organised for new employees at the beginning of their employment. Auditing mechanisms as well as internal control procedures are in place in order to assure that risks are minimized and all activities are carried out in accordance with the corporate policy and strategy.

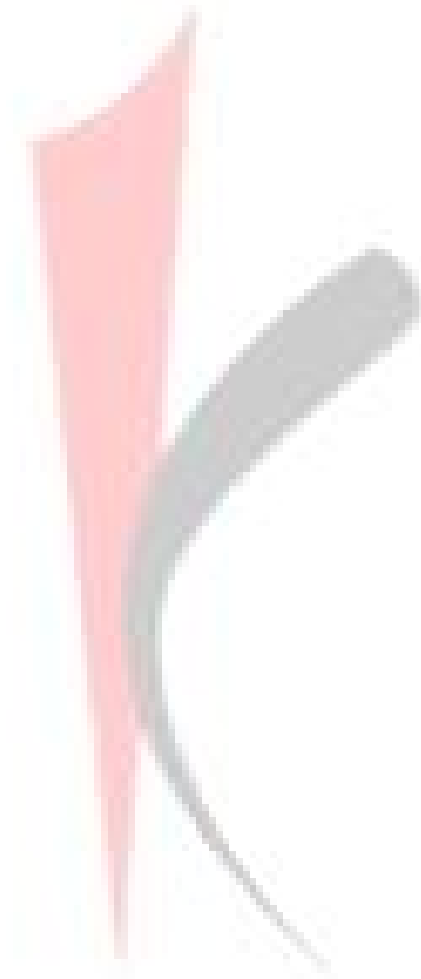
Measurement of Outcome

The disciplinary actions to employees are imposed by the Management of the company .The penalties vary from oral warning up to dismissal depending on the severity of the violation. In last financial year, no disciplinary actions were imposed to employees.

In the framework of the Company's continuing improvement concerning anti-corruption a Code of Business Conduct and Ethics which specifies and helps the continued implementation of the Corporate Business Principles by

establishing certain non-negotiable minimum standards of behaviour in key areas. This Code applies to all employees, and contractors of Kariwala Industries Limited. The Code sets forth the standards for the way Kariwala Industries Limited conducts business ethically around the world. These ethical business standards include dealing with company's employees, its customers, contractors and governments.





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