

Sustainable Policy

*Moving towards a
Good & Green*

Preface

A 'Good & Green' Laxmi Narayan

Laxmi Narayan is one of North East India's leading Corrugated Box Manufacturer supplying CFC's in FMCG, Consumer and Personal Care Companies. Laxmi Narayan is present in North East India and catering the markets of the entire seven sisters's including Sikkim. Our vast portfolio consists of enduring brands of FMCG and Consumer Product Companies. In addition, we also supply CFC's for Industrial Utilization also.

We would like to share with you that we have an ongoing GMP program in our unit by one of the Lead Auditors Mr. Ramanujam. We believe in systemization and process control and all our actions are governed by the Operating manual developed for our organization with all the written SOP's, Specifications and Instruction.

We were awarded by Godrej Consumer Products Limited as Best Supply Chain support and were also recognized by Indian Institute of Packaging in IndPack 2012 as Second Best after marketing organization NERRAMAC as Innovation in Cartoon Designing and indigenous contribution towards technological advancement in North East. We are SE-2A (High Strength and High Financial Capabilities) rated organization by Onicra.

One of the imperative pillars of Vision the 2020 LNG Good& Green. It is based on the principle of shared value, a concept that promotes policies and operating practices that enhance the competitiveness of a company while also improving economic and social conditions in the communities in which it operates. As part of Good & Green, the LN Group aspires to create a more employable Indian workforce, build a greener India and innovate for good and green products.

LNG has always promoted high ethical standards of professional and personal conduct by our team members and business associates. All of our team members and business associates must be committed to integrity in all aspects of their activities and comply with all applicable laws, regulations and internal policies. We have laid down a Code of Ethics and Business Conduct (<http://www.lngrp.in>) to improve overall compliance as well as to further the scope of good Corporate Governance with an ethical and transparent process in managing the affairs of the Company. We aim to ensure that our business operations are managed in accordance with the aforementioned Code of Ethics and Business Conduct.

In line with our commitment we have developed a Sustainable Procurement Policy (Policy), which is an extension of our values and is applicable to all LNG suppliers. We expect our suppliers to operate in accordance with the principles as outlined in this Policy and adhere to all applicable laws and regulations. This Policy goes beyond mere compliance with the law by drawing upon internationally recognised standards in order to identify and define best practices from across the globe.

This Policy outlines our expectations with regards to ethics, business integrity, human rights, health and safety, environment, the local community and quality of product and operations.

We will periodically review the policy to ensure that it continues to help us move towards our vision. We encourage our suppliers to review this information and ensure that the principles and practices outlined in the Policy will be reflected in your on-going business dealings with us. We expect you to communicate the Policy throughout your organisation as appropriate. Let us move together towards an ethically driven, socially focused, green inspired and quality centred supply chain.

Sustainable Policy Framework



Principles

Ethically Driven

We conduct our business activities in a fair and transparent manner with honesty, integrity, high ethical & moral standards and respect for human rights. We strongly believe that high ethical standards are essential for sound business relationships. We expect our associates to share this commitment while conducting their business.

Business Integrity and Ethics

a. Conflict of interest

Suppliers and customer are expected to report any conflict of interest in any business dealings with LNG that supplier/customer is aware of to allow us the opportunity to take appropriate action.

It should be disclosed if any LNG employee or professional under contract with LNG may have significant ownership or interest in a supplier's/ customer's business

b. Bribery, corruption, gifts and donations

Suppliers/Customers in all commercial dealings with LNG or otherwise must not receive or offer to make any illegal payments, gifts, bribes, donations or other improper advantage in order to obtain unethical favours for the business. All suppliers/Customers must ensure that no action is taken to violate any applicable anti-bribery or anti-corruption laws and regulations in the locations of their operations and make every effort to eliminate all forms of corruption and bribery.

c. Confidentiality

LNG safeguards and respect customers and suppliers intellectual property other confidential, proprietary and sensitive information or data at all times and shall

not disclose the same. The information provided by LNG should be used only for its intended and designated purpose as decided and agreed upon between LNG and the associates.

d. Anti-competitive and restrictive trade practices

We comply with applicable local and international laws to promote free and fair competition and to get business by offering competitive prices and innovative products.

Human Rights

a. Forced and child labour

LNG prohibits use of child labour at any stage of its business process. We will not employ any person below the age of 15 (or as per local law, whichever is greater). We do not use forced labour including prison or debt bondage labour, human trafficking or modern day slavery.

b. Compensation and working hours

We comply with applicable wage and hour laws, regulations and mandatory industry standards pertaining to minimum wages, overtime pay, working hours and rest periods.

c. Non-discrimination

We ensure there is no discrimination in their hiring and employment practices on the basis of race, colour, gender, age, nationality, religion, sexual orientation, marital status, citizenship, disability, veteran status, medical condition etc.

Accountability and Transparency

a. Maintaining appropriate financial records

We prepare and maintain accounts of business dealings fairly, accurately and in accordance with accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country of operation.

Legal and Regulatory Compliance

We comply with all applicable laws and regulations within the country of operation. All other applicable international laws and regulations should also be complied with. We follow and expect all business associates to follow guidelines of all the required permits and registrations to be legally compliant at all times.

