

PATANJALI FOODS LIMITED
(Formerly known as Ruchi Soya Industries Limited)

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY
POLICY**

(Approved by the Board of Directors at their meeting held on August 11, 2023)



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(Formerly known as Ruchi Soya Industries Limited)

BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY

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Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable

Philosophy

At PFL, we conduct operations by upholding values of ethics and integrity within and across our value chain. We remain committed towards establishing a work environment that thrives on the values of fairness, transparency and accountability. Furthermore, we have established robust governance systems and policies in place that enable us to guide our economic, social and environmental ambitions, in a fair and responsible manner.

Our Policy

- ❖ All Personnel are responsible for demonstrating integrity and leadership by complying with the provisions of the Global Code of Conduct, policies and all applicable laws and regulations.
- ❖ The Code of Conduct of the Company is applicable to all employees (whether permanent, temporary or on contract, direct or through contractor, retainer or full-time consultant), and members of the Board of Directors of the Company (“Personnel”). The Company expects its business partners including suppliers, service providers, agents, channel partners (dealers, distributors and others) to adhere to the principles of the Code of Conduct.
- ❖ As a Company of repute and global standing, PFL is committed to conducting its business in a responsible manner. The Company provides a secure mechanism to stakeholders to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.
- ❖ The Company acts as a catalyst to cascade responsible practices across its value chain. Any member of the value chain found to be indulging in irresponsible, unfair and unethical business practices shall be condemned and appropriate action shall be taken.
- ❖ The Company adheres to timely and appropriate disclosure of information that may impact stakeholders, maintaining high standards of transparency and accountability. The Company endeavors to achieve an appropriate balance between business and confidentiality.
- ❖ The Company competes in an ethical and legitimate manner and prohibits all actions that are anti-competitive or otherwise contrary to applicable competition or anti-trust laws.
- ❖ The Company’s Code of Conduct guides all personnel to avoid a situation of conflict of interest in course of their daily activities.
- ❖ The Company prohibits money laundering or financing for illegal or illegitimate purposes. Employees of the Company shall not accept gifts from the current or prospective contractor, supplier, customer, or any other person with whom the Company does or may do business with (Third- party).
- ❖ The Company's financial reports indicate transparency and accountability, ensuring timely and complete payment of all applicable taxes levied by appropriate statutory bodies.



Business Responsibility and Sustainability Policy

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Philosophy

As a responsible Company, we at PFL endeavor to align our business operations to the highest standards of safety, quality and sustainability. We remain committed to identifying and mitigating prioritized risks throughout our product lifecycle. Our product quality and safety practices further emphasize our efforts to deliver safe and effective products to all our consumers.

Our Policy

- ❖ The Company remains committed in ensuring compliance with all applicable quality regulations and standards. We regularly monitor our performance in our endeavor to improve existing processes and minimize any adverse impact of our operations across safety, health and environment parameters.
- ❖ The Company works towards implementing the best practices with regard to water management, waste management, climate change mitigation, protection of biodiversity and ecosystem across the value chain. Furthermore, the Company communicates on need basis with all its stakeholders including suppliers for improving environment, health and safety performances.
- ❖ The Company integrates R&D and technology at the design and development stages for all our products and processes to further enable the deployment of low-carbon and resource efficient practices in our manufacturing operations.
- ❖ The Company engages in safe collection and disposal of plastic waste generated due to its products.

Principle 3: Businesses should respect and promote the wellbeing of all employees, including those in their value chain

Philosophy

At PFL, we recognize all our employees and business partners as an integral part of our business model. All our employee development policies are driven on the pillars of Inclusivity, Fairness and Diversity. We are committed to building a conducive working environment, further instilling trust and satisfaction amongst our employees. The Company complies with all applicable labour laws and regulations.

Our Policy

- ❖ The Company is committed to recognizing and respecting human rights within and across its value chain.
- ❖ It is the Company's policy to recruit, hire, promote, assign, compensate and train qualified persons regardless of race, color, religion, gender, national origin, ancestry, age, marital status, sexual orientation or disability. Any Personnel engaging in discrimination will be subject to disciplinary action up to and including termination of employment and / or be liable to indemnify the Company for the loss incurred by the Company.



