

BUSINESS RESPONSIBILITY AND SUSTAINABILITY POLICY

1. Introduction:

FDC Limited ('the Company') is a public limited company incorporated on September 23, 1940 under the Indian Companies Act, 1913 (Corporate Identity Number L24239MH1940PLC003176).

The equity shares of the Company are listed on the BSE Limited, National Stock Exchange of India Ltd and as such the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') are applicable and binding on it.

2. Scope And Purpose:

Regulation 34 of the Listing Regulation has made reporting of Business Responsibility and Sustainability Report in its Annual Report mandatory for the top 1000 listed companies based on market capitalization vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2015. This Policy on Business Responsibility ('BR Policy' or 'Policy') has been framed in line with the suggested framework as provided by the SEBI and is intended to ensure that the Company contributes towards sustainable development and fulfills its social, environmental and economical responsibilities.

This Policy affirms the Company's commitment to follow principles laid down in the National Voluntary Guidelines on Social, Environmental and Economic responsibilities of Business published by the Ministry of Corporate Affairs towards conducting its business.

3. Applicability:

This Policy applies to all the directors and employees of the Company across all its functions, units and depots.

4. Key Principles:

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

- i. The Company maintains highest standards of ethics in all spheres of its business activities. The Company shall develop and put in place structure programs and procedures that promote the principle of ethical conduct at all levels, prevents its contravention and effect prompt and fair actions against any transgressions.
- ii. The Company shall disclose and communicate transparently and assure access to information about the procedures, performance (financial and non-financial) and their decisions, that impacts the relevant stakeholders form the fundamental basis of operationalizing responsible business conduct.
- iii. The Company shall ensure that the business does not engage in illegal and abusive practices, bribery, anti-competition and corruption, and ensure timely and fair action in case such transgressions are detected.
- iv. Every employee of the company shall abide by the values and the commitment to ethical business practices reflected in the Company's Code of Conduct. The Board of Directors and Senior Management shall strive to and endeavour to set examples of utmost ethical behavior.

- v. The Directors and Employees shall not discriminate on the basis of race, religion, colour, creed, sex, disability, nationality, ancestry or marital status either at the time of recruitment or during their working period.
- vi. The company shall ensure that genuine concerns of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.
- vii. This policy of the Company clearly spells out that the Directors and employees shall not accept any gift, hospitality or material benefits from any agent/contractor/vendor or party with whom the Company has a business relationship. Gifts customarily given on special occasions like New Year, Diwali, Pujas, Christmas, etc., not expensive in value or distributed generally and openly at ceremonies and a business lunch or dinner shall not come under purview of this Clause.
- viii. The Executive Management shall aim at inculcating through periodic training schedule, the subject of ethical behavior, transparency and accountability at all levels across the Company making it an essential part of the work culture so that every employee of the Company conduct and lead himself on behalf of the Company with professionalism, honesty and integrity, and conform to high moral and ethical ground.
- ix. The Directors and employees shall always be committed to enhancing shareholder value and net worth. Directors and employees shall ensure that all information, which is made available by the Company to the public, is correct and is free from ambiguity.
- x. The Company shall ensure ethical behavior in all operations, functions and processes, and encourage its business partners and third parties with whom it conducts business to abide by this policy.

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

- i. The Company shall always strive to treat all its stakeholders and customers with dignity, respect and due understanding. The Company shall, at all times, ensure that the goods / products it produces are safe and sustainable.
- ii. The Company shall ensure that its products and services comply with all applicable statutes and regulations.
- iii. The company shall work towards ensuring that all goods and services are procured, manufactured and delivered embedding the principles of labour practices, human rights, ethics, occupational health, safety and environment.
- iv. The company shall work towards sourcing significant raw materials, products and services in a manner so as to continuously improve the balance between social, economic and environmental impacts.
- v. The company shall continue to progressively factor in relevant social, environmental and governance considerations during the process of development of products. The Company should ensure that its business goals are pursued without compromising any of the elements mentioned above.

