

Haldia Petrochemicals Limited

STAKEHOLDER ENGAGEMENT POLICY

Background & Scope

Haldia Petrochemicals Limited (also referred to as “HPL”, “the Company” and “we”) recognizes its duty to carefully consider and constructively address the feedback, complaints, or concerns raised by its stakeholders. Driven by the goal of fostering a safe and inclusive atmosphere where every stakeholder feels appreciated and empowered, the company pledges to develop and sustain a transparent and effective system for grievance redressal. This system is designed to ensure that all concerns, questions, and complaints related to the Company's operations and officials are thoroughly investigated and resolved in a timely and equitable manner. The company is committed to taking appropriate corrective actions to address issues, thereby upholding stakeholder satisfaction and trust.

Policy applicability

Applicable to all internal and external stakeholders of Haldia Petrochemicals Limited and / or its subsidiaries / associates / group companies.

Purpose

The purpose of this policy is:

- To outline the methodologies, systems, and processes for identifying and engaging with stakeholders.
- To enhance stakeholders’ trust and confidence in our processes and activities, while promoting a good understanding of stakeholders’ needs and expectations.
- To establish transparent communication and feedback mechanism for all identified stakeholders.

Stakeholder identification & Prioritization

Internal Stakeholders:

- Board of Directors & Key Managerial Personnel (KMPs)
- All permanent HPL employees and workers
- All contractual employees and workers

External Stakeholders:

- Government & regulatory bodies
- Vendors / suppliers
- NGOs
- Local Communities
- Investors and shareholders
- Customers & dealers

- Industry associations
- Trade unions
- Any Other Stakeholder as may be identified in due course.

Categorize stakeholder connection with business operations to analyse direct and indirect risks and impacts, to each group of stakeholders and stakeholder mapping to identify the most relevant group with rest of HPL. (Appendix 1).

Policy implementation

- **Stakeholder identification:** All operations of the Company are expected to identify Stakeholder basis the following criteria:
 - Relevance for material aspect
 - Willingness to engage with the Company
 - Level of influence
- The Company has identified the following Stakeholder groups:
 - **Board of Directors & KMPs:** Regular communication with stakeholders ensures effective oversight of strategic decisions, risk management, and adherence to corporate governance principles, driving the company's success and sustainability.
 - **Senior Management:** Proactive leadership and effective decision-making are essential for the success of any organization. Regular communication with all levels of the company facilitates alignment with strategic goals, efficient resource allocation, and swift adaptation to market dynamics. Senior management's commitment to fostering a culture of innovation, accountability, and employee development is key to driving organizational growth and maintaining a competitive edge in the industry.
 - **Permanent Employees:** The effectiveness of employees, encompassing their performance, productivity, professional advancement, and personal welfare, plays a crucial role in determining a company's success.
 - **Contractual Employees and workers:** Providing fair compensation, safe working conditions, and opportunities for skills development fosters loyalty and enhances morale. By treating contractual workers with respect and ensuring they are integrated into the company's culture, businesses can mitigate risks, reduce turnover, and demonstrate a commitment to fair labor practices.
 - **Supplier:** Establish and develop strong partnership with suppliers and service providers can foster opportunities for collaboration, sharing of knowledge, and long-term valued partnership.

- **Customer:** Customer and dealer satisfaction and loyalty are crucial for business success and expansion.
- **Investor and Shareholder:** Maintaining transparent communication, delivering consistent returns, and demonstrating responsible stewardship of capital are essential for fostering trust and confidence, attracting investment, and maximizing shareholder value.
- **Regulatory Bodies:** Compliance with regulations, proactive engagement with authorities, and adherence to industry standards are fundamental for maintaining trust, ensuring legal compliance, and mitigating risks, safeguarding the company's reputation and operational integrity.
- **Local Community:** Building positive relationships, supporting local initiatives, and fostering open dialogue are essential for earning community trust, contributing to social well-being, and creating shared value, enhancing the company's reputation and social license to operate.
- **NGOs:** Building positive relationships with NGOs helps address societal and environmental challenges and demonstrates a commitment to ethical practices. By collaborating with NGOs, HPL can create shared value, contribute to societal well-being, and strengthen their social license to operate.
- **Media:** Relationship building and engagement with the media houses is an integral part of image building exercise which helps in ultimate brand positioning for the company. With positive media stories through leadership positioning, press release dissemination and getting desired story angle published helps in distinguished identity building of the organization in the market and community.
- **Industry Associations:** Industry associations provide a platform to collaborate, share knowledge, and advocate for common interests. Active participation can help to influence industry standards, gain insights into market developments, and access networking opportunities.

