



Code of Conduct & Ethics for The Company

HERITAGE FOODS LIMITED

CIN: 15209TG1992PLC014332

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1. PREFACE

This Code of Conduct and Ethics of the Board of Directors, Senior Management Personnel and Employees (herein after referred to as the “HFL Code of Conduct”) has been adopted by the Board of Directors of Heritage Foods Limited (herein after referred to as “the Board”), This policy is to be applicable to all Directors members of senior management of the Company and its employees (herein after referred to as “the Members”).

This Code helps the Members to maintain good standards of business conduct, foster ethical and moral conduct and promote a culture of honesty and accountability, so as to set an example to others in the company. This Code sets out the expectations of the Company on all its employees who work with the Company.

The Code is not an all-inclusive comprehensive policy and cannot anticipate every situation that may arise in the course of the company’s business. The Members are expected to bear in mind the essence and substance of the Code in all their dealings / transactions with the Company.

2. DEFINITIONS

- i. **Conflict of interest:** means pertains to situations in which financial or personal considerations may compromise, or have the appearance of compromising judgment of professional activities. A conflict of interests exists where the interests or benefits of one person or entity conflicts with the interests or benefits of the other person/entity/Company
- ii. **Directors:** mean all members on the Board of Directors or Committees thereof.
- iii. **Employees:** mean all employees of Company including its branch offices, units ,factories and other workplaces of the Company etc.,
- iv. **Price-sensitive information:** means any information which relates, directly or indirectly, to a company and which if published is likely to materially affect the price of securities of the company.
- v. **Senior Management:** means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

- Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed thereunder or SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

3. STRICT COMPLIANCE

All members shall act within the bounds of the authority conferred upon them and undertake the duty to make and enact informed, judicious and harmonious decisions and policies in the best interests of the Company and its shareholders / Stakeholders.

With a view to maintain the high standards the Company requires, the following rules/ code of conduct to be observed in all activities. For the purpose of the code, the Company appoints the Company Secretary as compliance officer, who shall be available to Members to answer questions and help them in complying with the code.

4. CONFLICT OF INTEREST

- i. Our members shall always act in the interest of the company and ensure that any business or personal association including close personal relationships which they may have, does not create a conflict of interest with their roles and duties in our company or the operations of our company. Further, the members shall not engage in any business, relationship or activity, which might conflict with the interest of our company or our group companies.
- ii. If any actual or potential conflicts of interest arise, the concerned person must immediately report such conflicts and seek approvals as required by applicable law and company policy. The competent authority shall revert to the members within a reasonable time so as to enable the concerned members to take necessary action as advised to resolve or avoid the conflict in an expeditious manner.
- iii. At the time of appointment in the company the members shall make full disclosure to the competent authority, of any interest leading to an actual or potential conflict that such persons or their immediate family (including parents, siblings, spouse, partner, children or persons with whom they enjoy close personal relationships, may have in a family business or a company or firm that is a competitor, supplier, customer or distributor of, or has other business dealings with, the company.
- iv. If there is a failure in making the required disclosure and the management becomes aware of an instance of conflict of interest that ought to have been disclosed by any member the management shall take a serious view of the matter and consider suitable disciplinary action as per the terms of employment. In all such matters, the company shall follow clear and fair disciplinary procedures, respecting the employee's right to be heard.
- v. The Company shall not tolerate any form of abuse or harassment among its members.
- vi. The company shall not entertain any form of offerings or acceptance in the form of bribes, kickbacks or any other kind of improper payment including facilitation payments.
- vii. The company does not tolerate retaliation in any forms, such as: threats, intimidation, exclusion, humiliation, and raising issues maliciously or in bad faith.



- viii. The members shall not engage in any corporate opportunities except as may be approved by the Board of Directors as per delegation of authority.
- ix. The members shall not share any confidential information on public platforms including on social media and other digital platforms.

5. HONESTY AND INTEGRITY:

All Members shall conduct their activities, on behalf of the Company and on their personal behalf, with honesty, integrity and fairness. They will act in good faith, with responsibility, due care, competence and diligence, allowing independent judgment to their subordinates. Members shall act in the best interests of the Company and fulfill their fiduciary obligations.

6. POLICY OF BUSINESS RELATIONSHIP

The Company shall conduct business legally and ethically. The quality of company's products and the efficiency of its services at the most competitive price is the greatest tool in conducting the business of the company. Profits do not justify unfair/ unethical practices. All Members should uphold the highest standards of integrity in all the business relationships.

7. OUR COMPANY'S EXPECTATIONS:

- **Equal Opportunity Employer:**

The Company shall provide equal opportunities to all its members and to all eligible applicants for employment in our company. The Company shall not unfairly discriminate on any ground, including race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin, disability or any other category protected by applicable law.

The Company shall recruit, develop and promote the employee solely on performance, merit, competence and potential basis.

The Company shall have fair, transparent and clear employee policies which promote diversity and equality, in accordance with applicable law and other provisions of this Code. These policies shall provide for clear terms of employment, training, development and performance management.

- **Dignity and Respect:**

The Company's Head of the Department's shall be responsible for creating a conducive work environment built on tolerance, understanding, mutual cooperation and respect for individual privacy.

The Company shall treat all its Members with dignity and respect.

The Company shall not encourage any form of harassment, whether sexual, physical, verbal or psychological.



The Company has a clear and fair disciplinary procedures, which necessarily include an employee's right to be heard.

The Company respects employees' right to privacy and has no concern with their conduct outside our work environment, unless such conduct impairs their work performance, creates conflicts of interest or adversely affects our reputation or business interests.