- vi. The Company shall regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
- vii. The Company shall recognize and respect the rights of people who may be owners of traditional knowledge and other forms of intellectual property, wherever relevant.
- viii. In designing the products, the company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
- ix. The company shall work towards safe and optimal resource use over the lifecycle of its products and services, including recycling and safely disposal of resources wherever possible. The Company should strive to continuously review and improve its manufacturing process and technology used so as to increase the productivity with reduced usage of resources without any compromise on the quality of the goods and services.
- x. The company shall work with supply chain members that comply with applicable laws and regulations related to labour practices, human rights, bribery & corruption, occupational health, safety and environment.
- xi. The company shall work towards building capacity such that all the value chain partners, namely the subcontractors, service providers including suppliers of significant raw materials, are sensitised and empowered to fulfil their roles and responsibilities towards sustainability.
- xii. The Company's mission is to conserve natural resource and to ensure the protection of the environment and to that extent develop and source green raw materials to reduce the harmful effects on our environment and natural resources.
- xiii. The Company shall make sure that the waste products generated during the process of manufacturing are re-cycled or the by-products generated are put to best possible use to safeguard the environment and minimize the hazards.
- xiv. The Company shall strive to reduce its own environmental footprints, influence the stakeholders in order to encourage them to reduce their footprints.
- xv. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

- i. The Company shall ensure that all regulatory requirements pertaining to its employees are complied with.
- ii. The Company shall provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
- iii. The Company shall not use child labour, forced labour or any form of involuntary labour, paid or unpaid.

- iv. The Company shall ensure that no employee is made to work against his / her will or to work as bonded/forced labour, or subjected to corporal punishment or coercion of any kind, related to work.
- v. The Company shall put systems and processes in place to support the work-life balance of its employees, especially that of women.
- vi. The Company shall provide facilities for the wellbeing of its employees or workers including those with special needs. The Company shall ensure fair, timely and transparent payment of statutory wages of all employees, including contract and casual labor without discrimination.
- vii. The Company should ensure an environment which generates sense of belongingness, loyalty and commitment amongst the employees. The Company shall ensure that there is a systematic chain or hierarchy which allows better flow of information, ideas, suggestions and understanding amongst the employees and the Senior Management and there is a structured and proper channel through which the grievances of the employees are taken up and resolved fairly and expeditiously by appropriate authority from Management.
- viii. The Company has in place a whistle blower/vigil mechanism policy in place wherein detailed procedure would be mentioned for the employees to make disclosure regarding any unfair, unethical practice or improper activity observed within the organisation in an undisclosed manner, which will then be investigated by such person / group of person / committee as may be mentioned therein and such disciplinary actions may be taken against the person who has done such wrongful / unethical activity.
- ix. The Company shall provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees.
- x. The Company shall ensure continuous up gradation of skill and competence of all employees by providing access to necessary learning opportunities on an equal and non-discriminatory basis.
- xi. The Company shall promote employee morale and career development through enlightened human resource interventions.
- xii. The company shall provide a work environment that is free from any form of discrimination, including but not limited to sexual harassment.
- xiii. The Company shall create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities and a workplace with adequate provisions of Grievance Redressal.

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

- i. The Company values the support of its stakeholders and endeavours to maintain a cordial relationship and safeguard the interests of not only its shareholders and employees, but all the stakeholders. The Company shall regularly and systematically identify its internal stakeholders like promoters, employees and workers and external stakeholders like shareholders, investors, suppliers, consumers, government including regulators, banks and financial institutions.

- ii. The Company shall endeavour to maintain healthy stakeholder engagement, allow stakeholder's participation. The Company should follow ethical practices so as to ensure that no inconvenience is caused to any of its internal and external stakeholders.
- iii. The Company has in place a Corporate Social Responsibility policy to address the concerns of the vulnerable and the marginalised. The Corporate Social Responsibility (CSR) initiatives undertaken by the Company shall be driven towards the benefit of the disadvantaged, and marginalized beneficiaries without any discrimination on the basis of religion, nationality, colour, caste in a structured manner for the benefit of society.
- iv. The Company shall develop systems, processes and mechanism to identify its stakeholders, understand their concerns, define purpose and scope of engagement, consult with them in developing policies and processes that impact them, and commit to resolving any differences with stakeholders in a just, fair and equitable manner.

Principle 5: Businesses should respect and promote human rights

- i. The Company appreciates and believes that human rights are inherent, universal, indivisible and interdependent in nature. The Company shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations and ensuring all individuals impacted by the business have access to grievance mechanisms.
- ii. The Company should make its employees aware of the human rights, relevant laws and policies.
- iii. The Company shall recognize and respect the human rights including right to minimum wages, remuneration, salary, of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
- iv. The Company shall, within their sphere of influence, promote the awareness and realization of human rights across their value chain.
- v. The Company shall respect the human rights of all stakeholders associated with it and groups including its customers, shareholders, investors, public at large within and beyond the workplace including that of communities and vulnerable and marginalized groups and ensure that all stakeholders impacted by the business shall have access to grievance redressal mechanisms which is fair and transparent.
- vi. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.