Business Responsibility and Sustainability Policy

- ❖ The Company upholds all legislations affecting employees, ensuring the right to fair wages, freedom of association, participation and collective bargaining. Employees are free to join, form or refrain from any employee collectives without fear of retaliation, harassment or intimidation of any kind. The Company enables ample open channels of communications and grievance redressal mechanisms to deal with stakeholder concerns on human rights in a just, fair and prompt manner.
- ❖ The Company strives to provide each employee with a safe and healthy work environment. Each Personnel has a responsibility for maintaining a safe and healthy workplace by following safety and health rules as well as practices. The Company expects all its suppliers to be compliant with the provision of a safe and healthy working environment.
- ❖ The Company ensures a work environment free of sexual harassment. In case of any such unfortunate instance, appropriate action is taken to resolve the matter. The Company focuses on sensitizing employees through training programs and enabling the provision of an escalation procedure for unfortunate incidents by reporting it as per the provisions of POSH policy on prevention, prohibition, and redressal of sexual harassment.
- ❖ The Company is strictly against employment of child labor or forced labor, in any form, paid or unpaid.
- ❖ The Company shall provide a workplace environment that is safe, hygienic, humane, and which upholds the dignity of the employees.
- ❖ The Company shall ensure continuous upgradation of the skill and competence of all employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis.
- ❖ The Company strives to provide a conducive work environment and effective benefits for employees to enable them to accomplish both their professional as well as personal development.
- ❖ The Company encourages continuous skill upgradation of each individual employed within the organization by providing access to necessary learning opportunities and promoting career development.

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Philosophy

At PFL, we recognize the inter-dependent relationship we share with our stakeholders and continue to periodically engage with them to further accrue their interests across the evolving regulatory and Environment, Social and Governance (ESG) landscape. We further align our business activities and strategy to stakeholder interests in order to maximize impact and deliver value-generated outcomes.

Our Policy

- ❖ The Company constantly endeavors to share and disclose material information to its stakeholders as recommended by statutory guidelines. The Company effectively communicates its plans and achievements through media to internal and external stakeholders as we recognize that non-compliance with the principles of disclosure and transparency can present potential risks to the Company, including by way of loss of shareholder confidence and non-compliance risks across various regulations.



Business Responsibility and Sustainability Policy

- ❖ The Company endeavors to make prompt public disclosure of all unpublished price sensitive information(s) that may impact price discovery, as soon as credible and concrete information comes into being. Further the Company is committed to make uniform and universal dissemination of unpublished price sensitive information to avoid selective disclosure.
- ❖ The Company's Risk Management Policy enables proactive identification, assessment, management, monitoring and reporting of identified and prioritized risks. This policy underpins the Company's efforts to remain a competitive and sustainable Company, enhancing operational effectiveness and creating wealth for employees, shareholders and stakeholders.
- ❖ The Company understands and addresses evolving concerns of stakeholders, including divergent and marginal interests, in a fair and equitable manner. Subject to compliance with applicable regulations, the Company consistently adapts, adopts and aligns its organizational strategies to resonate with stakeholder priorities. The Company provides a secure mechanism to stakeholders to disclose any unethical and improper practices taking place in the Company for appropriate action.

Principle 5: Businesses should respect and promote human rights

Philosophy

We integrate the principles and norms of Human Rights across our business to protect the interests of our employees, workers, and value chain partners. As a responsible Company, we strive to ensure compliance with all relevant policies and regulations pertaining to Human Rights.

Our Policy

- ❖ The Company embodies sensitivity of Human Rights principles within and across its value chain.
- ❖ The Company integrates Human Rights as a core value in business operations and ensures comprehensive governance through its Human Rights policy statement . The Company strives to implement procedures and grievance redressal frameworks keeping in mind the interests of our employees, workers, and value chain partners.
- ❖ The Company effectively communicates its policy on Human Rights to all employees and value chain partners across operations and provides ample communication channels for grievance redressal. The Company provides a grievance redressal mechanism for its stakeholders, set up under the Company's Whistle Blower Policy.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Philosophy

At PFL, we recognize that environmental responsibility is a prerequisite for sustainable economic growth and for the well-being of society. We are aware of the responsibility etched to our business activities and its consequent impact on the environment and society at large. We review any adverse impact of our products and services on the environment which enables us to plan required initiatives to reduce our environmental footprint.



