



Welspun Specialty Solutions Limited

ESG COMMITTEE CHARTER

WELSPUN SPECIALTY SOLUTIONS LIMITED

ESG Committee - Charter

Adopted on April 26, 2024

1. Objectives

The role of the Environmental, Social and Governance (“ESG”) Committee (“ESG Committee”) is to assist the Board in fulfilling its oversight responsibilities of incorporating relevant and sustainable policies, to achieve the strategic priorities of the Company.

In line with the Company’s commitment to ESG priorities, the Company has been taking various initiatives to accelerate its ESG journey.

2. Composition

The Board will strive to adhere to the following composition requirements for the Committee. However, the Board acknowledges that circumstances may not always allow adherence to the following requirements:

- The Committee must comprise at least three members.
- Members of the Committee shall be a mix of independent and non-independent directors. Majority of the members shall be Independent Directors.
- The Chair of the Committee shall not be the Chair of the Board of Directors and shall be independent.
- The Company Secretary shall act as the secretary to the Committee.
- The Committee may have permanent invitee including Chief Sustainability Officer (CSO), Whole Time Director and/ or any others as required.

3. Meeting frequency

- The Committee will meet at least two times in each financial year and additionally as circumstances may require for it to undertake its role effectively.
- Meetings are called by the Secretary or at the request of the Chair of the Committee.
- A quorum shall consist of two members or one third of the members of the Committee, whichever is greater. In the absence of the Chair of the Committee or their nominees, the members shall elect one of their members to act as Chair of that meeting.

4. Duties and responsibilities

The Committee will have the following duties and responsibilities:

- Oversee and recommend to the Board on the Company's policies, strategies and programs related to matters of sustainability.
- Develop, with executive management, strategy of the Company towards ESG and provide directions to measure and monitor progress.
- Review the Company's stated goals and its performance with respect to ESG matters and monitor the Company's progress towards these measurable goals.
- Periodic review and approval of Company's key ESG Policies and SOPs.
- Review of the Company's stakeholder engagement plan around material ESG issues identified by the Management.
- Review disclosures included in the Company's sustainability report regarding the Company's environmental and social initiatives and metrics.
- Receive periodic updates from the Management on ESG trends and key initiatives.
- Report to the Board on current and emerging topics relating to ESG Matters.
- Review and evaluate ESG risks and opportunities that may arise in connection with the Company's activities and advise the Board on such risks and opportunities that may materially affect the Company's Enterprise Risk Management (ERM) Program.

- Review and discuss with the management, the Company's internal and external communication strategies and approach with employees, investors, and other stakeholders regarding the Company's position or approach to ESG matters.
- Periodically review and monitor external ESG ratings of the Company.
- Review ESG Governance framework over Supply Chain/ third parties and audit schedule for the Company's specific ESG compliances over third parties.
- Review of ESG related feedback from key Suppliers and Customers.

The foregoing list of duties is not exhaustive, the Committee may, in addition, perform any other functions, if it may find necessary or appropriate for the performance of its oversight function. The Committee shall have the power to delegate its authority and duties to subcommittees or individual members of the Committee as it deems appropriate. In discharging its oversight role, the Committee shall have the power to retain legal, financial or other advisors as it deems necessary.

5. Access to external professionals

The Committee shall have access to necessary external professionals and authority to discharge its duties and responsibilities including the authority to appoint, retain, and approve the fees of external ESG consultants, including Internal Auditors to review specific ESG sensitive areas.

6. Risk and Opportunities management

The Committee (coordinating its findings with the Risk Management Committee) will ensure management has established and operates a risk management system which is designed to:

- Identify, assess, monitor and manage ESG operational risks to acceptable levels, including but not limited to environmental, safety, social, financial, legal, personnel and anti-corruption and bribery matters;

- Manage risks within the tolerance level as per the Organization's risk appetite;
- Regularly review the adequacy and effectiveness of mitigation measures in reducing such risks to acceptable levels; and
- Help to identify opportunities for strengthening the Company's position on ESG issues

The Chair of the ESG Committee will be informed of instances of concern relating to its areas of focus, which have been highlighted through the Company's whistle-blower mechanism.

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