Master Components Limited

ESG Policy Manual

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Prepared by: MR

Reviewed by: Corporate Affairs & Employee Engagement Lead

Approved By: Board of Directors

MASTER GROUP	**ESG Policy Manual**	**Issue No, Dt: 01, 15/01/2025** **Rev. No, Dt: 01, 12/03/2026**

Table of Contents:

Sr. No.	Document Number	Description	Rev. No.	Rev. Date	Page No.
1.	-	Cover page	01	12/03/2026	01
2.	MCL/ESG/A	TABLE OF CONTENT	02	05/11/2026	02
3.	MCL/ESG/B	List of Documents	01	12/03/2026	03
4.	MCL/ESG/POL/01	ESG policy	01	12/03/2026	04-05
5.	MCL/ESG/POL/02	Business Ethics Policy	01	12/03/2026	06-08
6.	MCL/ESG/POL/03	Stakeholder Management Procedure	01	12/03/2026	09-12
7.	MCL/ESG/POL/04	Grievance Redressal Procedure	02	05/11/2026	13-16
8.	MCL/ESG/POL/05	Anti-Bribery and Anti-Corruption Policy	01	12/03/2026	17
9.	MCL/ESG/POL/06	Confidentiality & Intellectual Property Policy	01	12/03/2026	18-19
10.	MCL/ESG/POL/07	Information Security and Protection Policy	00	15/01/2025	20-21
11.	MCL/ESG/POL/08	Protection of Human Rights Policy	01	12/03/2026	22
12.	MCL/ESG/POL/09	Child, Young & Forced Labor Policy	02	05/11/2026	23-24
13.	MCL/ESG/POL/10	Compensation & Remuneration Policy	01	12/03/2026	25-26
14.	MCL/ESG/POL/11	Discrimination & Vulnerable Groups Policy	01	12/03/2026	27-28
15.	MCL/ESG/POL/12	Maternity Leave Policy	00	15/01/2025	29-30
16.	MCL/ESG/POL/13	Harassment & Abuse Policy	01	12/03/2026	31-33
17.	MCL/ESG/POL/14	Responsible Sourcing Policy	01	12/03/2026	34-35
18.	MCL/ESG/POL/15	Supplier Code of Conduct	01	12/03/2026	36-38
19.	Annexure-1	Objectives and Targets	01	05/11/2026	39-42

List of Documents

Sr. No.	Document No.	Description	Rev. No.	Rev. Date
	ESG Policy			
01.	MCL/ESG/POL/01	ESG policy	01	12/03/2026
	Governance Policies			
02.	MCL/ESG/POL/02	Business Ethics Policy	01	12/03/2026
03.	MCL/ESG/POL/03	Stakeholder Engagement plan	01	12/03/2026
04.	MCL/ESG/POL/04	Grievance Redressal Procedure	02	05/11/2026
	Ethical Policies			
05.	MCL/ESG/POL/05	Anti-Bribery and Anti-Corruption Policy	01	12/03/2026
06.	MCL/ESG/POL/06	Confidentiality & Intellectual Property Policy	01	12/03/2026
07.	MCL/ESG/POL/07	Information Security and Protection Policy	01	15/01/2025
	Labor and Human Policies			
08.	MCL/ESG/POL/08	Protection of Human Rights	01	12/03/2026
09.	MCL/ESG/POL/09	Child, Young & Forced Labour Policy	02	05/11/2026
10.	MCL/ESG/POL/10	Compensation & Remuneration Policy	01	12/03/2026
11.	MCL/ESG/POL/11	Discrimination & Vulnerable Groups Policy	01	12/03/2026
12.	MCL/ESG/POL/12	Maternity Leave Policy	00	15/01/2025
13.	MCL/ESG/POL/13	Harassment & Abuse Policy	01	12/03/2026
	Sustainable Procurement Policies			
14.	MCL/ESG/POL/14	Responsible Sourcing Policy	01	12/03/2026
15.	MCL/ESG/POL/15	Supplier Code of Conduct	01	12/03/2026
	Annexures			
16.	Annexure-1	Objectives and Targets	01	05/11/2026

ESG Policy	**Doc. No.:**	**MCL/ESG/POL/01**
	Rev. No.:	**01**
	Date:	**12/03/2026**

Master Components Ltd. are committed to conducting our business responsibly by safeguarding the environment, ensuring the health, safety, and wellbeing of people, and operating with strong governance and ethical integrity. Our ESG Policy reflects our commitment to continual improvement, legal compliance, and responsible growth, while aligning with international principles and standards.

Master Components Ltd. recognizes that integrating ESG principles into our operations is vital for long-term success, stakeholder trust, and sustainable development. We are committed to comply with all applicable environmental, social, and governance laws, rules and continuously improve our management system through measurable objectives and audits.

1. **Environmental Commitment:**

Master Components Ltd. are committed to reducing our environmental footprint and enhancing our environmental performance in line with ISO 14001 and ZWL 91436 certifications. To fulfil this, we shall:

- Identify and manage environmental aspects and impacts across operations.
- Prevent pollution and minimize waste generation, emissions, and resource consumption.
- Use energy, water, and raw materials efficiently and promote conservation wherever possible.
- Address climate change risks by monitoring emissions and improving energy performance.
- Promote awareness and competence through regular training and communication.

2. **Social Commitment:**

Our social responsibility is rooted in safeguarding the dignity, rights, and wellbeing of every person connected to our operations. In alignment with labor laws and ISO 45001, we commit to:

- Providing a safe and healthy working environment for employees, contractors, and visitors to prevent work-related injuries and illnesses.
- Identifying workplace hazards, conducting risk assessments, and establishing controls to eliminate or reduce risks.
- Promoting a culture of health, safety, and shared responsibility through training, participation, and consultation.
- Ensuring fair labor practices, including timely wages, working hours, and non-discrimination based on caste, gender, religion, or socioeconomic background.
- Respecting human rights by upholding freedom of expression, prohibiting child labour and forced labour, and supporting employee representation and grievance mechanisms.

3. **Governance Commitment:**

Master Components Ltd. upholds strong governance standards by ensuring that ethical conduct, transparency, and compliance are embedded into our daily business decisions. To support this, we shall:

- Operate with integrity and zero tolerance for bribery, corruption, or fraudulent practices.
- Promote accountability and responsible decision-making at all organizational levels.
- Safeguard business and personal data, respect confidentiality, and maintain information security.
- Integrate ESG criteria into procurement by working with suppliers who follow ethical, legal, and sustainable practices, with preference to local and responsible vendors.
- Establish mechanisms to report unethical behaviour confidentially and take corrective actions as needed.

This policy is communicated to all employees and stakeholders under our control and is made available to interested parties. Every individual is expected to understand, implement, and uphold this commitment to a safe, ethical, and sustainable organization.

4. **Objectives and Targets:**

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in **Annexure 1** of the policy manual and are monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Board of Directors	-
02	11-03-2026	Review of policies and integration of HR policies (alignment with existing policies to avoid duplication)	Corporate Affairs & Employee Engagement Lead	Board of Directors	

1. **Policy Statement:**

Master Components is committed to conducting all business activities with integrity, transparency, and fairness. We uphold th e highest ethical standards and comply with all applicable laws and regulations wherever we operate. This policy reflects our zero-tolerance approach toward corruption, bribery, fraud, money laundering, conflicts of interest, and unfair competition. Every employee, contractor, supplier, and partner is expected to act honestly and ethically in all business dealings.

2. Scope

This policy applies to:

- All employees, officers, directors, and contract staff.
- All subsidiaries, joint ventures, and associated entities under Master Components Ltd.
- Third parties acting on behalf of or representing Master Components, including agents, consultants, vendors, and suppliers.

3. Main Policy Elements

3.1 Anti-Corruption and Anti-Bribery

- No employee or representative shall offer, give, request, or accept bribes or any form of improper advantage to influence business decisions.
- Facilitation payments, kickbacks, or any form of unofficial payment are strictly prohibited.
- Gifts, hospitality, or donations must be modest, transparent, and pre-approved according as per the Anti-Corruption and Anti-Bribery Policy.