Social Focused

We are committed towards supporting sustainable development and business practices. Sustainable practices now have grown to encompass social performance criteria as well. We believe that an organisation should play a significant and beneficial role within the local community and society in general. We are contributing towards social and economic development of the communities in which we operate and expect our suppliers to take steps towards same.

Responsible Conduct with Stakeholders

a. Fair dealing with vendors/suppliers

We conduct all transactions with our business partners in fair and transparent manner including fair evaluation, reasonable selection, equal opportunities, fair and free competition for all.

b. Diversity in workforce

We take initiatives to have a diverse and inclusive workforce in terms of age, gender, experience, ethnicity etc.

c. Engage and involve local communities

We address issues and concerns of the community impacted by operations of the supplier and minimise the impact.

Employee Health and Safety

We adopt robust and relevant management practices in order to comply with applicable health and safety laws, rules, regulations and industry standards. We conduct training and awareness activities for employees on health and safety. We take reasonable actions to prevent accident and injuries by analyzing and minimizing risk exposure.

Local Community Development

We understand that our operations not only affect our own communities but also of those who are in contact of our supply chains and our suppliers. Therefore, we undertake steps to collaborate and associate with the local community for economic and social development by providing employment, helping in eradicating poverty, helping in developing skills of local people etc. wherever relevant.

Green Inspired

Environmental concerns are no more issues of tomorrow, but are real challenges that need to be addressed today. We aim at making our value chain environmental friendly and responsible. We are committed to comply with the requirements of local laws and regulations related to environment in the countries and regions in which it operates and from where it sources any material, product or services.

Green Products and Processes

a. Reducing carbon emission and water intake

We identify sources of carbon emission and make progressive efforts towards reducing carbon emissions. Opportunities for reduction in water usage are identified and measures for water conservation is being implemented.

b. Efficient systems and process

We strive towards enhancing the efficiency and performance of the equipments and processes by continual improvement, monitoring and assessment of technology. Good practices followed to ensure environmental resources are valued and protected.

c. Reducing usage of hazardous and toxic materials and substances

We assess our use of hazardous and toxic material and take necessary steps to reduce it, as much as possible. Appropriate substitutes and replacements should be introduced to minimize exposure to such material.

d. Disposal of toxic waste

We do not use or process any toxic substance in our premises. Wherever needed we treat it and process with utmost care.

e. Renewable energy

We try to use renewable sources of energy wherever possible so as to become more energy efficient and energy independent. We take steps to identify the scope of replacing conventional sources of energy with sustainable and renewable sources in their operations.

Reduce, Reuse and Recycle

a. Zero waste to landfill

Waste to landfill is analyzed and we try and set targets to reduce the quantity of disposal to landfills. Alternate waste disposal techniques should be adopted in order to reduce the impact on the environment.

b. Responsible consumption of resources

We try and minimize use of all resources, including virgin raw material, in their processes. We look for opportunities to reduce resource consumption by improving efficiency, investing in advanced technology, reusing material by innovating products and processes. We try and minimize dependence on scarce natural resource by identifying and using appropriate replacements.

c. Packaging material

We take steps to reduce the environmental impact of our packaging material by developing innovative, practical solutions to modify the design and disposal method to the best possible extent.

Adopting Green Initiatives and Practices

In order to monitor the environmental performance and to become environmental friendly, practices to monitor and minimize environmental impact should be imbibed in organisation's processes were commend that we inculcate such practices in our operations and start new initiatives to reduce their impact on the environment.

Quality Centered

Ensuring quality and adherence to manufacturing and product standard is of prime importance to us.

Quality Management System

We have established quality objectives, policies, manual, procedures and have in place a certified Quality Management System by competent authority like ISO. We comply with local regulations, registrations, have trainings, management reviews and internal audits to ensure that the Quality Management System is effective.

Facility and Machinery

We give utmost importance to equipment design, installation, maintenance and ensure validation/verification of the same. We have in place proper housekeeping and pest control to ensure hygiene, safety and security of its workforce.

Good Manufacturing Practices and Quality Controls

We have in place established manufacturing and packaging operations with proper maintenance of records along with process controls and finish product release programme.

Material Management

We have in place established practices for storage, handling and transportation of raw material and to maximise the risk prevention measures through good warehousing practices and proper handling of rejected item.

Implementation of Policy

Applicability and Implementation

We have designed the Policy in a manner that it works for the whole and best, and we do best possible to comply at all levels.

We have set in place internal policies, governance structures, systems, processes and take any other relevant measures to ensure adherence with this Policy. We disclose our goals set and the measures undertaken for each of the various principles underlined in this Policy. We identify issues that do not meet our expectations and try to address the gaps identified, if any.

Monitoring and Reporting

We monitor and report the initiatives undertaken with regards to ensuring adherence to this Policy. We place monitoring and reporting mechanisms and management systems, wherever required to effectively implement and manage such initiatives. We focus on continuously improving their performance with regards to compliance with this Policy.

Reporting on Breaches

We support and encourage those who report actual or suspected breaches without any fear of retaliation. Any failure to comply with this Policy (including any failure by a team member of LNG or anyone acting on behalf of LNG to so comply), of which the supplier is aware, should be immediately reported through our anonymous whistle-blower process, details of which can be found on the LNG website (<http://www.LNGRP.IN>). The failure to do so will be a breach of this Policy.