
ESG Policy

Nelco Limited

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Introduction

At Nelco Limited, we are dedicated to integrating environmental, social, and governance (ESG) factors into our business operations. We believe that environmental, social, and governance (ESG) principles are central and indispensable to developing sustainable businesses and assets that deliver long-term shared value for our key stakeholders.

Purpose

The policy serves as a directive for Nelco outlining the approach to incorporating ESG principles into our business strategy to ensure a better tomorrow. This provides a comprehensive framework and measures, implemented in managing material ESG topics for better risk assessment and identify opportunities for our stakeholders as well as guides the company on how it intends to contribute towards local, national, and international sustainability goals.

Scope

The ESG Policy applies to all key stakeholders (employees, shareholders, suppliers, contractors, subsidiaries, partners etc.,). Regular reviews of this ESG Policy are conducted to incorporate newly recognized risks and opportunities, as well as to track changes or advancements in industry trends, policies, and regulations, ensuring alignment with industry norms. The ESG Policy is accessible to all the stakeholders on the company's website/intranet.

ESG Vision

To create long-term value for all stakeholders with environmental sustainability, social inclusivity, and governance excellence, fostering ethical business practices, and continuous improvement.

ESG Focus Areas

Nelco aims to focus on the below ESG focus areas through this policy:

Business Continuity and Risk Management

Business Continuity Plan (BCP) policy and procedures emphasizes Nelco's need for business continuity to critical business processes that must be recovered in the event of a major disruption. The policy has been designed to minimize downtime, maintain critical operations, and mitigate the impact of disruptions on the organization's reputation, finances, and ability to serve customers. Critical Disaster types have been identified under BCP with their typical recovery and handling methods. BCP addresses all significant business processes and emphasizes on:

- Identification of risks
- Identification of business requirements for continuity

- Quantification of impact of potential threat
- Establishing recovery priorities by defining Recovery Time

Risk Management Policy serves as a guiding framework for all our operations and remains a key priority for Nelco. It outlines the processes and procedures for identifying, assessing, mitigating, and monitoring risks across various aspects of the business, including financial, operational, strategic, and regulatory risks.

It enables protecting shareholder value, improving governance processes, achieving strategic objectives and being well prepared for adverse situations or unplanned circumstances, if they were to occur in the lifecycle of the business activities.

In this regard, the company has a Board-approved Risk Management policy, available on our website under Corporate Governance disclosures.

The Company's detailed policy can be found at [Risk Management Policy](#)

Corporate Governance & Ethics

Nelco's Corporate Governance is guided by a profound focus on human values, respecting individual dignity, and upholding honest, ethical, and professional behaviour. Its objective is to foster transparency, accountability, and fairness in all aspects of its operations and dealings with stakeholders, lenders, and government entities through the principles of good governance and adherence to best business practices.

The Tata Code of Conduct, Prevention of Insider Trading and Code of Corporate Disclosure Practices set the foundation for responsible business behaviour and best practices at Nelco. The code espouses ethical business conduct, integral to cementing Nelco's position as a trusted name in the satellite communication industry. These codes ensure the Board's autonomy from management, fostering decision-making integrity. Additionally, Governance Guidelines outline Board composition, roles, diversity, and effectiveness criteria, promoting stakeholder interests and sustainable growth. Through these measures, the company aims to create shareholder value while safeguarding the interests of regulators, employees, customers, vendors, investors, and society at large.

Nelco has consistently adhered to the values and ideals of the founders of Tata group. The detailed policies which govern the conduct of Nelco in all matters are publicly available on the company's website [Corporate Governance Policies](#). Some of these policies and processes are briefly covered below.