3.2 Fraud Prevention

- Fraud, including falsification of documents, misrepresentation, or misuse of company resources, will not be tolerated.
- All financial and sensitive transactions must be accurately recorded and supported by valid documentation.
- Employees must report any suspected fraudulent activity immediately to their supervisor or through the grievance mechanism.

3.3 Conflict of Interest

- Employees must avoid situations where personal interests conflict—or appear to conflict—with the interests of the company.
- Any potential or actual conflict must be disclosed promptly to the reporting manager or to HR.
- Employees are prohibited from engaging in business with competitors, suppliers, or clients in which they or their relatives hold a financial interest, unless disclosed and approved.

3.4 Money Laundering and Financial Integrity

- Master Components will not engage in or facilitate money laundering or financing of illegal activities.
- All customers, vendors, and partners shall be subject to due diligence and verification as per applicable laws and internal company policies.
- Suspicious financial activities must be reported to the company without delay.

3.5 Fair Competition

- Master Components supports free and fair competition and complies with antitrust and competition laws.
- Employees shall not engage in price fixing, market allocation, bid rigging, or exchange of sensitive information with competitors.
- Marketing and sales practices shall always be truthful and not misleading.

3.6 Transparency and Accountability

- All business decisions and transactions must be transparent and properly documented.
- Employees must ensure accuracy in all public disclosures, reports, and communications.
- We are committed to transparency in dealings with regulators, clients, and partners.

4. Grievance and Reporting Mechanism

- Employees and stakeholders are encouraged to report any unethical conduct or breach of this policy without fear of retaliation.
- Reports may be made through:
    - Direct reporting to the HR
    - Confidential email: hr@master-components.com
    - Anonymous reporting box
- All reports will be investigated promptly, fairly, and confidentially.
- Retaliation against anyone who reports a concern in good faith is strictly prohibited.

5. Objectives and Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

6. Grievance and Reporting Mechanism

This policy will be reviewed annually or whenever significant legal or organizational changes occur.

Updates and amendments will be approved by the top management and communicated to all employees and relevant stakeholders.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

1. Introduction

- Stakeholder engagement is an inclusive process conducted throughout the company's life cycle. It is most effective when initiated at an early stage of the company's establishment. It is an integral part of early decisions, assessment, management, and monitoring of company's environmental & social risks / impacts.
- Engagement is initiated through early identification and consultation with affected and interested parties, allowing stakeholders views, feedback, and concerns to be taken into account while framing company policies.

2. Objectives

- To establish a systematic approach to stakeholder engagement that will help the company identify stakeholders, assess their.
- To enable stakeholders' views and feedback to be considered to achieve sound environmental and social performance
- Identify potential constraints or conflicts and provide the stakeholders with accessible means to raise issues and grievances.

3. Definitions

- Stakeholders - Stakeholders are persons or groups who are directly or indirectly affected by a company, as well as those who may have an interest in a company and/or the ability to influence its outcomes, either positively or negatively. An indicative list of stakeholders may include local communities or individuals, national or local government authorities, shareholders, farmers, politicians, customers, suppliers, employees, workers, groups with special interests, the academic community, etc.
- Stakeholder Analysis - Stakeholder analysis is the process of identifying a company's key stakeholders and assessing the ways in which these stakeholders may influence the company. Stakeholder analysis provides the foundation for planning stakeholder engagement throughout the company's life-cycle. This is an ongoing process and will evolve as new stakeholders are introduced to the company. The identified stakeholders are listed in the above table.
- Stakeholder Engagement - Any process that involves stakeholders in problem-solving or decision-making and uses stakeholder input to make better decisions. Stakeholder engagement is a process or series of actions, impacts and outcomes and not one single activity.
- Key stakeholder groups that were preliminary identified, include the following parties:

Stakeholder Categories	Stakeholder Groups	Stakeholders
Government	Central, state & local / regional government	▪ Ministries at central & state level ▪ Bureaus at central & state level ▪ Municipalities, panchayats & regional bodies ▪ District administration ▪ Government associations
Third parties	External interested parties	▪ Customers ▪ Suppliers ▪ Service agencies or external providers ▪ Contractors ▪ Union Representatives ▪ Agents ▪ Traders or distributors ▪ Trade partners ▪ Industry Associations
Internal	Internal interested parties	▪ Directors ▪ Employees ▪ Workers
Local Community	Local affected communities	▪ Individuals or groups residing near the processing plant or company premises ▪ Local businesses
Supply chain	Supply Chain Partners	▪ People affected by the company's operations or activities at logistics level

4. Engagement Process

The below mentioned approach needs to be followed for stakeholder engagement:

- Identification of stakeholders & stakeholder groups:

- An initial list of stakeholders is created based on the understanding acquired with regards to the company's environmental, social & geographic scope.
- The identification process must then be updated and refined as the company's operations expand or change, and range of potential stakeholders are better understood.
- This will provide a more comprehensive view of who may be affected—either directly, indirectly or by cumulative impacts.
- The identified stakeholders are listed in the above table.

- **Identifying stakeholder interest:**
- Once the relevant stakeholder groups have been identified, the next step is to discern their interests and how their interest may be affected.
- Identification of stakeholder interest can help illuminate the motivations of different actors and how they may influence the company.
- **Stakeholder prioritization:**
- It is not practical and usually not necessary to engage all stakeholder groups with the same level of intensity all the time. Being strategic and clear as to whom the company will be engaging with and why, can save resources and time.
- The group of potential stakeholders and their interest will naturally be quite diverse. Prioritization will help identify appropriate forms of engagement for different stakeholder groups.
- **Stakeholder engagement:**
- When engaging with the stakeholder the company ensures that the below mentioned parameters are assessed:
- Impact – How much does the company & its operations impact them?
- Influence – How much influence do they have over the company & its operations?
- Review of areas of agreement and disagreement with the stakeholder
- Strategy for engaging the stakeholder, Negotiation and Conflict Resolution Mechanism
- Who will engage the stakeholder?

The stakeholders are regularly informed, consulted, and engaged throughout the company's life-cycle.

Stakeholder Category	Key Stakeholders	Impact on Company Business	Influence on Company Business	Areas of Agreement	Areas of Disagreement	Negotiation & Conflict Resolution Mechanism
Internal Stakeholders	Employees	Productivity, innovation, quality of work	High - Directly affect operations and culture	Job security, workplace safety, fair wages	Workload distribution, promotion policies	Regular meetings, grievance redressal system, anonymous feedback mechanism
	Management	Business strategy, decision-making, profitability	High - Strategic direction and leadership	Business growth, compliance, employee performance	Strategic priorities, budget allocation	Leadership meetings, strategic planning sessions
	Board of Directors	Governance, risk management, long-term sustainability	High - Defines corporate governance and investment	Profitability, corporate governance	Risk management, investment decisions	Board meetings, external mediation if necessary

External Stakeholders	Customers	Revenue generation, brand reputation	High - Demand influences production and service	Product quality, on-time delivery, pricing	Customization, after-sales support	Customer feedback surveys, dedicated support channels
	Suppliers & Contractors	Supply chain stability, cost management	Medium - Affects raw material availability and costs	Timely payments, long-term contracts	Pricing, delivery timelines	Supplier audits, contractual agreements, mediation meetings

Stakeholder Category	**Key Stakeholders**	**Impact on Company Business**	**Influence on Company Business**	**Areas of Agreement**	**Areas of Disagreement**	**Negotiation & Conflict Resolution Mechanism**
	Regulatory Authorities	Legal compliance, operational permits	High - Can enforce regulations and penalties	Compliance with environmental and labour laws	Interpretation of regulations	Regular compliance audits, consultations with legal experts
	Local Communities	Social license to operate, CSR impact	Medium - Can impact reputation and social acceptance	Employment opportunities, CSR initiatives	Environmental impact, noise pollution	Corporate social responsibility programs
	Industry Associations	Market standards, regulatory advocacy	Medium - Influences industry norms and competition	Standard compliance, advocacy	Competitive practices, lobbying efforts	Joint initiatives, participation in industry forums
External Stakeholders	Environmental & Social Organizations	Sustainable business practices, regulatory pressure	Medium - Can influence public perception and policy	Sustainable practices, ethical sourcing	Operational transparency, resource utilization	Public disclosures, third-party audits, collaborative projects

Periodic monitoring:

- Monitoring the stakeholder engagement is essentially about assessing whether previously agreed measures are being implemented, working as intended, addressing grievances and identifying alternatives where there are failings. • It is important to remain responsive to requests for information from stakeholders and set appropriate systems to make the requisite information available.
- As project information changes due to recommendations from assessments and mitigation plans, or as project activities are identified, the stakeholder engagement plan is reviewed and modified accordingly to ensure its effectiveness in securing meaningful and effective stakeholder participation.

