

Policy for Determination of Materiality

Purpose and Scope

The Policy for determination of materiality provides guidance to the Board and the management of Saint-Gobain Sekurit India Limited ("the Company") on the assessment of materiality of events that require appropriate disclosure in accordance with the provisions of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The materiality of specific events should be reviewed from a number of perspectives, including the impact of quantitative, qualitative and cumulative factors.

Criteria

The Board recognizes that materiality, in a particular circumstance, is a matter of informed judgement. However, to provide some guidance in exercising such judgement, the following criteria will be considered:

- a. The omission of an event or information which is likely to result in discontinuity or alteration of an event or information already available publicly; or
- b. The omission of an event or information which is likely to result in a significant market reaction if the said omission came to light at a later date;
- c. In case where the criteria specified in sub-clauses a) and b) are not applicable, an event/information may be treated as being material if in the opinion of the Board of Directors of the Company, the event / information is considered material.

Identification of Material Event or Information

a) Quantitative Factors:

Where the value involved in an event or the impact of an event exceeds 10% of total revenue or profit before tax or 20% of the net worth. The said thresholds shall be determined on the basis of audited consolidated financial statements of last audited financial year.

b) Qualitative Factors:

Material qualitative factors to be considered which includes;

1. Potential breach of Laws and/or Regulations
2. Involvement of Fraud
3. Inadequate disclosure or misclassification in financial reporting
4. Disruption of the operations of the Company

Procedural Guidelines for determination of materiality of events

The Board of Directors of the Company has authorized the Managing Director to determine the materiality of any event or information for the purpose of making disclosure to the Stock Exchange(s). If the Managing Director is of the opinion that issuance of a disclosure announcing the material information, except events specified in sub-para 4 of Para A of Part A of Schedule III of Listing Regulations, would be unduly detrimental to the Company's interest (for example, when it is likely to impair an ongoing negotiation), the Managing Director may determine the period for which the confidentiality shall be maintained and shall issue directions to the specified persons, as per the Code of Conduct for Prohibition of Insider Trading adopted by the Company, pursuant to Securities Exchange Board of India (Prohibition of Insider Trading) Regulations 2015, who are aware of the information to keep all such information confidential.

If the Managing Director is not certain about the materiality of the event or information, the matter may then be referred to the external legal counsel for advice.

Authorisation for Disclosures

The Managing Director has been authorized to disclose for the disclosure of the event or information that qualifies for disclosure as per Regulation 30 of the Listing Regulations.

All such events or information shall be disseminated on the website of the Company. The Company shall refrain from commenting on any market rumors and speculations. However, at times the Stock Exchanges might require clarification on the market rumors which will be dealt with by the Managing Director accordingly.

Policy Review

This Policy shall be subject to review as may be deemed necessary and in accordance with any regulatory amendments.