- POSH policy outlining the guidelines and procedures to prevent and address incidents of sexual harassment in the workplace by creating healthy working environments for all employees irrespective of race, caste, religion, gender, age, nationality etc.
- Anti-Bribery and Corruption Policy is in line with Tata Code of Conduct and emphasizes the prevention bribery & corrupt practices in the operations, acting professionally, fairly and with integrity in all its business dealings and relationships.
- Whistle-blower Policy & Vigil Mechanism designed to provide a platform for employees and stakeholders to report concerns or suspected misconduct without fear of retaliation. It aims to promote transparency, accountability, and integrity within the organization by enabling individuals to raise ethical concerns, violations of policies, or illegal activities.
- Remuneration Policy for Directors, KMP and Other employees which act as guidance for recommending on remuneration for Directors, Key Managerial Personnel, and employees in line with the philosophy of commitment of fostering a culture of leadership with trust.
- Familiarisation Programme for Independent Directors for providing insights into the Company to enable the Independent Directors to understand the Company's operations, business, industry, and environment in which it functions, and the regulatory environment applicable to it, that would facilitate their active participation in managing the Company.

Human Rights

- Nelco promotes diversity and equal opportunity and firmly opposes forced labour, child labour, discrimination, and harassment. Nelco respects the rights to collective bargaining and offers accessible grievance mechanisms. It encourages its partners also to pursue sustainable practices and actively contributes to community prosperity. Continuously enhancing human rights performance by sharing best practices, setting and assessing targets, and monitoring, reporting, and disclosing performance metrics
- In the harmony of Tata's Code of conduct, the company entrench internal regulations and processes aimed at promoting respect for human rights across its operations and value chain, supported by a governance framework that oversees compliance and risk management. The company adheres to the core values outlined in frameworks & guidelines such as the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights.

Customer Relationship Management

Customer Relationship Management is the key objective implemented to manage interactions with current and potential customers throughout the customer lifecycle, with the goal of improving customer satisfaction, loyalty, and retention, which includes the follows:

- Ensuring easy access for customers to reach out for support or inquiries and commit to timely responses and resolutions.
- Establishing procedures for receiving, investigating, and resolving customer complaints promptly and fairly, with a focus on continuous improvement.
- Maintaining high standards of quality in customer interactions, and regularly solicit feedback to identify areas for improvement.
- Safeguarding customer information and respecting their privacy rights, adhering to relevant data protection regulations.
- Providing comprehensive training and support for employees to enhance their customer service skills and knowledge of products and services.
- Fostering trust, loyalty, and advocacy among customers through consistent, positive experiences and proactive relationship-building efforts.
- Implementing metrics and systems for monitoring customer satisfaction, loyalty, and feedback, and use this data to inform decision-making and improvement initiatives.
- Continuously monitoring and evaluating CRM performance, metrics, and KPIs to identify opportunities for optimization, innovation, and enhancement of customer relationships and experiences.

Cybersecurity and Data Privacy

Nelco's Cybersecurity and Data Privacy are critical aspects of protecting sensitive information and ensuring the integrity, confidentiality, and availability of data in today's digital age and includes following key points:

- Regular vulnerability assessment for potential cybersecurity risks and implement measures to mitigate these risks, including encryption, access controls, and intrusion detection systems.
- Implementing access controls to ensure that only authorized individuals have access to sensitive data, and regularly review and update access permissions.
- Providing comprehensive training to employees on cybersecurity best practices and data privacy policies and promote a culture of security awareness throughout the organization.

- Assessing and managing the cybersecurity risks associated with third-party vendors and partners who have access to sensitive data.
- Developing procedures for promptly notifying affected individuals and regulatory authorities in the event of a data breach, as required by law.
- Regularly reviewing and updating cybersecurity and data privacy policies and procedures based on emerging threats, technological advancements, and lessons learned from security incidents.

Digitalization

Nelco's strategy and guidelines for adopting digital technologies and processes to enhance Operational efficiency and competitiveness includes key points:

- Clearly defining the organization's vision for data-digital and articulate specific objectives, goals, and desired outcomes to be achieved through digital transformation.
- Establishing governance processes and roles responsible for overseeing and driving digitalization initiatives, including executive sponsorship and cross-functional teams.
- Defined policies and procedures for managing data assets, including data collection, storage, processing, sharing, and protection, and ensure compliance with data privacy regulations and cybersecurity standards.
- Encourage a culture of digital adoption testing new ideas, and piloting analytics solutions to address business challenges.
- Ensuring compliance with relevant laws, regulations, and industry standards governing digital technologies and data management, including privacy, security, accessibility, and ethical considerations.
- Defining key performance indicators (KPIs) and metrics to monitor progress, track performance, and evaluate the impact of digitalization efforts on business outcomes.