Objectives & Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

Rev. No.	**Date**	**Description of Changes**	**Revised by**	**Approved by**	**Remarks**
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Grievance Redressal Procedure	Doc. No.:	MC/ESG/POL/04
	Rev. No.:	02
	Date:	05/11/2026

1. Policy Statement

To provide a structured mechanism for stakeholders to voice concerns and seek resolution in a transparent, fair, and timely manner. We define grievance as any complaint, problem or concern of a stakeholder.

2. Scope

This policy applies to all stakeholders of Master Components Ltd, including employees, workers, contract workers, suppliers, customers, and community members.

3. Grievance Redressal Structure

Grievances are handled at two levels:

- Level 1: Human Resources (HR). All grievances are first submitted to and reviewed by the HR team.
- Level 2: Board of Directors, through the Grievance Redressal Committee (GRC). Grievances that HR cannot resolve are escalated to the Board.

  Please Note: Based on the severity of the situation, it can be escalated immediately to GRC.

3.1. Grievance Redressal Committee

In accordance with Section 4 of the Industrial Relations Code, 2020, the Board has constituted a Grievance Redressal Committee to resolve disputes arising out of individual grievances of workers within the Company. The Committee has equal representation of the employer and the workers.

Sr. No.	Name	Designation	Role in Committee	Representing
1	Mr. Shrikant Hanamant Joshi	Managing Director	Chairman	Employer
2	Ms. Tanvi Joshi	CAEE	Member	Employer
3	Mr. Akshay Kakade	HR	Member	Employer
4	Mr. Chagan Mahajan	Operator	Member	Workers
5	Mrs. Jayshree Ravte	Operator	Member	Workers

6	Mrs. Ashwini Dhole	Operator	Member	Workers
7	Mr. Sandip Patel	Operator	Member	Workers

3.2. Roles and Responsibilities of the Committee

- To resolve disputes arising out of individual grievances of workers within the Company.
- To complete proceedings within 30 days of receipt of the application filed by an aggrieved worker.
- To give a just and viable decision on the application on the basis of the majority view of the Committee.
- To perform such other functions as may be prescribed.

4. Grievance Handling Process

- **Submission of Grievance**
  - Stakeholders can submit grievances via email (hr@master-components.com & compliance@master-components.com), suggestion boxes, or in person.
  - Complaints must include relevant details such as issue description, date, and contact information.
- **Acknowledgment & Registration**
  - All grievances received shall be registered in the Grievance Register and forwarded to the HR Department for review and initial resolution.
  - Complaints are acknowledged as reference numbers.
- **Investigation & Resolution (Level 1 - HR)**
  - The HR team reviews the grievance within 7 business days.
  - Necessary discussions and fact-finding are conducted to assess the validity of the grievance.
  - Appropriate actions and resolutions are proposed.
- **Response & Closure**
  - The complainant is informed of the resolution within 15 business days.
  - If HR is unable to resolve the grievance, it is escalated to the Board (Level 2) as described in Section 4.5.
- **Escalation (Level 2: Board / Grievance Redressal Committee)**
  - Grievances that HR cannot resolve are referred to the Board. Based on the severity of the situation, a grievance can be escalated immediately to the GRC without waiting for HR review.
  - For grievances of workers, the Grievance Redressal Committee (Section 3.1) hears the matter and completes proceedings within 30 days of receipt of the application, deciding by majority view.
  - The decision is communicated in writing to the complainant, and the grievance is closed in the Grievance Register.
  - External mediation may be considered where the grievance remains unresolved after Board review
- **Follow-up & Continuous Improvement**
  - Feedback is collected post-resolution to ensure satisfaction.
  - Periodic review of grievances to identify recurring issues and improve the process.

5. Grievance Reporting and Escalation Flow

- Stakeholder submits the grievance (email, suggestion box, or in person).
- Grievance is acknowledged, given a reference number, and recorded in the Grievance Register.
- HR reviews, investigates, and attempts to resolve the grievance.
- If resolved, the resolution is communicated to the complainant and the grievance is closed.
- If not resolved by HR, the grievance is escalated to the Board / Grievance Redressal Committee. Based on severity, a grievance can be escalated immediately to the GRC, bypassing HR review.
- The Board / Committee decides, the decision is communicated to the complainant, and the grievance is closed.

6. Monitoring & Evaluation

- Regular stakeholder feedback sessions.
- Grievance forms (MCL/ESG/POL/04/DI/01) and Grievance register (MCL/ESG/POL/04/DI/02) maintained and analyzed for trends.
- Periodic stakeholder management reviews.

7. Review and Amendments

The Grievance Redressal Policy shall be reviewed periodically to ensure its effectiveness, relevance, and compliance with applicable laws and organizational requirements. Reviews will be conducted annually by the designated committee.

8. Remedial Procedures

Master Components ensures that all remedies provided through the grievance mechanism are fair, effective, and aligned with responsible business practices. Remedial procedures include the following key elements:

- **Proportionality**
  - Corrective actions are proportionate to the nature and severity of the grievance.
  - Appropriate measures are identified based on the impact on the stakeholder and the seriousness of the violation.
  - Actions may include counselling, process improvement, disciplinary action, or policy changes.
- **Transparency**
  - All actions taken to address the grievance are communicated clearly to the complainant.
  - Stakeholders are informed about the steps, timelines, and outcomes to ensure confidence in the process.
  - Documentation of decisions and actions is maintained for audit and verification.

- **Monitoring**
  - Effectiveness of the remedial actions is monitored through follow-ups with stakeholders.
  - HR or the designated committee reviews whether the remedy resolved the issue and prevented recurrence.
  - Insights from monitoring are used to refine policies and continuously improve the grievance management system.

9. Objectives & Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-
02	05-11-2026	Added Grievance Redressal Structure & Grievance Reporting and Escalation Flow	Corporate Affairs & Employee Engagement Lead	Director	-

Anti-Bribery and Anti-Corruption Policy	Doc. No.:	MC/ESG/POL/05
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

The organization strictly prohibits any form of bribery or corruption in all business dealings and relationships. Employees and stakeholders must adhere to ethical business practices and comply with all applicable anti-corruption laws.

2. Prohibited Practices

- Offering, giving, receiving, or soliciting anything of value to improperly influence business decisions.
- Engaging in corrupt practices with government officials or private entities.
- Facilitating payments to expedite routine processes.
- Failure to report known instances of bribery or corruption.

3. Compliance Measures

- Awareness provided on anti-bribery and anti-corruption through notice board display of policies.
- Grievance mechanism for anonymous reporting of violations.
- Internal review mechanism to ensure compliance with anti-bribery policies.
- Strict enforcement of penalties for violations.

4. Monitoring & Evaluation

- Ongoing assessment of anti-bribery compliance and enforcement measures.

5. Conclusion

The Anti-Bribery and Anti-Corruption Policy reinforce our unwavering commitment to ethical business practices, integrity, and compliance with all applicable laws and regulations. We maintain a zero-tolerance stance toward bribery and corruption in any form, ensuring transparency, accountability, and fairness in all our dealings.

6. Objectives & Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

7. Review and Amendments

The Anti-Bribery and Anti-Corruption Policy shall be reviewed annually to ensure its continued effectiveness, alignment with legal and regulatory requirements, and relevance to the organization's operations.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Confidentiality & Intellectual Property Policy	Doc. No.:	MC/ESG/POL/06
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

This policy aims to protect the confidentiality of proprietary information and ensure the proper management of intellectual property (IP) within Master Components Limited.

2. Scope

Applies to all employees, contractors, consultants, and third parties handling company-sensitive information or intellectual property.