Our Policy

- ❖ The Company's governance and control mechanisms are designed to address applicable environment regulatory and compliance requirements for all its manufacturing facilities.
- ❖ The Company reviews the best practices with respect to water management, waste management, emissions, climate change mitigation, protection of biodiversity and ecosystem and works towards adopting the same .
- ❖ The Company continuously seek to improve their environmental performance by adopting cleaner production methods, promoting reduction, reuse, recycling and recovery of material and resources, promoting use of energy efficient, low-carbon technologies, environment friendly technologies and use of renewable energy.
- ❖ The Company communicates openly with all key stakeholders including suppliers, service providers, contractors and key business partners for improving environment, health and safety performances.

Principle 7: Business, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Philosophy

As a responsible organization, we are cognizant of the guidelines provided by regulators and legislative bodies across social, environmental and economic parameters. At PFL, we endeavor to maintain an ethical conduct, respecting the values of equity, integrity and transparency across all our policy advocacy positions.

Our Policy

- ❖ The Company works with policy makers on an ongoing basis and share insights on various aspects.. The Company remains ethical, unbiased and transparent, ensuring that it does not undertake any adverse activities in line with the nation's interest or those that will have any negative social impact.
- ❖ The Company engages with trade associations to raise industry benchmarks and reviews the best practices across the industries. Further, the Company actively participates in public policy discussions to share industry perspective and expertise.

Principle 8: Businesses should promote inclusive growth and equitable development.

Philosophy

At PFL, the upliftment of communities has always been an integral part of our business strategy. We consistently strive to create meaningful impact on the lives of all our stakeholders, particularly addressing key requirements of vulnerable and marginalized sections of society.

Our Policy

- ❖ The Company strives to minimize any adverse impact on social, cultural and economic aspects which arise from any of our business operations.



Business Responsibility and Sustainability Policy

- ❖ The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society, including vulnerable and marginalized groups.
- ❖ The Company leverages its financial and human resources networks and expertise to create maximum impact for its stakeholders.
- ❖ The Company strives to invest in R&D and technology to bring advancement in product development, enabling positive and equitable impact on the environment and society.

Principle 9: Business should engage with and provide value to their customers in a responsible manner

Philosophy

At PFL, we are committed to responsible growth and delivering superior products and services to our consumers. We prioritize and value our relationship with all our consumers as they play a vital role in our value creation journey. In this regard, we consistently strive to ensure responsible and transparent communication with all our consumers, across parameters of product pricing, quality and accessibility.

Our Policy

- ❖ The Company competes only in an ethical and legitimate manner and prohibits all actions that are anti-competitive or otherwise contrary to applicable competition or anti-trust laws.
- ❖ We ensure that the business take appropriate actions to minimize and mitigates any adverse impacts that it has on public, the natural environment and society at large.
- ❖ The Company provides its customers with guidance on the safe and responsible usage of products. The Company sensitizes the customers about the product quality and safety including responsible storage and consumption of the product.
- ❖ All Personnel should endeavor to deal honestly, ethically and fairly with the Company's suppliers, distributors, customers, competitors, agents, independent contractors, consultants and shareholders. Statements regarding the Company's products and services must not be untrue, misleading, deceptive or fraudulent.
- ❖ The Company takes consistent efforts in engaging with customers on an ongoing basis, recognize their concerns and correspondingly address them in a responsible manner.
- ❖ The Company strives to make continuous efforts to ensure universal accessibility of product to all, without any discrimination.

POLICY IMPLEMENTATION, REVIEW AND AMENDMENTS

The ESG & CSR Committee of the Board will supervise the implementation of this Policy. This policy shall be valid until further modification/revision in the policy. Any directive/guideline issued by Reserve Bank of India/Securities and Exchange Board of India/Government of India/ Ministry of Finance/ Ministry of Corporate Affairs or applicable regulatory authorities in this regard shall automatically be part of this policy, during the currency of this policy.

This Policy shall be reviewed periodically in line with the regulatory guidelines/ internal requirements or as and when considered necessary. The Board may modify, add, delete or amend any of the provisions of this Policy. Any modifications, exceptions to the Policy must be consistent with the Regulations and must be approved in the manner as may be decided by the Board of Directors.

