

## Sustainability Committee

### Terms of Reference ['ToR']

#### **1. Purpose -**

- 1.1. The main purpose of the formation of the Sustainability Committee (the "Committee") is to advise, steer and foster Sustainability business practices at Cohizon Life Sciences Limited (erstwhile known as Sajjan India Limited).
- 1.2. The Committee assists the Board of Directors (the "Board") in fulfilling its oversight responsibilities regarding the development and implementation of the Company's sustainability strategy. This strategy encompasses, but is not limited to, Environment, Health & Safety (EHS), and Sustainability aspects.
- 1.3. The Company's sustainability strategy covers all relevant sustainability matters applicable to the Company including but not limited to the following:
  - Energy consumption reduction, decarbonization plan with a target of Net Zero, increased sourcing of renewable energy, water management, waste management, Greenhouse Gas (GHG) reporting, climate-related issues and opportunities, including progressing towards commitment to Science Based Targets Initiative (SBTi) goals.
  - The Company's responsibility towards its people, communities in which it operates, supply chain, and other external stakeholders.
  - Business ethics, anti-competitive practices, privacy and information security, transparency, accounting, core Corporate Governance practices including processes, systems, SOPs, human rights, and policies aimed at safeguarding the Company's future.

#### **2. Role and responsibilities**

- 2.1. The Committee's primary role is to:  
**Develop and oversee the Company's sustainability strategy:** This includes identifying and monitoring the Company's most material sustainability risks and opportunities, associated actions, performance and reporting.
- 2.2. In carrying out its responsibilities, the Committee will:

##### **1.Sustainability Strategy Development:**

Review and recommend sustainability strategy and objectives to the Board, ensuring they align with discharging the Company's sustainability responsibilities.

##### **2.Materiality:**

- a. Conduct materiality assessments every 2-3 years to identify the most significant sustainability-related topics, risks (including climate change risk) and opportunities, along with a strategy to mitigate or adapt to risks and address opportunities, while considering the financial implications.

**3. Climate Action:**

- a. Accelerate the Company's decarbonization and the journey towards Net Zero, aligned with future commitments.

**4. Targets:**

- a. Monitor and report to the Board on the Company's sustainability performance using specific, measurable, attainable, relevant, and time-bound (SMART) targets across the value chain.

**5. Sustainability Policies:**

- a. Approve, modify, withdraw, implement, suspend all policies and codes pertaining to sustainability, including, but not limited to, EHS, Sustainability, and Sustainable Procurement.

**6. Sustainability Data Management:**

- a. Review and approve the establishment of a robust sustainability data management system for accurate data collation and analysis.

**7. GHG Inventory Management:**

- a. Develop and implement robust Greenhouse Gas (GHG) measurement and reporting systems to accurately quantify and track emissions.

**8. Acquisitions and Divestments:**

- a. Ensure that sustainability considerations are integrated into all acquisition and divestiture processes.

**9. Implementation and Auditing:**

- a. Monitor management's implementation of the sustainability strategy and key value-creation initiatives, including alignment with the Company's internal audit plan.
- b. Engage with third-party auditors to enhance reporting transparency for stakeholders

**10. Investment Review:**

- a. Review and recommend all major investment proposals (exceeding one hundred thousand US dollars) to the Board from a sustainability perspective.

**11. External Memberships:**

- a. Approve external memberships or signatories to relevant sustainability -related organizations, partnerships, and initiatives.

**12. Compliance:**

- a. Ensure the Company complies with the sustainability-related statutory requirements and other statutory reporting and disclosures.

**13. Reporting:**

- a. Review and provide feedback to management on the Company's annual sustainability report.

**14. ESG Ratings:**

- a. Monitor ESG rating agencies, including the annual EcoVadis assessment.

**15. Trends Monitoring:**

- a. Identify and monitor external sustainability-related developments, regulations, or trends that may significantly impact the Company.

### **16. Stakeholder Management:**

- a. Review and monitor stakeholder feedback on sustainability matters and engage with them as appropriate.

### **17. Education and Awareness:**

- a. Promote sustainability awareness and best practices within the Company.

### **3. Scope and Limitation**

- 3.1. The Committee's scope extends to all non-financial aspects and resources across Cohizon Life Sciences Limited and its subsidiaries, plants, offices, and supply chain.
- 3.2. The Committee's authority and powers are limited to matters related to sustainability and do not extend to operational decisions or financial matters that are within the purview of the Board of Directors or other executive management teams.
- 3.3. However, the Committee can provide recommendations and advice on matters that have significant sustainability implications, such as investment decisions, mergers and acquisitions, and risk management strategies.

