DREDGING CORPORATION OF INDIA LIMITED ("DCIL")

POLICY ON BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING (BRSR)

REGISTERED OFFICE:
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CONTENT

S. No.	TITLE
1	Preamble
2	Objective
3	Applicability
4	Scope
5	Implementation
6	Guiding Principles
7	Governance Structure
8	Implementation and Review
9	Disclosure
10	General
11	Effective Date

POLICY ON BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

1. Preamble

Dredging Corporation of India Limited ('the Company') ("DCIL") is a Listed Company incorporated on 29th March, 1976, under the Companies Act, 1956.

Activities undertaken by the Company
a) Capital Dredging
b) Maintenance Dredging
c) Beach Nourishment
d) Land Reclamation
e) Shallow water Dredging
f) Project Management Consultancy
g) Marine Construction

The equity shares of the Company listed are on the BSE and NSE as per the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI(LODR)") and further amendments thereof, are applicable and binding on it.

In recent times, adapting to and mitigating climate change impact, inclusive growth and transitioning to a sustainable economy have emerged as major issues globally. There is an increased focus of investors and other stakeholders seeking businesses to be responsible and sustainable towards the environment and society. Thus, reporting of company's performance on sustainability related factors has become as vital as reporting on financial and operational performance.

DCIL has formulated policy on Business Responsibility and Sustainability Policy ("Policy") in accordance with the provisions of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), the Business Responsibility and Sustainability Reporting ("BRSR") framework prescribed by SEBI, and the principles contained in the National Guidelines on Responsible Business Conduct ("NGRBCs") issued by the Ministry of Corporate Affairs, Government of India.

The Company recognizes that sustainable and responsible business conduct is integral to long-term value creation for all stakeholders. The Company is committed to conducting its operations in an ethical, transparent, environmentally sustainable, and socially responsible manner while ensuring compliance with applicable laws and regulatory requirements.

2. Objective

The objective is to enunciate a policy on Business Responsibility and Sustainability to fulfil requirement for Business Responsibility and Sustainability Reporting.

Company through its Business Responsibility and Sustainability Report (BRSR) policy aims to establish links between the financial results of a business with its ESG (Environmental, social and governance) performance. This can make it easier for regulators and investors, and allied stakeholders to obtain a fair estimate of overall business stability.

The objectives of this Policy are to:

1. Integrate sustainability and responsible business conduct into the Company's strategy and operations;
2. Align business practices with the principles prescribed under the NGRBCs and BRSR framework;
3. Promote ethical governance, environmental stewardship, and social responsibility;
4. Enhance stakeholder trust through transparent disclosures and accountability;
5. Ensure compliance with SEBI LODR Regulations, circulars, and applicable ESG disclosure requirements.

3. Applicability

This Policy shall apply to:

- The Company;
- All employees, directors, key managerial personnel, and workers;
- Subsidiaries and associates, if any;
- Suppliers, contractors, vendors, and business partners associated with the Company's operations and value chain.

4. Scope

Being a responsible corporate, DCIL shall abide by SEBI mandate based on the National Guidelines for Responsible Business Conduct (NGRBC). This policy is applicable to all the business divisions of the M/s Dredging Corporation of India Limited. M/s Dredging Corporation of India Limited (hereinafter referred as "the Company" or "DCIL") has approved and adopted this BRSR Policy into effect upon its approval by the Board of Directors of the Company.

5. Implementation

i. The Board of Director of the company shall have the authority to oversee the implementation of this Policy.

ii. The Board, through the Functional Heads of the Departments of the Company shall be responsible for ensuring that the policy is implemented throughout the Company. They shall be responsible for, providing clarifications on the policy, guiding the staff in implementation, reviewing the results, audit, impact assessment, etc.

iii. The policy shall be appropriately communicated within the Company across all levels and shall be displayed on the Company's Website.

iv. Any grievances/ complaints with respect to violation of the policy shall be reported to the Company Secretary.

v. Company Secretary shall report the non-compliance of the policy to the Board of Directors or duly constituted committee of the Board.

6. Guiding Principles

The Company shall in line with the NGRBC, adhere to the following 9 principles as a part of its BRSR reporting:

Principle 1 – INTEGRITY, ETHICS, TRANSPARENCY AND ACCOUNTABILITY

I. The company is committed to maintain the highest standards of ethics in all spheres of its business activities. The Board of Directors and Senior Management have a responsibility to set exemplary standards of ethical behaviour. The Executive Management shall constantly inculcate ethical behaviour at all levels across the company so that it becomes an essential part of its work culture. Every employee of the company shall conduct himself and lead on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical ground.

II. The employees of the company shall also ensure abiding by the Code of Conduct framed by the company from time to time. Any violation of the Code of Conduct shall be viewed strictly and lead to disciplinary action.