Supply Chain Management

As a satellite communication service provider, Nelco's supply chain involves various ecosystem partners that contribute to creating value for its customers. The supply chain includes but not limited to, satellite operators, technology OEM, VSAT equipment suppliers, logistic partner, franchisee partners. (Referred individually as "Supply Chain Partner" and collectively "Supply Chain Partners"). Supply chain management in this context involves identification of best suited technology partners, regulatory interventions, coordination for procurement, delivery and deployment and customer support to ensure efficient and reliable communication services.

Responsible Supplier Code of Conduct outlines Company's expectations from Supplier Chain Partners for upholding the Core Values and the key principles elucidated in this Responsible Supplier Code under the principles of business ethics, labour practices and human rights, and environment, health, and safety. Supply chain partners are expected to adopt similar principles in dealing with their suppliers.

The Company's detailed policy can be found at [Supplier Code of Conduct \(SCOC\) policy](#)

Community Development

Nelco's Corporate Social Responsibility (CSR) policy aligns social commitment with corporate practices, focusing on education, health, livelihood enhancement, and skill-building. By integrating CSR initiatives and employee volunteering programs, Nelco strives to support communities and contribute to overall development across economic, social, and environmental realms. These endeavours underscore Nelco's dedication to making a meaningful difference and fostering sustainable progress in the regions it serves.

The Company's detailed CSR policy can be found at [Corporate Social Responsibility \(CSR\) policy](#)

Diversity, Equity and Inclusion

Nelco's DEI aims to create a workplace culture that values and respects differences among individuals, promotes equal opportunities for all employees, and fosters a sense of belonging and acceptance regardless of race, ethnicity, gender, sexual orientation, disability, age, or other characteristics by integrating the following key points:

- Creating an inclusive work environment where all employees feel valued, respected, and supported, regardless of their background or identity.
- Implementing processes to attract and hire diverse candidates at all levels of the organization.
- Providing ongoing training and development opportunities to foster awareness and understanding of diversity, equity, and inclusion issues among employees.
- Ensuring fair and equitable processes for promotions and advancement opportunities, with a focus on eliminating biases and barriers.
- Reviewing metrics, policies, and procedures to track progress and hold the organization accountable.
- Demonstrating visible leadership commitment and support for DEI initiatives through actions, communication, and resource allocation.
- Creating channels for employees to provide feedback and suggestions.

People Well-being, Health and Safety

Nelco's People Well-being, Health and Safety Policy is a commitment to promote the physical, mental, and emotional well-being of employees and ensuring a safe and healthy work environment for all the stakeholders. The key points include:

- Defining the roles and responsibilities of management, supervisors, and employees regarding their respective roles in maintaining a safe and healthy work environment and supporting employee well-being.
- Guidelines and procedures in place for responding to emergencies, accidents, and incidents in the workplace, including reporting mechanisms, evacuation plans, and first aid protocols.
- Promoting initiatives and conducting awareness programmes for employee health and well-being.
- Regular monitoring and evaluation of key performance indicators related to employee health, safety, and well-being to track progress, identify areas for improvement, and ensure compliance with established standards and goals.
- Occupational Safety & Health (OSH) Policy which acts as guidance for providing safe and healthy environment for employees, business partners and all stakeholders who may be impacted by the business. It is in line with "Tata Safety & Health Management Systems and Standards". Detailed Safety policy can be found on this [Occupational Safety & Health Policy](#)

Talent Management

Talent Management Processes build a skilled and motivated workforce following below key points:

- Developing a strong employer brand that highlights the organization's culture, values, and opportunities for career growth and development.
- Providing opportunities for continuous learning, skills development, and career advancement through trainer led session, ties up with external platform, mentorship initiatives, and opportunities to work on challenging projects or cross-functional teams.
- Investing in leadership development programs to groom and empower future leaders within the organization by providing opportunities for leadership training, mentorship, and coaching to develop a pipeline of talent for key leadership roles.
- Offering flexible work arrangements to accommodate employees' diverse needs and preferences for work-life balance.