3. Confidential Information

Confidential information includes, but is not limited to:

- Business strategies, financial data, customer, and supplier information
- Manufacturing processes, research, and development data
- Technical know-how, trade secrets, designs, and innovations
- Employee and HR records
- Any non-public information that could impact the company's competitive position

4. Intellectual Property (IP) Rights

- All inventions, patents, trademarks, copyrights, designs, or trade secrets developed during employment shall be the exclusive property of Master Components Ltd.
- Employees must disclose any IP developed in connection with company operations.
- Unauthorized use, sharing, or reproduction of company-owned IP is prohibited.

5. Obligations of Employees & Third Parties

- Maintain confidentiality of all company information during and after employment/contract termination.
- Use confidential information strictly for business purposes.
- Report any unauthorized disclosure or misuse of confidential information.

6. Non-Disclosure Agreements (NDAs)

Employees, vendors, and contractors must sign NDAs before accessing confidential information.

7. Data Security & Access Control

- Restricted access to sensitive data on a need-to-know basis.
- Use of secure communication and storage systems to prevent data breaches.

8. Violations & Consequences

Breach of confidentiality or IP rights may result in disciplinary action, legal proceedings, and termination of employment or contracts.

9. Objectives & Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

10. Review & Amendments

This policy will be reviewed annually and updated as needed to ensure continued effectiveness and compliance with legal standards.

Changes must be approved by Director and communicated to all employees.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

1. Policy Statement

Master Components Ltd is committed to upholding the highest standards of information security and protection. In alignment with our governance responsibilities under our ESG framework, we ensure that all company information—whether digital or physical—is safeguarded against unauthorized access, misuse, or disruption.

2. Scope

This policy applies to all employees, directors, contractors, and third parties acting on behalf of the organization as well as all information assets (digital, cloud-based, and physical) owned or managed by the organization.

3. Objectives

- Protect the confidentiality, integrity, and availability of information
- Comply with relevant Indian laws such as the Information Technology Act, 2010 and the Digital Personal Data Protection (DPDP) Act, 2023
- Foster stakeholder trust by aligning information security practices with ESG standards
- Establish responsibilities and acceptable practices for all information users and handlers

4. Key Principles

4.1 Confidentiality

- Data access is restricted to authorized individuals only
- Personal and sensitive information is safeguarded in compliance with Indian data protection laws

4.2 Integrity

- All records and information must be accurate and protected from unauthorized modification
- System changes or anomalies must be reported immediately.

4.3 Availability

- IT service providers must ensure systems are accessible during business hours
- Data backup and recovery must be part of vendor agreements

5. Responsibilities

5.1 Management

- Ensure resources are provided for all IT related equipment and compliances.
- Oversee periodic reviews of security risks.
- Maintain an internal compliance point of contact for IT/security matters (HR & Admin Team).

5.2 HR and Admin Team

- Ensure third-party service contracts clearly outline security expectations
- Act as a liaison between the company and the third-party service partner
- Escalate any major issues to management immediately
- Ensure that the service provider complies with the contract/service agreement at all times.
- Ensure that the requirements of this policy are communicated to the service provider.

5.3 Employees

- Use only authorized devices and software for official work.
- Keep passwords confidential and secure.
- Report suspicious activities or potential breaches immediately.
- Unauthorized software installation is strictly prohibited.
- Remote access should only occur via secure, approved channels.

5.4 IT Vendors or Service Provider

- Ensure up-to-date antivirus, firewalls, and encryption protocols are maintained.
- Perform regular data backups and maintain recovery protocols.
- Notify the company of any breach or suspected incident within 12 hours.

6. Data Protection and Privacy

- Sensitive data must be handled lawfully and only for legitimate business needs.
- All third-party IT service providers must sign a Non-Disclosure Agreement (NDA).
- The company adheres to principles under the DPDP Act, 2023 to ensure data subject rights are respected.

7. Incident Reporting

- Any breach, suspected malware, or data compromise must be reported to HR and Admin Department within 12 hours.

8. Review and Amendments

This policy is subject to periodic review and may be amended with approval to ensure compliance with evolving laws and best practices.

Protection of Human Rights	Doc. No.:	MC/ESG/POL/08
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

Master Components Ltd. is committed to upholding and promoting human rights across all aspects of its business operations. This policy outlines our commitment to respect and protect human rights in compliance with international standards, national laws, and ethical business practices.

2. Scope

This policy applies to all employees, contractors, suppliers, and stakeholders associated with Master Components Pvt. Ltd.

3. Principles

Master Components Ltd. is guided by the following human rights principles:

- Non-Discrimination: We prohibit discrimination based on race, gender, age, religion, disability, sexual orientation, nationality, or any other characteristic.
- Freedom of Association: Employees have the right to join trade unions and engage in collective bargaining.
- Safe and Healthy Workplace: We ensure a safe and secure working environment, free from harassment, abuse, and unsafe conditions.
- Fair Wages and Working Hours: Compensation practices align with local labor laws, ensuring fair pay and reasonable working hours.
- Prohibition of Child and Forced Labor: We strictly prohibit child labor, forced labor, and human trafficking in any form.
- Right to Privacy: We respect the privacy and confidentiality of employees' personal information.

4. Responsibilities

- Management: Responsible for implementing and enforcing the human rights policy.
- Employees: Expected to adhere to the policy and report any violations.
- Suppliers & Business Partners: Required to comply with human rights standards outlined in this policy.

5. Reporting and Grievance Mechanism

Any employee or stakeholder can report human rights violations through a confidential reporting mechanism without fear of retaliation. Reports will be reviewed, investigated, and appropriate corrective actions will be taken.

6. Objectives & Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

7. Compliance & Continuous Improvement

Master Components Ltd. commits to regularly reviewing and improving its human rights practices in line with evolving global standards and legal requirements.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Child, Young and Forced Labor Policy	Doc. No.:	MC/ESG/POL/09
	Rev. No.:	02
	Date:	05/11/2026

1. Policy Statement

Master Components is committed to upholding human rights and ensuring ethical labor practices across all operations. This policy establishes our stance against child labor, young worker exploitation, and forced labor while ensuring compliance with national and international labor laws.

2. Scope

This policy applies to all employees, contractors, suppliers, and business partners associated with Master Components.

3. Policy Guidelines

- **Definitions (THE CHILD & ADOLESCENT LABOUR (PROHIBITION & REGULATION) ACT, 1986, Latest Amendment 2016)**
  1. Child: A person who has not completed 14 years of age.
  2. Adolescent: A person who has completed 14 years but has not completed 18 years of age.
  3. Adult: A person who has completed 18 years of age.
- **Prohibition of Child Labor**
- Master Components strictly prohibit the employment of individuals below the legal minimum working age as defined by national laws and the International Labour Organization (ILO) conventions.
- Any supplier, contractor, or business partner found engaging in child labor will face immediate contract termination and legal action.
- **Employment of Young Workers**
- Adolescents between 14 and 18 years of age shall only be employed in permitted non-hazardous activities, subject to applicable legal requirements and necessary approvals, wherever required.
- Their working hours and job responsibilities will comply with applicable labor laws to prevent exploitation and interference with their education or well-being.
- **Prevention of Forced and Bonded Labor**
- Master Components does not tolerate any form of forced, bonded, or involuntary labor, including human trafficking, debt bondage, or coercion.
- Employees must work freely, with fair wages, proper contracts, and the right to leave employment voluntarily.
- Retaining personal identification documents (e.g., passports, ID cards) of workers to restrict their freedom is strictly prohibited.
- **Supplier & Business Partner Compliance**
- All suppliers and contractors must adhere to this policy and provide written confirmation of their compliance with child labor and forced labor laws.
- Master Components reserves the right to audit and investigate supply chain partners to ensure ethical labor practices.
- **Reporting & Compliance**
- Employees and stakeholders are encouraged to report any suspected violations of this policy.
- Reports will be handled confidentially with strict non-retaliation measures in place.
- Regular training will be conducted to ensure awareness of labor rights and responsibilities.

4. Consequences of Non-Compliance

Violation of this policy will result in disciplinary actions, including termination of contracts, legal proceedings, and penalties as per labor laws.