III. The employees interacting with the customers shall follow the Fair Practices Code as framed by the company and amended from time to time. All business decisions and transactions with the customers, depositors and other stakeholders shall be fair, transparent, and amenable to disclosure and be visible to the concerned stakeholder.

The company shall ensure maximum appropriate disclosure to its various stakeholders.

IV. The company shall strive to ensure that transparent, correct and relevant information, pertaining to its products and services, is disseminated through its advertising material and information displayed on the digital platforms. The company shall display the required information at the respective offices of the company as prescribed by DCIL from time to time.

V. The company shall ensure that disclosures required to be made in business documents, statutory forms, declarations, advertisements are correct and complete in all sense. Disclosures shall be governed by the Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders, Investor Relations Policy, Determination of Materiality Policy and such other applicable policy as may be framed by the DCIL, from time to time.

VI. The company shall have a zero tolerance for bribery and corruption in its business dealings. All officers and employees of the company shall not, directly or indirectly, solicit or accept any personal fee, commission any form of remuneration arising out of a transaction involving the DCIL. This includes gifts or other benefits, which might be extended at times, to influence business decisions. Any offer, promise or grant of gift may be made only if it is customary and / or are of a commemorative nature.

VII. The company shall not support any specific political party or candidate for political office. The company's conduct shall preclude any activity that could be interpreted as mutual dependence/ favour with any political body or person.

VIII. The company believes in free and open competition and shall not indulge in any anti- competitive or unfair practice or abuse its dominant position in the market.

IX. The company shall avoid complicity with the volatile practices by any third party to the extent possible

Principle 2 – SUSTAINABLE AND SAFE GOODS & SERVICES

I. DCIL, is a Dredging company and is not engaged in a business concerning design of products/ services that could raise social concerns, economic risks and/or hazardous opportunities. The company shall, however, strive to reduce its own carbon footprints, influence the stakeholders to encourage them to reduce their footprints and engage with the employees to help reduce their personal foot prints.

II. The company shall at all times create consumer awareness about their rights as borrowers, terms and conditions of loans, etc. in the marketing communication as per the regulatory norms and Fair Practices Code as adopted by the Company.

III. While designing its products that largely pertain to loan customers and depositors, the company shall give due regard to social, ethical and environmental considerations as also respect the rights of people who may be the owners of traditional knowledge and other forms of intellectual property.

IV. The Company shall always strive to treat all its stakeholders with dignity, respect and due understanding.

V. The Company shall, at all times, strive to upgrade the work culture and take such initiatives that work towards the conservation of the surrounding environment.

Principle 3 – EMPLOYEE WELL-BEING

The Company shall respect and promote the well-being of all employees and workers.

I. The Company shall ensure better flow of information and understanding among its employees and provide all relevant employee benefits. It shall adopt a culture that facilitate a sense of belonging, loyalty and commitment amongst the employees and facilitates free access to the members of senior management for sharing ideas, suggestions and grievances.

II. The Company shall refrain from employing child labour, forced labour or any form of involuntary labour, paid or unpaid in any of its offices.

III. The Company shall advocate a business environment that favours the concept of equal employment opportunities for all without any discrimination with respect to caste, creed, gender, race, religion, disability or sexual orientation. The Company shall strictly abide with

IV. The rules and regulations stipulated by local governments on minimum wages to be paid to employees. The company shall promote work-life balance among all its employees.

V. The company shall provide a safe working environment to all employees and protect them from sexual harassment by all means and appropriate compliance mechanism set- forth by union government. Any such instance shall be dealt promptly, sensitively and confidentially in the most judicious and unbiased manner.

VI. The Company shall take efforts to attract and retain talent by including employee engagement, mentoring, training and career development, empowerment and providing various perquisites as per the policies of the Company.

VII. The Company shall identify needs and grant necessary training to the employees to develop their skills and overcome such gaps as may be identified during the appraisal processes. On-the-job training, job rotation or training through various programs – internal, external or international shall be offered to employees to upgrade their competencies.

VIII. The company shall provide a workplace environment that is safe, hygienic, humane, and comfortable and which upholds the dignity of the employees. It shall provide facilities for the well-being of its employees including those with special needs. The Company shall comply with the statutory provisions with regard to health, safety and well-being of its employees. Specific provisions contained in the labour laws ensuring health, safety, hygiene, comforts and well-being of employees shall be complied in letter and spirit.

Principle 4 – STAKEHOLDER ENGAGEMENT

The Company shall respect the interests of and be responsive to all stakeholders.

I. The Company shall follow ethical practices so as to ensure that no inconvenience is caused to any of its internal and external stakeholders. The Company shall proactively engage with and respond to those sections in the society that are disadvantaged, vulnerable and marginalized.

II. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company shall be driven towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders.