### **4. Authority & Powers**

- 4.1. The Committee shall have the following authorities and powers in order to discharge its duties –
  - i. Investigate any activity in the Company within its ToR;
  - ii. Seek any information that is required from any employee of the Company, and all employees have been directed to cooperate with the Committee;
  - iii. Work and liaise as necessary with other Board committees as necessary;
  - iv. Use the services of external agencies and obtain outside legal or independent professional advice, if required;
  - v. Access sufficient resources to carry out its duties;
  - vi. Invite other Directors, Officers of the Company/ subsidiary company(ies) or any other person to attend the meetings of Sustainability Committee as 'Invitee' from time to time or as and when needed.
  - vii. Delegate any function as mentioned in Clause 2 hereinabove to one or more sub-Committee(s), employee(s), officer(s), representative(s), consultant(s), professional(s), agent(s) etc., whenever required.
  - viii. Annually review its constitution, ToR and membership to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval whenever necessary.

### **5. Constitution:**

- 5.1. The Committee reports to the Board. Members of the Committee are appointed by the Board and consist of representatives from the following
  - 5.1.1. Chairman of the Company
  - 5.1.2. 1 Non-Executive Director of the Company
  - 5.1.3. Managing Director & Chief Executive Officer
  - 5.1.4. Whole-time Director of the Company
  - 5.1.5. 2 Independent Directors of the Company

- 5.2. Permanent Invitees to the Committee would be Head of Sustainability or other relevant sustainability executive sponsor, Chief Financial Officer, Chief Human Resource Officer, Senior Director – Finance or above - and CVC Sustainability Representative.
- 5.3. Dr. Dirk Backhaus, Independent Director shall be the Chairman of the Committee. In the absence of the Chairman, the remaining members present at the meeting shall elect one of themselves to chair the meeting.
- 5.4. The Committee may establish subcommittees as needed to address specific sustainability issues or initiatives. These subcommittees can be chaired by Committee members or other relevant individuals within the Company.
- 5.5. The Committee should have access to the necessary resources, including staff, budget, and expertise, to effectively carry out its responsibilities.
- 5.6. The Committee should regularly review its own performance and make recommendations for improvements to the Board.

## **6. Secretary**

- 6.1. The Company Secretary and in his/her absence their delegate shall act as secretary to the Committee.
- 6.2. The Secretary of the Committee will ensure that the Committee members receives the information and papers in a timely manner to enable full and proper consideration.

## **7. Meetings**

- 7.1. The Committee shall meet at least once in every quarters. The meetings of the Committee shall be conducted in the physical presence of the members and / or by any other electronic mode, as per the provisions laid down in the Companies Act, 2013 and the rules made thereunder.

## **8. Notice**

- 8.1. Meetings of the Committee shall be called by the Secretary or their delegate as the case may be at the request of the Chair or any of its members.
- 8.2. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person invited.
- 8.3. Meeting of the Committee can be convened at a shorter notice if all the members of the Committee have given their consent in writing.

## **9. Quorum**

- 9.1. The quorum for the meetings of the Committee shall be 3 (Three) members, including at least 1 (one) independent director of the Board and the Head of Sustainability or other relevant sustainability executive sponsor. Only members of the Committee and the Permanent Invitee will have the right to attend Committee meetings. However, any other individual may be invited with the permission of the Chair to attend all or any part of any meeting when appropriate. In addition, where the Company has an engagement with an external sustainability adviser or consultant, such adviser or consultant may also be invited to attend the Committee meeting(s).

**10. Minutes**

- 10.1. The Secretary or their delegate shall minute the proceedings and decisions of all the meetings of the Committee.
- 10.2. Draft minutes will be circulated to members of the Committee for approval and, following approval, to the Board.

**11. Reporting Responsibilities**

- 11.1. The Committee will report to the Board on its proceedings after each meeting, identifying any matters requiring Board attention or decision.
- 11.2. The Committee will formally report on the Committee to the Board at least once a year, including making relevant recommendations on matters relating to sustainability including changes to sustainability strategy and KPIs.

The Terms of Reference V.2 was approved by the Board on November 05, 2024.



Rajesh Kumar Srivastava, MD & CEO  
Effective Date:- September 16, 2024