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

- i. The Company should ensure that appropriate policies, procedures and structures are formulated to assess, measures and address any adverse impacts on the

- environment and natural resources at all business locations, at all stages of life cycle from establishment to closure.
- ii. The Company shall develop appropriate strategies for sustainable and efficient use of natural resources and manufactured material, giving due consideration to expectations and concerns of all stakeholders and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
 - iii. The Company shall take measures to check and prevent pollution. The Company shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
 - iv. The Company shall assess the energy consumption, water consumption or any other natural resources. The Company shall at all times ensure safe disposal of wastes and effluents through proper disposal channels. The Company shall ensure that the amount of emission fumes and waste water is within the permissible limits by the State Pollution Control Board and Central Pollution Control Board.
 - v. The Company shall ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge are shared equitably.
 - vi. The Company shall 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.
 - vii. The Company shall develop Environment Management Systems (EMS) and contingency plans and processes that help them in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to their operations or that of a member of its value chain.
 - viii. The Company shall report their environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner.
 - ix. The Company shall continuously endeavour to use the latest energy efficient technologies to ensure optimal utilisation of the resources without having to compromise with the quality of its products.
 - x. The Company shall proactively persuade and support its value chain to adopt this principle.

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

- i. As a corporate citizen, the Company understands its responsibility to operate within the democratic setup and constitutional framework. The Company recognizes that it operates within the specified legislative and policy frameworks prescribed by the Government, which guide its growth and also provide for certain desirable restrictions and boundaries.
- ii. The Company, while pursuing policy advocacy, must preserve and expand public good and shall not advocate any policy change to benefit the Company or select few alone.

- iii. The Company shall utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy in a responsible manner.
- iv. The Company shall ensure that corrective actions to be taken based on adverse orders from regulatory authorities, if any.
- v. The Company shall perform the function of policy advocacy in a transparent and responsible manner while engaging with all the authorities and shall take into account the Company's as well as the larger national interest.
- vi. The company shall ensure that policy advocacy is conducted ethically.

Principle 8: Businesses should promote inclusive growth and equitable development

- i. The Company considers the society as its integral part and believes that it cannot work in isolation without society and therefore, as it develops, the society should also progress. The Company is committed towards minimising the negative impact on society, if any being created by the Company in the course of its business.
- ii. The Company ensure that the business take appropriate actions to minimize any adverse impacts that it has on social, cultural and economic aspects of society including arising from land acquisition and use, construction of facilities and operations.
- iii. The Company shall assess, measure and understand their impact on social and economic development, and respond through appropriate action to minimize the negative impacts on society.
- iv. The Company shall innovate and invest in products, technologies and processes that promote the wellbeing of society, including vulnerable and marginalized groups.
- v. The Company shall make efforts to complement and support the development priorities at local and national levels, and assure appropriate resettlement and rehabilitation of communities who have been displaced owing to their business operations.
- vi. The Company shall respect all forms of intellectual property and traditional knowledge and make efforts to ensure that benefits derived from their knowledge are shared equitably.
- vii. The company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 and as per the CSR policy of the company.

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

- i. The Company acknowledges that no business can survive in absence of customers. The Company shall continuously strive to provide such goods and services to its consumers in a manner that creates value for both.
- ii. The Company 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.

- iii. The Company shall take into account the overall well-being of the clients and that of society and ensure that the company do not restrict the freedom of choice, free competition and do not infringe their right to privacy in any manner.
- iv. The client satisfaction is essential for growth and success. The Company strives hard to provide better products to client at large.
- v. The Company shall exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
- vi. The Company shall ensure that all the information related to ingredients, handling of the product, manner to use and other risks associated with the products viz. to the individual, to society, to the planet are disclosed truthfully and factually to the customers so that the customers can exercise their freedom to consume in a responsible manner.
- vii. The Company shall take initiative to educate its consumers regarding the responsible and proper usage of its products through various workshops etc.
- viii. The Company shall also ensure that the advertisements and promotions of its products should not mislead or confuse the customers or in any way violate the any of the principles of this Policy.
- ix. The Company shall provide adequate grievance redressal mechanisms that are transparent and accessible, to address client concerns and feedback.

7. Review and Authority to Make Alterations In The Policy

The Board or such other person / committee authorised by the Board may review the Policy from time to time as may be required, subject, however, to the condition that such alterations shall not be inconsistent with any provision of any law for the time being in being. Changes, if any, shall be effective only upon approval by the Board.