5. Objectives and Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

6. Policy Review & Amendments

This policy will be reviewed annually to ensure alignment with evolving labor laws and industry best practices.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-
02	05-11-2026	Added Definitions and updated Policy guidelines	Corporate Affairs & Employee Engagement Lead	Director	-

Compensation & Remuneration Policy	Doc. No.:	MC/ESG/POL/10
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

Master Components is committed to fair, competitive, and performance-driven compensation practices that attract, retain, and motivate employees. This policy establishes the framework for structuring employee remuneration while ensuring compliance with labor laws and industry standards.

2. Scope

This policy applies to all employees, including permanent, contractual, and temporary staff across all levels of the organization.

3. Policy Guidelines

- **Compensation Structure**
- Employee compensation consists of fixed pay (basic salary, allowances) and variable pay (bonus, PF and other benefits).
- The structure is designed considering market trends, company financial performance, and individual contributions.
- Salary revisions and increments will be based on performance, experience, and industry benchmarks.
- **Equal Pay & Non-Discrimination**
- Master Components follows a non-discriminatory approach to compensation, ensuring equal pay for equal work regardless of gender, caste, religion, age, disability, or any other protected category.
- Regular reviews will be conducted to eliminate pay disparities.
- **Performance-Based Pay**
- Performance-linked incentives and bonuses will be awarded based on the performance of the employee year-on-year.
- The annual appraisal process will determine salary adjustments, promotions, and variable pay distribution.
- **Statutory & Legal Compliance**
- Compensation will comply with all applicable labor laws, including minimum wage requirements, provident fund, ESI, and tax regulations.
- Employees will receive statutory benefits such as leave encashment, social security contributions, and medical insurance where applicable.
- **Pay Transparency & Communication**
- Employees will receive clear communication about their salary structure, benefits, deductions, and performance-related incentives.
- The company will ensure that employees understand their total compensation package, including monetary and non-monetary benefits.

- **Overtime & Additional Pay**
- Employees required to work beyond regular working hours will be compensated as per applicable overtime legal requirements.
- Special allowances may be granted for work-related travel, shift duties, or project-based assignments.
- **Employee Benefits & Perks**
- In addition to salary, employees may receive benefits such as medical insurance, retirement benefits, paid leaves, and wellness programs.
- Additional perks like training sponsorships, skill development programs, and recognition rewards will be provided based on company policies.
- **Payroll Processing & Deductions**
- Salaries will be processed on a fixed date each month, with all applicable tax and statutory deductions made as per government regulations.
- Employees will have access to their salary slips and tax statements through a transparent payroll system.

4. Objectives and Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

5. Review & Amendments

- This policy will be reviewed periodically to ensure alignment with evolving labor laws, market trends, and business needs.
- Any updates to the policy will be communicated to employees in a timely manner.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Discrimination & Vulnerable Groups Policy	Doc. No.:	MC/ESG/POL/11
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

Master Components is committed to fostering a workplace that is free from discrimination, harassment, and bias. This policy ensures that all employees, regardless of background, are treated with dignity, respect, and fairness while promoting the inclusion of vulnerable groups.

2. Scope

This policy applies to all employees, contractors, business partners, and stakeholders associated with Master Components. It covers workplace interactions, recruitment, promotions, compensation, and overall employee engagement.

3. Policy Guidelines

- **Zero Tolerance for Discrimination**
- Master Components strictly prohibits discrimination based on gender, age, caste, religion, disability, sexual orientation, marital status, or any other protected category.
- Any form of workplace harassment, bullying, or exclusionary behaviour will not be tolerated.
- **Equal Employment Opportunities**
- All employment decisions, including hiring, promotions, transfers, and benefits, will be based on merit, skills, and job requirements.
- The company is committed to ensuring that employees from diverse backgrounds have equal access to opportunities.
- **Protection of Vulnerable Groups**
- Special attention will be given to protecting vulnerable groups, including but not limited to:
- Women employees, especially in leadership roles and maternity benefits.
- Differently-abled individuals, ensuring workplace accessibility and reasonable accommodations.
- Economically and socially disadvantaged groups.
- Senior employees, ensuring age-inclusive policies.
- LGBTQ+ employees, ensuring workplace inclusion and non-discriminatory practices.
- **Workplace Inclusivity Measures**
- Training programs will be conducted to promote diversity, equity, and inclusion.
- Employee grievance redressal mechanisms will be in place to report discrimination-related concerns confidentially.
- A fair investigation and resolution process will be ensured for all complaints.
- **Compliance with Laws & Regulations**
- This policy aligns with national and international labor laws and anti-discrimination regulations, and shall be applied in accordance with all applicable laws in force from time to time. In case of any conflict, the law shall prevail.
- Regular audits and reviews will be conducted to maintain compliance with evolving legal requirements.

4. Reporting & Resolution Mechanism

- Employees can report any discrimination-related concerns to HR or through an anonymous grievance mechanism.
- Retaliation against employees reporting discrimination will not be tolerated.
- Appropriate disciplinary actions, including termination, will be taken against those violating this policy.

5. Objectives and Targets

Master Components establishes and maintains ESG objectives and targets. These objectives & Targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are periodically monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

6. Review & Amendments

- This policy will be reviewed periodically to ensure alignment with best practices and legal frameworks.
- Any updates will be communicated to all employees.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Maternity Leave Policy	Doc. No.:	MC/ESG/POL/12
	Rev. No.:	00
	Date:	15/01/2025

1. Policy Statement

Master Components is committed to supporting women employees during pregnancy, childbirth, and postpartum recovery. This policy ensures compliance with applicable labour laws and promotes a work environment that respects maternity rights while balancing work-life integration.

2. Scope

This policy applies to all female employees, including permanent, and temporary workers, as per the eligibility criteria defined in this document.

3. Policy Guidelines

- **Eligibility**
  - All female employees who have completed at least 80 days of service in the 12 months preceding the expected delivery date are eligible for maternity benefits.
  - The policy covers childbirth, miscarriage, abortion and adoption, wherever applicable.
- **Maternity Leave**
  - Eligible employees are entitled to 26 weeks of paid maternity leave, as per the Maternity Benefit Act.
  - For a second and subsequent child, the paid leave entitlement is 12 weeks.
  - In case of miscarriage or medical termination of pregnancy, 6 weeks of paid leave is granted.
  - In case of adoption of a child below 3 months, 12 weeks of maternity leave is applicable.
- **Additional Leave & Flexibility**
  - Employees facing post-pregnancy complications can apply for an additional 1 month of unpaid leave based on medical certification.
  - Flexible working arrangements, including work-from-home options, may be provided post-maternity leave based on job role feasibility.
- **Salary & Benefits During Leave**
  - The employee will receive full salary and statutory benefits (PF, ESI, and gratuity) during the paid maternity leave period.
  - Annual appraisals and promotions will not be negatively impacted due to maternity leave.
  - Maternity leave shall be treated as paid leave, and the employee shall be entitled to receive salary along with all applicable allowances, except conveyance allowance, during the eligible paid maternity leave period.
- **Workplace Support & Facilities**
  - Master Components promotes a safe and supportive work environment for pregnant employees.
  - Restrooms, lactation rooms, and ergonomic seating arrangements will be provided.
  - Reasonable adjustments, such as reduced standing hours and flexible shifts, will be accommodated.

- **Re-joining & Childcare Support**

- Employees returning from maternity leave can discuss phased rejoining or part-time work arrangements with HR, subject to approval.
- If applicable, the company will explore partnerships with daycare facilities for working mothers.

- **Prohibition of Termination**

- No employee can be dismissed or penalized on grounds of pregnancy or maternity leave.
- In case of termination during maternity leave, the company must provide valid, non-discriminatory reasons.

- **Compliance with Legal Frameworks**

- This policy complies with the Maternity Benefit Act, 1961, and other relevant labour laws in India.
- Any updates in regulations will be incorporated into the policy accordingly.