Stakeholder engagement strategy

The Company strives to abide by the following when engaging with any stakeholder:

- Prior to initiating interaction with a stakeholder, define the objectives, extent, and frequency of involvement, and develop suitable approaches for engagement. The manner and depth of engagement with a stakeholder are determined by the existing relationship or the desired relationship HPL intends to establish with them.
- Evaluate potential risks associated with stakeholder engagement before determining the appropriate level or method of involvement and develop strategies to mitigate these risks. Risks may encompass stakeholder fatigue, integrity issues, conflicts of interest, disruptive or uninformed stakeholders, and reluctance to participate.

- Evaluate the stakeholder's ability to engage effectively when choosing an engagement method. If stakeholders lack the capacity to engage due to factors like financial constraints, technical limitations, time constraints, language barriers, skill gaps, cultural differences, or awareness gaps, appropriate capacity-building measures should be implemented.
- Share and communicate the results of stakeholder engagement with both internal and external stakeholder groups using diverse communication channels as suitable. This may include, but is not limited to, the annual report, sustainability report, updates on Company's official website, as well as individual meetings and grievance redressal report.

Grievance Redressal Mechanism

HPL believes in active cooperation with stakeholders for strong and sustainable business performance. This policy is a conscious effort to provide stakeholders a system to voice their concerns and offer transparency on grievance redressal to strengthen the relationship between the company and its stakeholders.

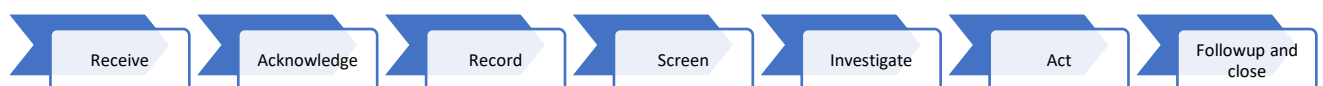
Types of Grievances

The various kinds of grievances that can arise, can mostly be categorized under four (4) headings:

- Internal Grievances
 - Employee Grievance
 - Contractual Workforce grievance
- External Grievances
 - Contractor and labour related grievances
 - Investor/Shareholder grievances
 - Customer grievances
 - NGOs grievance
 - Community grievances on operations
 - Community grievances on development, CSR intervention etc. related issues
 - Trade union grievances

Detailed description of the various external and internal grievances along with the various issues covered under these heads is mentioned subsequently.

Grievance flow:



Publicizing Grievance Management Procedure

- Grievance form and email should be published at company website.

- Grievance form should be made available to asset locations and publicized on asset gates in English and Hindi language.

Receiving Grievances via grievance redressal channels

- Appendix 3 will provide the details of all the channels for grievance submission via different stakeholders.

Resolution of Grievances

- All grievances will be filed. Within ten working days of receiving a complaint, we will attempt to resolve it.
- Grievances will be addressed by internal stakeholder grievance redressal committee.
- In case the resolution take more than 90 days stakeholder will be informed about delay and expected resolution timeline
- A final confirmation via email will be sent after the complaint has been resolved and closed to offer the stakeholder a chance to provide input on the problem that has been rectified.
- All the complaints will be resolved and closed within 90 days of acknowledgement.

Grievance redressal timeline

Action item	Timeline
Acknowledgement	10 days
Screening grievances	15 days
Investigating grievance	30 days
Action on grievance	15 days
Closure	10 days

Escalation

In case any external stakeholder is not satisfied they can escalate the grievance post closure.

- They can response to the feedback and closure mail or
- They can fill the form provided in the Appendix 2

Escalation process for internal stakeholders will be available in internal policy.

Closure & review

Closure of all resolutions is tracked and reviewed to ensure that:

- We have addressed the complaint fully within the agreed timelines.
- We have taken stakeholder feedback on resolution provided.