III. The website of the company shall provide for feedback mechanism for stakeholders to assess the impact of the DCIL's policies, decisions and services. The feedback shall be given to the concerned person or Committee.

IV. The company shall have continuous engagement with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in a most effective manner.

Principle 5 – HUMAN RIGHTS

The Company shall respect and promote human rights.

I. Human rights being inherent, universal, indivisible and interdependent in nature, the Company shall comply and adhere to all the human rights related laws and guidelines as prevailing in its area of operation.

II. The Company shall practice the culture of responsible lending and treat delinquent customers with fairness.

III. The Company shall recognize and respect the human rights of all relevant stakeholders, including that of its customers, depositors, shareholders, investors, public at large and the vulnerable and marginalized section of the society.

IV. The Company shall strive to abide with the aforesaid principle and discourage violating practices by any third party to the extent possible.

V. The Company shall also not be complicit with human rights abuses by a third party.

Principle 6 – ENVIRONMENTAL PROTECTION AND RESTORATION

The Company shall respect and make efforts to protect and restore the environment.

I. The Company shall promote ecological sustainability and green initiatives by adopting energy saving mechanisms, sensitizing employees to reduce carbon footprint of the Company.

II. The Company commits itself to take all necessary initiatives towards continued reduction in the utilization of natural resources and also manmade resources. The Company shall proactively promote the same across the value chain by mandating compliance by various stakeholders.

III. The company shall also persuade and encourage the builders and developers that have business interest with it, to move towards environmentally friendly constructions

Principle 7 – RESPONSIBLE PUBLIC AND REGULATORY POLICY ENGAGEMENT

The Company shall engage in public and regulatory policy advocacy responsibly and transparently.

I. As a corporate citizen, the company understands its responsibility to operate within the democratic setup and constitutional framework.

II. The company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the

authorities and shall take into account the Company's as well as the larger national interest.

III. The company believes that policy advocacy must preserve and expand public good and thus shall never advocate any policy change to benefit itself alone or a select few in a partisan manner.

Principle 8 – INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Company shall support inclusive growth and equitable development.

The Company shall undertake CSR initiatives for the well-being of the society in the areas prescribed by the various statutes made in this regard, statutory or regulatory authorities having regard to the annual CSR Action plan of the Company. The Company shall strive to increase its presence in the rural parts of the country.

Principle 9 – CONSUMER VALUE

The Company shall engage with consumers responsibly and provide value in a fair and transparent manner.

I. The Company shall provide a facility to its customers to record their grievances/ feedback as required under regulatory norms which also enables the Company to redress the same and maintain high service standards. Senior personnel shall be deputed to ensure redressal within the prescribed turnaround times.

II. Wherever required, the company shall escalate the complaints to the level of business heads, regional heads/ functional heads and the Managing Director.

III. The company also ensures that the promotion and advertisement of its products do not mislead or confuse the customers and other stakeholders or in any way violate the principles of this Policy. In adherence to the SEBI guidelines, the Company shall stress on quantifiable metrics by providing essential and voluntary indicators.

- The company will make all such disclosures as may be required by the relevant statutory and/or regulatory instructions made in this regard from time to time.

- The company will report on the 'Comprehensive BRSR' format as amended/ updated from time to time, which presently is divided into 3 parts:
  - General disclosures;
  - Management and process disclosures; and

- Principle wise performance disclosures (which includes 9 principles that are categorized into essential indicators and leadership indicators).

IV. While the essential performance disclosures are mandatory for companies that have adopted the BRSR, the leadership indicators are "good to have" for the Company to grow in a more socially conscious, ethically compliant, and environmentally responsible manner.

7. Governance Structure

The Board of Directors shall have overall oversight of this Policy and the Company's sustainability initiatives.

The Board may delegate responsibility for implementation and monitoring of this Policy to:

- The Sustainability Committee / ESG Committee;
- Senior management personnel;
- Functional heads responsible for ESG matters.

The Company shall periodically review ESG risks, opportunities, targets, and performance indicators.

8. Implementation and Review

This Policy shall be implemented across all functions of the Company.

The Company shall:

- Periodically review this Policy;
- Update the Policy in line with changes in applicable laws, SEBI circulars, regulatory requirements, and business needs;
- Monitor implementation through internal reviews and reporting mechanisms.

9. Disclosure

This Policy shall be hosted on the website of the Company in accordance with applicable provisions of the SEBI LODR Regulations and other applicable laws.

10. General

i. In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to the Company Secretary.

ii. Company Secretary in consultation with the Managing Director and/or Board of Directors, shall clarify the doubt and communicate the same to the respective person. In case, clarification or doubt is subject matter of policy then, Company Secretary shall refer the matter to the Board of Directors for their direction. On receipt of direction/ clarification, Company Secretary shall communicate the same to the respective person/division.

11. Effective Date

This Policy shall come into effect from the date of approval by the Board of Directors.

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