- **Review & Amendments**
  - The policy will be reviewed annually to ensure alignment with legal and organizational requirements.
  - Employees will be informed of any changes in a timely manner.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks

Harassment and Abuse Policy	Doc. No.:	MC/ESG/POL/13
	Rev. No.:	01
	Date:	12/03/2026

1. Policy Statement

Master Components Limited (hereinafter referred as "the Company") is committed to providing a safe environment for all its employees free from discrimination on any ground and from harassment, abuse, intimation, or bullying at work including sexual harassment. The company will operate a zero tolerance policy for any form of sexual harassment in the workplace, treat all incidents seriously and promptly investigate all allegations of harassment and abuse. Any person found to have sexually harassed another will face disciplinary action, up to and including dismissal from employment. All complaints of harassment and abuse will be taken seriously and treated with respect and in confidence. No one will be victimised for making such a complaint. This policy ensures that all employees are treated with dignity and that incidents of harassment or abuse are addressed swiftly and effectively.

2. Scope

This policy applies to all employees, including permanent, contractual, and temporary staff, as well as business partners, clients, and third-party contractors associated with Master Components. It covers workplace interactions, both in-person and online.

3. Policy Guidelines

- Zero Tolerance for Harassment & Abuse
- Master Components strictly prohibits all forms of harassment, including but not limited to :-

  1. Sexual harassment (unwanted advances, inappropriate remarks, or physical contact).
  2. Verbal abuse (threats, insults, offensive language).
  3. Physical abuse (violence, intimidation, or any form of physical harm).
  4. Psychological harassment (bullying, exclusion, manipulation).
  5. Discriminatory behaviour based on gender, caste, religion, race, disability, sexual orientation, or any other protected category.

- **Definition of Sexual Harassment**
- Sexual harassment is unwelcome conduct of a sexual nature which makes a person feel offended, humiliated and/or intimidated. It includes situations where a person is asked to engage in sexual activity as a condition of that person's employment, as well as situations which create an environment which is hostile, intimidating or humiliating for the recipient. Sexual harassment can involve one or more incidents and actions constituting harassment may be physical, verbal and non-verbal.

  Examples of conduct or behaviour which constitute sexual harassment include, but are not limited to:

- **Physical Conduct**
- Unwelcome physical contact including patting, pinching, stroking, kissing, hugging, fondling, or inappropriate touching
- Physical violence, including sexual assault
- Physical contact, e.g. touching, pinching
- The use of job-related threats or rewards to solicit sexual favours Verbal conduct
- Comments on a worker's appearance, age, private life, etc.
- Sexual comments, stories and jokes
- Sexual advances
- Repeated and unwanted social invitations for dates or physical intimacy
- Insults based on the sex of the worker
- Condescending or paternalistic remarks
- Sending sexually explicit messages (by phone or by email) Non-verbal conduct

- Display of sexually explicit or suggestive material
- Sexually-suggestive gestures
- Whistling
- Leering

According to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 only women can be a victim of sexual harassment, regardless of the sex of the harasser. The company recognises that sexual harassment may also occur between people of the same sex. What matters is that the sexual conduct is unwanted and unwelcome by the person against whom the conduct is directed. The company recognises that sexual harassment is a manifestation of power relationships and often occurs within unequal relationships in the workplace, for example between manager or supervisor and employee. Anyone, including employees of the company, clients, customers, casual workers, contractors or visitors who sexually harass another will be reprimanded in accordance with this internal policy. All sexual harassment is prohibited whether it takes place within the company premises or outside, including at social events, business trips, training sessions or conferences sponsored by the company

4. Reporting Mechanism

Anyone who is subject to sexual harassment should, if possible, inform the alleged harasser that the conduct is unwanted and unwelcome. The company recognises that sexual harassment may occur in unequal relationships (i.e. between a supervisor and his/her employee) and that it may not be possible for the victim to inform the alleged harasser. If a victim cannot directly approach an alleged harasser, she can approach one of the designated members of the Internal Complaints Committee (hereinafter referred to as “ICC”) responsible for receiving complaints of sexual harassment.

A. For Harassment & Abuse except for Sexual Harassment:

Employees experiencing or witnessing harassment apart from sexual harassment complaints should report the incident to:

- Their immediate manager or HR representative.
- Member of the Internal Complaints Committee.
- Reports will be handled sensitively, ensuring confidentiality and non-retaliation against the complainant.

B. For Sexual Harassment Complaints:

If a victim cannot directly approach an alleged harasser, she can approach one of the designated Internal Complaints Committee (ICC) members responsible for receiving complaints of sexual harassment. When a designated committee member receives a complaint of sexual harassment, he/she will:

- immediately record the dates, times and facts of the incident(s) in the prescribed form
- ascertain the views of the victim as to what outcome she wants
- ensure that the victim understands the firm’s procedures for dealing with the complaint
- discuss and agree the next steps: either informal or formal complaint, on the understanding that choosing to resolve the matter informally does not preclude the victim from pursuing a formal complaint if she is not satisfied with the outcome
- keep a confidential record of all discussions
- respect the choice of the victim
- ensure that the victim knows that they can lodge the complaint outside of the firm through the relevant country/legal framework

5. Investigation & Disciplinary Action

- All reported cases will be investigated promptly and fairly by HR or a designated inquiry committee. Appropriate disciplinary actions, including warnings, suspension, termination, or legal proceedings, will be taken based on the severity of the offense.

6. Prevention & Awareness

- Regular awareness programs and training will be conducted to educate employees on workplace harassment and abuse including sexual harassment. Leadership and management will play an active role in fostering a respectful workplace culture.

7. Compliance with Legal Frameworks

- This policy complies with applicable Indian labour laws, including:
    - The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013.
    - The Indian Penal Code (IPC) provisions on harassment and abuse.
    - Other relevant workplace safety and anti-discrimination laws.

Implementation of this policy

The company will ensure that this policy is widely disseminated to all relevant persons. It will be included in the staff handbook. All new employees must be trained on the content of this policy as part of their induction into the firm. Every year, The company will require all employees to attend a refresher training course on the content of this policy. It is the responsibility of every proprietor to ensure that all the employees are aware of the policy.

Monitoring and Evaluation

The company recognises the importance of monitoring this sexual harassment policy and will ensure that it anonymously collects statistics and data as to how it is used and whether or not it is effective. ICC being responsible for dealing with sexual harassment cases will report on compliance with this policy, including the number of incidents, how they were dealt with, and any recommendations made. This will be done on a yearly basis. As a result of this report, the firm will evaluate the effectiveness of this policy and make any changes needed.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	12/03/2026	Policy updated to include prohibition of abuse	CS Riddhi Bheda	Bheda Mr. Shrikant H. Joshi (Whole-Time Director and CFO)	-

For and on behalf of,
Master Components Limited

Sd/-

Mr. Shrikant H. Joshi,
(Whole-Time Director and CFO
DIN: 01190978)

Responsible Sourcing Policy	Doc. No.:	MC/ESG/POL/14
	Rev. No.:	01
	Date:	12/03/2026

1. INTRODUCTION:

1.1. We at Master Components Limited is committed to responsible and sustainable sourcing practices that promote environmental stewardship, social responsibility, and ethical business conduct throughout our supply chain.

1.2. This Responsible Sourcing Policy goes beyond traditional procurement considerations such as cost, quality, and delivery timelines by integrating environmental, social, and ethical considerations into supplier selection and procurement decision-making processes.

1.3. This Responsible Sourcing Policy is developed in alignment with the principles of the United Nations Global Compact (UNGC), the International Labour Organization (ILO) Core Labour Standards, and the management system frameworks of ISO 14001 and ISO 45001.

2. SCOPE:

The responsible sourcing policy is applicable to all stakeholders of Master Components Ltd., including but not limited to, employees, suppliers, and contractors.

3. POLICY STATEMENT:

3.1. **Compliance with Laws and Regulations:** We are committed to complying with all environmental, social, and ethical laws and regulations related to the sourcing of products, including but not limited to those related to labor rights, human rights, environmental protection, and health & safety.

3.2. **Environmental Responsibility:** Master Components Limited recognizes the importance of minimizing environmental impacts associated with our supply chain activities. We are committed to sourcing products and materials that are produced and delivered in an environmentally responsible manner, with a focus on energy efficiency, pollution prevention including waste management, water management and biodiversity conservation.