Monitoring grievances

- All records, including grievance forms, investigation notes, interviews and minutes of meetings will be securely filed, and confidentiality is maintained for all parties involved.

- Grievance records should be maintained for minimum 5 years.

Responsibility & overview

The policy is endorsed by the Board of Directors of Haldia Petrochemicals Limited. The HSE Committee is primarily responsible for overseeing and establishing the policy, while the ESG strategy and execution team will be responsible for its comprehensive implementation. The policy will undergo an biannual review by the HSE Committee, which will suggest any necessary adjustments to the Board for consideration.

Place: Kolkata

By order of the Board of Directors

Date: 09.07.2024

Sd/-

Whole-time Director & CEO

Appendix 1

Stakeholder Mapping Matrix

		Stakeholder influence on organisation			
		No influence	Low influence	Some influence	Formal power/High influence
		Stakeholder's support has little or no impact on business		Stakeholder's support has high impact on business	
Organization Impact on stakeholder	Stakeholder is highly dependent on organisation - no choice	Treat Fairly - Honour commitments to these stakeholders in line with policy, regulations and industry norms. Keep stakeholder satisfied so far cost and benefit balance allows		Strategic threat or opportunity - Invest in engagement process to address concerns and develop solutions	
	No direct impact - Stakeholder has broad range of choice	Low priority - Provide access to general channels of information and feedback		Keep involved and informed - Ensure the balance between high influence stakeholders and those people impacted by decision	

Appendix – 2

Stakeholder Engagement Matrix

PURPOSE OF ENGAGEMENT	FREQUENCY OF ENGAGEMENT	METHODS OF ENGAGEMENT
Board of Directors i) Ensuring the board has access to detailed and accurate information about the company's performance, strategic direction, and key risks is crucial for informed decision-making and governance.	Quarterly	In person meeting; Board meetings

<p>ii) Collaborating with the board to refine and implement company strategies, while seeking their expertise to navigate market dynamics and competitive challenges.</p> <p>iii) Upholding strong governance practices, transparency, and ethical standards, reinforcing the board's confidence in management and ensuring compliance with regulatory requirements.</p> <p>iv) Engaging in regular, open dialogue with the board, valuing their insights and feedback to continuously improve business operations, strategic planning, and governance practices.</p>		
<p>Shareholders</p> <p>i. Providing regular information</p> <p>ii. Managing expectational and reputational risks</p> <p>iii. Maintaining strong relationships and keep them informed on current strategies to stay upkeep with market ensuring good governance and deepen the trust placed</p> <p>iv. Getting feedback that informs our strategy, business operations and how we govern.</p>	<p>Annually - 2 times coinciding with release of financial results</p> <p>Ad hoc basis- As per requirements</p>	<p>In person and online meetings - individually and groups</p>
<p>Employees & Contractual Workforce</p> <p>i. Providing with strategic direction and keep them informed about group activities.</p> <p>ii. Ensuring that we remain an employer of choice that provides a safe, positive and inspiring working environment.</p> <p>iii. To understand and respond to the needs and concerns of staff members.</p>	<p>Daily and ongoing engagements</p>	<p>Direct meetings</p> <p>Group/ one on one meeting</p> <p>CEO newsletters and townhalls</p> <p>cluster /group recognition events</p>

<p>Regulators</p> <p>i. Maintaining open, honest and transparent relationships and ensure compliance with all legal and regulatory requirements.</p> <p>ii. Retaining our various operating licenses and minimize operational risk.</p>	<p>Daily, weekly, quarterly and as required.</p>	<p>Various industry and regulatory forums, meetings between regulators, and our board and management. This includes one-on-one discussions with various executive officials at prudential meetings as well as onsite meetings.</p>
<p>Government Agencies, Local Authorities & Industry Forums</p> <p>i. Building and strengthening relationships with government, both as a partner in the development of the country and as a key client.</p> <p>ii. Providing input into legislative development processes that will affect the economy and our activities and operations.</p> <p>iii. Participating visibly in, and be a partner to, the transformation of economy</p>	<p>Monthly or as per requirement</p>	<p>Official participation in consultative industry and sector forums</p>
<p>Customers</p> <p>i) Keeping customers informed about product updates, company news, and relevant changes through transparent and accessible communication channels.</p> <p>ii) Delivering consistent product quality and service, addressing customer concerns promptly, and setting realistic expectations to enhance customer satisfaction and loyalty.</p> <p>iii) Regularly gathering customer feedback and insights to refine products and services, ensuring</p>	<p>Periodic; Need basis</p>	<p>i) Customer meets ii) Customer feedback forms iii) Customer satisfaction surveys</p>