- Recognizing and rewarding employees for their contributions and achievements through formal recognition programs, performance bonuses, promotions, and other incentives to foster a culture of appreciation and motivation.
- Implementing engagement initiatives, such as team-building activities, employee resource groups, and wellness programs, to foster a positive work environment, enhance morale, and strengthen team cohesion.
- Conducting exit interviews with departing employees to understand their reasons for leaving and identify areas for improvement in talent retention strategies.
- Analysing retention data and trends to proactively address turnover issues and improve employee satisfaction and loyalty.

Emissions Reduction and Energy Management

As a satellite communications service provider, Nelco focuses on emissions reduction and energy management to minimize environmental impact including investing in energy-efficient technologies and optimizing operations. Employee awareness initiatives to promote energy-saving behaviours. By integrating these practices, the company aims to reduce emissions and enhance energy efficiency, ensuring sustainable operations while delivering reliable communication services.

- Ensuring compliance with applicable laws and regulations governing emissions, energy use, and environmental impact.
- Implementing energy-efficient practices and technologies to reduce energy consumption and minimize greenhouse gas emissions.
- Upgrading equipment and machinery to energy-efficient models, optimizing building systems for heating, cooling, lighting, and implementing energy-saving measures
- Engaging employees in energy conservation efforts through awareness campaigns and training programs.

Waste & Water Management

E-waste Management:

Nelco acknowledges the importance of managing electronic waste (e-waste) responsibly. While the industry may not be a significant contributor to e-waste generation, the company recognizes the need to address the disposal of electronic equipment responsibly. Nelco endeavours to implement measures for the proper disposal, recycling, and refurbishment of electronic devices used in our operations. This includes partnering with certified e-waste recyclers, promoting the reuse of electronic components, and adhering to regulatory requirements for e-waste management. By prioritizing responsible e-waste practices, Nelco has registered for Extended Producers'

Responsibility (EPR) and aims to minimize our environmental impact and contribute to a more sustainable future.

Further details on Extended Producers responsibilities can found on [Extended Producers Responsibility](#)

Waste Management:

Nelco works on embracing waste reduction and management practices, striving to minimize waste generation and its environmental footprint. The Company aims to minimize the impact of waste disposal on the environment. This involves implementing efficient waste sorting and recycling programs, encouraging the use of recycled materials in various processes, and collaborating with waste management partners to ensure responsible disposal practices. By prioritizing waste minimization and resource efficiency, we demonstrate our commitment to environmental stewardship and sustainability, while also contributing to the circular economy by giving waste materials new life and value.

Water Management

Nelco recognizes the importance of water conservation. The company actively promotes water-saving methodologies to minimize consumption, prevent waste, and safeguard water resources. This includes initiatives like efficient water management, leak detection and repair, and staff/community education on water conservation. Nelco plans to Collaborate with various stakeholders to implement water stewardship programs to further strengthen its commitment to sustainable water management.

Implementation Mechanism

Trainings

To enforce compliance with Nelco's ESG Policy among its employees, regular training, awareness programs, and workshops are conducted to foster ESG objectives. This initiative will also cultivate the expertise needed to effectively integrate ESG factors into Nelco's business strategy and financial decision-making processes.

Review of ESG Policy

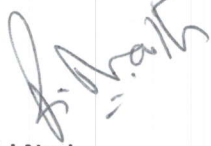
The ESG Policy will be regularly reviewed and updated to align with Company's overall goals and objectives. We will ensure timely notification of significant changes to the policy, either through an update on the website or other suitable means of communication to interested parties.

This policy shall be reviewed annually for its appropriateness and amended as necessary.

The Management reserves the right to modify/amend the Policy at its discretion.

Version	Drafted by	Approved by	Effective from
1.0	Malav Shah, Pooja Johar, Leena Thomas	P J Nath	March 25, 2024

for NELCO Limited,



P J Nath
Managing Director & CEO