3.3. **Social Responsibility (Human Rights and Labour Practices):** We are committed to not source products from suppliers who engage in any form of forced, bonded, or child labour, or who discriminate and harass against their workers based on race, gender, religion, or any other status. We are committed to only source products from suppliers who provide fair wages and working conditions for their employees, and who comply with all relevant labour laws and regulations.

3.4. **Ethical Business Conduct:** Master Components Limited is committed to conducting business with integrity, transparency, and ethical business conduct. We expect our suppliers to uphold the highest standards of ethical behaviour, including zero tolerance for bribery, corruption, and unethical practices.

3.5. **Due Diligence:**

- Master Components Ltd. has established a Sustainable Procurement Program including a comprehensive supply chain risk assessment for its suppliers that outlines the framework and action plan for identifying and managing the key environmental and social risks associated with our suppliers.
- Based on the risk assessment, Master Components Ltd. will establish a supplier assessment plan for high-risk suppliers.
- This will include virtual assessments, on-site assessments for low-performing suppliers, as well as monitoring of supplier practices through regular procurement means, review of supplier corrective action reports, and other relevant means as per the defined supplier assessment plan.

4. SUPPLIER EXPECTATIONS:

Master Components Limited sets requirements and expectations for our suppliers to ensure that they share our commitment to upholding highest environmental, social, and ethical standards. We require our suppliers, when working with Master Components Ltd., to act in a manner consistent with Master Component Ltd. Supplier Code of Conduct (MCL/ESG/POL/16). Additionally, we encourage our suppliers to set expectations for their own suppliers, wherever feasible, that align with the Supplier Code of Conduct.

5. CONTINUOUS IMPROVEMENT AND MONITORING:

5.1. Master Components Limited is committed to continuous improvement in responsible sourcing practices. The top management will regularly review and assess the effectiveness of this policy and our suppliers' performance against our expectations.

5.2. Master Component Ltd. will collaborate with our suppliers to identify opportunities for improvement, implement best practices, and address any issues or concerns related to environmental, social, or ethical performance.

6. COMMUNICATION AND TRAINING:

6.1. Master Components Limited will communicate this Responsible Sourcing Policy to all relevant stakeholders, including employees, suppliers, and contractors.

6.2. We will provide training and guidance to our employees and suppliers on their roles and responsibilities under this policy and the importance of responsible sourcing practices in the supply chain.

7. COMPLIANCE AND ACCOUNTABILITY:

7.1. Compliance with this Responsible Sourcing Policy is mandatory for all employees and suppliers of Master Components Limited. Non-compliance may result in termination of contracts or business relationships. 6.2 Master Components Limited will establish mechanisms to monitor and enforce compliance with this policy and address any instances of non-compliance promptly and effectively.

8. OBJECTIVES AND TARGETS:

Master Components establishes and maintains ESG objectives and targets. These objectives & targets are aligned with material risks and opportunities, applicable legal and other requirements, and stakeholder expectations. The objectives are outlined in Annexure 1 of the policy manual and are monitored in the ESG Objectives Plan (Doc No: MCL/EHS/OBJ/1) and are periodically reviewed by Top Management to ensure continual improvement.

9. APPROVAL & UPDATION:

9.1. This policy will be reviewed and updated on a annual basis to ensure that it remains consistent with our commitment to responsible sourcing and with the evolving environmental and social performance expectations of our stakeholders.

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

Supplier Code of Conduct	Doc. No.:	MCL/ESG/POL/15
	Rev. No.:	01
	Date:	12/03/2026

1. INTRODUCTION:

1.1. Master Components Ltd., engaged in plastic component manufacturing, is committed to conducting business with integrity, transparency, and responsible environmental and social practices across its value chain. The Company recognizes that sustainable development and responsible sourcing are essential to long-term business resilience and stakeholder trust.

1.2. This Supplier Code of Conduct ("Code") establishes the minimum environmental, social, ethical, and occupational health & safety expectations applicable to all suppliers, contractors, service providers, and their subcontractors ("Suppliers").

1.3. The Code is developed in alignment with the principles of the United Nations Global Compact (UNGC), the International Labour Organization (ILO) Core Labour Standards, and the management system frameworks of ISO 14001 and ISO 45001.

1.4. Suppliers are expected to comply with this Code and demonstrate commitment toward continual improvement in responsible business practices.

2. <u>POLICY STATEMENT</u>:

The below-mentioned compliances are expected from all our suppliers:

2.1. Compliance with Laws and Regulations:

Suppliers shall:

- Comply with all applicable national and local laws relating to the environment, labour, occupational health & safety, and ethical business conduct.
- Maintain valid statutory permits, licenses, registrations, and approvals required for their operations.
- Ensure regulatory compliance related to chemicals management, plastics processing, emissions, waste handling, and worker safety.
- Promptly inform Master Components Ltd. of any significant regulatory non-compliance that may impact supplied goods or services.

2.2. Environmental Responsibility:

Suppliers are expected to:

- Obtain and maintain required environmental permits and monitoring records.
- Prevent pollution and minimize environmental impacts arising from operations.
- Optimize the use of raw materials, water, and energy resources.
- Implement measures to reduce waste generation, emissions, and greenhouse gas impacts.
- Ensure safe handling, storage, transportation, and disposal of chemicals, plastics waste, and hazardous materials.
- Promote recyclable materials, responsible packaging, and environmentally sound production practices wherever feasible.
- Support continual improvement in environmental performance.

2.3. Social Provisions:

Suppliers must:

- Prohibit child labour and forced, bonded, or involuntary labour.
- Ensure all workers meet legal minimum working age requirements.
- Provide working conditions, fair wages, statutory benefits, and lawful working hours.
- Maintain workplaces free from discrimination, harassment, abuse, or intimidation.
- Respect freedom of association and collective bargaining in accordance with applicable laws.
- Ensure employment relationships are voluntary and transparent.
- Implement appropriate remediation measures where labour violations are identified.

2.4. Ethical Business Conduct:

Suppliers must:

- Maintain zero tolerance toward bribery, corruption, fraud, or unethical practices.
- Avoid conflicts of interest and disclose any actual or potential conflicts involving Master Components personnel.
- Maintain accurate and transparent business records.
- Respect intellectual property and confidential information.
- Comply with applicable data privacy and information protection laws.
- Conduct business in accordance with fair competition principles.

2.5. Health & Safety Provisions:

Suppliers shall:

- Comply with applicable occupational health & safety laws and regulations.
- Identify workplace hazards and implement effective risk control measures.
- Provide necessary safety training, supervision, and safe work procedures.
- Provide appropriate Personal Protective Equipment (PPE) and ensure its proper use.
- Maintain emergency preparedness and incident response arrangements.
- Provide access to medical assistance for occupational injuries or illnesses.
- Continuously work toward reducing workplace accidents and health risks.

3. SUPPLIER DUE DILIGENCE:

Master Components Ltd. has implemented a Sustainable Procurement Program to strengthen environmental, social, and ethical performance within its supply chain.

Under this program:

- Suppliers may be subject to risk-based prioritization considering environmental, labour, health & safety, and ethical risks.
- Suppliers may be requested to complete self-assessments or provide sustainability-related information.

- Where elevated risks are identified, supplier evaluations or audits may be conducted by Master Components Ltd. or authorized representatives.
- Suppliers shall cooperate with corrective action plans aimed at improvement in performance.
- Continued business engagement may consider supplier commitment toward responsible sourcing requirements.

4. MONITORING AND RECORDS:

Suppliers shall:

- Maintain records demonstrating compliance with this Code.
- Communicate applicable requirements to stakeholders and business partners.
- Cooperate with audits, inspections, or information requests.
- Support corrective and preventive actions where improvement opportunities are identified.

5. NON-COMPLIANCE AND VIOLATION:

Failure to comply with this Code may result in corrective action requirements, suspension, or termination of the business relationship depending on the severity and persistence of non-compliance.

6. GOVERNANCE, OVERSIGHT, & REVIEW:

Implementation of this Supplier Code of Conduct is managed by the Purchasing function in coordination with the Quality and ESG teams. Supplier performance and responsible sourcing due diligence activities are periodically reviewed by senior management to support continual improvement across the supply chain.