offerings align with market demands and customer preferences. iv) Continuously improving the customer journey by innovating and adapting to trends, thereby fostering positive relationships and long-term loyalty.		
Service Providers and Suppliers i. As required or dictated by performance contracts and/or agreements. ii. To obtain products or services required for conducting Group's business. iii. To maintain an ideal and timeous supply of goods and services for operations. iv. To encourage responsible practices across our supply chain, local procurement, supplier conduct and environmental considerations. v. To include critical suppliers in cross-functional teams to contribute expertise and advice before specifications are developed for products or services.	Ongoing, as required	One-on-one negotiations and meetings for finalization follow up and after service
Media i. To leverage the reach and influence of media channels to share our business and citizenship story with stakeholders. ii. To communicate with relevant stakeholders and the broader public with a view to having a positive influence on behaviour that will lead to desired business	As per PR policy and media requests	Online, one on one meeting, written conversations

<p>results.</p> <p>iii. To protect and manage our reputation.</p>		
<p>Others - Community and public at large, Environment</p> <p>i. Creating partnerships that serve to facilitate our integrated sustainability activities.</p> <p>ii. Obtaining input from environmental experts, communities and nongovernmental organizations (NGOs) regarding key focus areas.</p> <p>iii. Creating awareness of our 'shared growth' commitment and initiatives</p>	<p>As per stakeholder needs</p>	<p>Group's website, annual report, Group's social media handles, press releases and media statements.</p>

Appendix 3 – Stakeholders contact person details

Any stakeholders can send their grievances and concerns to: **investors@hpl.co.in**

OR

Haldia Petrochemicals Limited
Bengal Eco Intelligent Park, Tower 1
Block EM, Plot No 3, Salt Lake City
Sector V,
Kolkata 700 091, W.B.

Appendix 4 – Stakeholder grievance form

- **External Stakeholders**

External Stakeholder Grievance redressal form		
Name:		Date:
Location:		
Grievance in brief (with reasons)		
Proofs (Documents to prove validity of grievance)		
Signature:		
Receiver's Name	Signature	Forwarding date

Internal Stakeholders:

INDIVIDUAL GRIEVANCE REDRESSAL FORM	
FOR EMPLOYEEs USE	
Name: Mr / Ms	Employee Code:
Department:	Grade:
Location:	Reporting to:
Date:	
Grievance in brief (<i>with reasons</i>):	

Details of previous correspondence (Kindly enclose relevant papers)		
Signature:		
FOR OFFICE USE		
Received by HR on:	Signature:	Reference Code:
Forwarded on	to Mr / Ms	
Employee communicated on	and briefed by	
Observations about explanation given to employee and action taken on the grievance		
Date:	Signature	
Completed form received by HR on		

Appendix 5 - Stakeholder Engagement Mechanism

Stakeholder group	Mode of engagement
Employees	<ul style="list-style-type: none">• Regular employee trainings• Seminars/webinars• Quarterly newsletters
KMPs & Senior Management	<ul style="list-style-type: none">• Newsletters• Surveys• Seminars• Training
Board of Director	<ul style="list-style-type: none">• Board meeting• Press release• Annual general meeting• Annual report & sustainability report
Investors and shareholders	<ul style="list-style-type: none">• Annual General Meetings• Investor presentation• Annual Report & sustainability report• Press release
Supplier/Vendor	<ul style="list-style-type: none">• Regular vendor audits• Vendor meetings• Capacity building workshop
Customer & Dealers	<ul style="list-style-type: none">• Grievance redressal mechanism• Feedback mechanism system• Service and product offerings through multiple channels – online and offline
Government & Regulatory bodies	<ul style="list-style-type: none">• Official notifications• Press releases• Meeting with Govt. body as per requirement• Meetings with associations
Local Communities	<ul style="list-style-type: none">• Meetings with local community bodies• Need assessment studies