The supplier code of conduct is reviewed by the top management on an annual basis.

Supplier Acknowledgement:

Supplier Name: _____

Authorized Representative: _____

Signature: _____

Date: _____

Rev. No.	Date	Description of Changes	Revised by	Approved by	Remarks
01	27-02-2026	Added Objectives and Targets Section	Corporate Affairs & Employee Engagement Lead	Director	-

ESG Objectives & Targets	**Doc. No.:**	**Annexure 1**
	Rev. No.:	**01**
	Date:	**05/11/2026**

1. Environmental Objectives & Targets

- **General**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to protecting the environment and preventing pollution through responsible resource management, reduction of environmental impacts, and continual improvement of environmental performance across operations.	2030 (Continuous)	Ongoing
2	Quantitative	Establish, implement and achieve ISO 14001 Environmental Management System certification across operations.	2026	Completed

- **GHG & Energy**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Continue tracking and managing Scope 1, Scope 2 and relevant Scope 3 GHG emissions annually to support climate change mitigation efforts.	2030 (Continuous)	Ongoing
2	Quantitative	Transition fuel usage in operations to eliminate direct fuel consumption where feasible, targeting near-zero Scope 1 emissions.	2027	Planned
3	Quantitative	Reduce Scope 2 GHG emissions intensity by 30% from baseline year through energy efficiency and renewable electricity adoption.	2030	Planned
4	Quantitative	Reduce Scope 3 GHG emissions intensity by 10% from baseline year.	2030	Planned
5	Quantitative	Maintain 100% annual monitoring and reporting of energy consumption and GHG emissions.	2030 (Continuous)	Ongoing

- **Waste**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Continue implementation of Zero Waste to Landfill (ZWL) principles and DIN SPEC 91436 certification across operations through waste reduction, reuse and recycling initiatives.	2030 (Continuous)	Ongoing
2	Quantitative	Improve overall waste recycling/recovery rate from **95% to 99%** through enhanced segregation and recovery initiatives.	2027	Completed ZWL Gold Certification
3	Quantitative	Maintain 100% tracking of hazardous and non-hazardous waste generation and disposal quantities annually.	2030 (Continuous)	Ongoing
4	Quantitative	Maintain 100% compliance with local, regional, and national waste regulations.	2030 (Continuous)	Ongoing

ESG Objectives & Targets	**Doc. No.:**	**Annexure 1**
	Rev. No.:	**01**
	Date:	**05/11/2026**

- **Water**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Maintain systematic monitoring and management of water consumption to promote efficient use of water resources.	2030 (Continuous)	Ongoing
2	Quantitative	Complete identified leakage correction measures in the water tank as per 2025 water accounting and maintain ≤5% leakage losses from 2026 onward.	2026 (Implementation) / 2030 (Maintenance)	Ongoing

2. Labor and Human Rights

- **Health & Safety**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to providing all employees and contract workers with a safe and healthy working environment through periodic health and safety risk assessments, implementation of control measures, and provision of appropriate personal protective equipment (PPE).	2030 (Continuous)	Ongoing
2	Quantitative	Establish, implement and achieve ISO 45001 Occupational Health & Safety Management System certification across operations.	2026	Completed
3	Quantitative	Maintain Lost Time Injury Rate (LTIR) at zero through proactive hazard identification, incident prevention and corrective action programs, with annual monitoring and review.	2026	Completed

- **Working Conditions**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to maintaining fair and responsible working conditions by ensuring employees receive legally compliant wages, regulated working hours, statutory benefits, and safe and respectful workplace conditions in accordance with applicable labour laws.	2030 (Continuous)	Ongoing
2	Quantitative	Maintain 100% health insurance or medical coverage for all eligible employees in accordance with organizational policies and applicable regulations.	2030 (Continuous)	Ongoing
3	Quantitative	Maintain 100% compliance with applicable wage regulations, labour laws and working hour requirements, verified through periodic internal reviews.	2030 (Continuous)	Ongoing

- **Career Management & Training**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to enhancing employee competencies and long-term employability through structured learning, skill development and professional training programs aligned with organizational and operational needs.	2030 (Continuous)	Ongoing
2	Quantitative	Provide on-the-job skill training to 100% of contracted employees at no cost, supporting safe and effective job performance.	2030 (Continuous)	Ongoing
3	Quantitative	Increase average employee training hours by 20% compared to baseline training year through structured capacity-building initiatives.	2030	Planned

Objectives & Targets	Doc. No.:	Annexure 1
	Rev. No.:	01
	Date:	05/11/2026

- **Child, Forced, and Human Trafficking**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to prohibiting child labour, forced labour and all forms of human trafficking across operations in accordance with applicable labour laws and internationally recognized human rights principles.	2030 (Continuous)	Ongoing
2	Qualitative	Ensure ethical recruitment and employment practices through age verification procedures, voluntary employment conditions and transparent contractual arrangements.	2030 (Continuous)	Ongoing
3	Quantitative	Maintain 100% verification of employee age and legal employment documentation prior to hiring.	2030 (Continuous)	Ongoing
4	Quantitative	Ensure 100% inclusion of child labour and forced labour prohibition clauses in employee and contractor agreements.	2030 (Continuous)	Ongoing

- **Discrimination & Harassment**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to maintaining a workplace free from discrimination, harassment and retaliation by promoting equal opportunity, mutual respect and fair treatment for all employees irrespective of gender, age, caste, religion, disability or other protected characteristics.	2030 (Continuous)	Ongoing
2	Qualitative	Implement and maintain policies and procedures aligned with applicable legal requirements, including Prevention of Sexual Harassment (POSH) provisions, to prevent workplace discrimination and harassment.	2030 (Continuous)	Planned
4	Quantitative	Maintain 100% coverage of employees under anti-discrimination, anti-harassment, and POSH policies, including communication during onboarding and employment.	Included in onboarding since 2026, 2030 (Continuous)	Ongoing
5	Quantitative	Ensure 100% availability and operational grievance reporting mechanism for employees to report discrimination or harassment concerns confidentially through established systems or internal complaints committee (ICC)	2030 (Continuous)	Ongoing

3. Ethics

- **Anti-Corruption & Anti-Bribery**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to a zero-tolerance approach toward corruption, bribery, fraud, money laundering and unethical business practices, ensuring integrity, transparency and ethical conduct across all business operations and relationships.	2030 (Continuous)	Ongoing
2	Quantitative	Conduct a formal Anti-Corruption and Bribery Risk Assessment covering operational activities, financial transactions and third-party interactions in accordance with ISO 37001 standard.	2026	Comple-ted
3	Quantitative	Establish and implement internal controls and monitoring mechanisms for financial transactions, approvals and business dealings to prevent corruption, fraud and money laundering risks.	2026	Comple-ted

Objectives & Targets	Doc. No.:	Annexure 1
	Rev. No.:	01
	Date:	05/11/2026

- **Information Security Management**

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to protecting confidential information, personal data and organizational information assets through responsible information management practices and secure handling of digital and physical data.	2030 (Continuous)	Ongoing
2	Quantitative	Conduct periodic information security and IT risk assessments to identify and manage cyber security and data protection risks in accordance with ISO 27001 ISMS.	2026 (and ongoing)	Planned
3	Quantitative	Establish and implement an IT Incident Response Plan to manage, report and respond to information security and cyber security incidents.	2026	Completed

4. Sustainable Procurement

No.	Type	Objective Description	Target Year	Status
1	Qualitative	Commit to managing environmental, social and ethical risks within the supply chain through implementation of a structured sustainable procurement program.	2030 (Continuous)	Ongoing
2	Qualitative	Integrate environmental and social considerations into supplier selection, evaluation and engagement processes to promote responsible sourcing practices.	Implemented In 2025, 2030 (Continuous)	Ongoing
3	Quantitative	Design and implement a Sustainable Procurement Program including supplier risk assessment, prioritization methodology and sustainability evaluation criteria.	2026	Completed
4	Quantitative	Provide sustainability and responsible sourcing training to 100% of procurement personnel involved in supplier management activities.	2026	Completed