- **Human Rights:**

The Company shall not employ children at our workplaces and does not use forced labour in any form.

The Company shall not confiscate personal documents of employees, or force them to make any payment to us or to anyone else in order to secure employment with us, or to work with us.

- **Bribery and Corruption:**

Our Members and those representing us, including agents and intermediaries, shall not, directly or indirectly, offer or receive any illegal or improper payments or comparable benefits that are intended or perceived to obtain undue favours for the conduct of our business.

- **Freedom of association:**

The members shall notify and seek prior approval if they participate in civic or public affairs in their personal capacities, provided such activities do not create an actual or potential conflict in the interests of the company.

- **Working outside employment with us:**

Our employees must notify and seek prior approval for Taking employment, accepting a position of responsibility or running a business outside the Company with or without remuneration that could interfere the members ability to work effectively at the company or create conflicts of interest.

- **Integrity of information and assets:**

The members shall not make any wilful omissions or material misrepresentation that would compromise the integrity of our records, internal or external communications and reports, including the financial statements.

The Members shall seek proper authorisation prior to disclosing company or business-related information, and such disclosures shall be made in accordance with the company's policy. This includes disclosures through any forum or media, including through social media.

The Members shall ensure the integrity of personal data or information provided by them to the company. The Company shall safeguard the privacy of all such data or information given by the Members in accordance with applicable company policies or law.



The Company shall comply with all applicable anti-money laundering, anti-fraud and anti-corruption laws and shall establish processes to check for and prevent any breaches of such laws.

- **Prohibited drugs and substances:**

Use of prohibited drugs and substances creates genuine safety and other risks at our workplaces. The Company does not tolerate prohibited drugs and substances from being possessed, consumed or distributed at our workplaces, or in the course of company duties.

8. INTELLECTUAL PROPERTY POLICY

All Members have utmost obligation to identify and protect the intellectual properties, trade secrets and confidential information owned by the Company and its clients or associates as it is critical to the success of the company.

The Members shall promptly report the loss, theft or destruction of any confidential information or intellectual property and data of our company or that of any third party.

“Intellectual Property Rights” (IPR) means generally patented or potentially patentable inventions, trademarks, copyrightable subject matters and trade secrets.

9. CORPORATE OPPORTUNITIES

Members owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises and are expressly prohibited from improper use of information / property or taking improper advantage of their position.

10. PREVENTION OF INSIDER TRADING

Insider trading is prohibited both the Law as well as by the company policy. Insider trading generally involves the act of subscribing to or buying or selling of the Company’s securities, when in possession of any Unpublished Price Sensitive Information about the company.

Members shall not derive benefit or assist others to derive benefit or assist them to derive benefit on their behalf by giving investment advice from the available access to and possession of information about the Company, which is not in public domain and thus constituting insider information. Members shall comply with the prevention of insider trading guidelines as issued by Securities Exchange Board of India (SEBI).

11. SECURITIES MARKET POLICY

The Company is committed to comply with securities laws in all the markets in which the Company’s securities are listed. The company prohibits fraudulent and unfair trade practices with regard to the securities of the Company by all Members.

12. CONFIDENTIALITY OF INFORMATION POLICY

The Company's confidential information is a valuable asset. Members shall understand that protection of all confidential information is essential. Members should undertake and be committed to protect the business and personal information of confidential nature obtained from clients, associates and employees.

Any information concerning the Company's business, its customers, suppliers etc which is not in the public domain and to which the Members have access or possesses such information, shall be considered confidential and held in confidence, unless authorized to disclose or such disclosure is required as a matter of law. Members shall not provide any information either formally or informally, to the press or any other publicity media, unless specially authorized to do so.

13. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

Members should comply with all applicable laws, rules, and regulations, both in letter and spirit. In order to assist the Company in promoting the lawful and ethical behavior, Members have to report any possible violation of law, rules, regulations or the code of conduct to the Company Secretary.

14. PROTECTION AND PROPER USE OF COMPANY'S ASSETS

All Members have the responsibility to protect the assets of the company, ensure optimal utilization of assets and to report and record all transactions. Members shall protect the Company's assets from loss, damages, misuse or theft and assets may only be used for business purposes and other purposes specifically approved by management and must never be used for any personal or illegal purposes.

15. COMPETITION POLICY

The Company shall compete only in an ethical and legitimate manner. It prohibits all actions that are anti- competitive or otherwise contrary to laws that govern competitive practices in the market place. Members shall uphold the same.

16. SELECTING SUPPLIERS

The Company's suppliers make significant contribution to its success. The Company's policy is to purchase / avail supplies based on need, quality, service, price and other commercial terms and conditions. Suppliers should be selected based on merit, price, quality and performances. The Company's policy is to select significant suppliers through a competitive bid process wherever possible. Under no circumstance should the Company or its employee, agent or contractor attempt to coerce suppliers in any way.

17. ENVIRONMENT, HEALTH AND SAFETY POLICY.

Members shall take environmental consciousness a step further as a company and contribute to preserving nature as well as safety measures in own respective work areas. All Members are responsible for conducting safe and environmentally sound operations; this is in the interest of our own well being and the quality of life of others. Members shall abide by this policy.

18. ELIMINATION OF CHILD LABOUR

It is the Company's policy not to support child labour. The Company is committed to implement the provisions of the Child Labour (Prohibition and Regulation) Act, 1986, as amended from time to time. To, promote this the Company encourages its suppliers also to work towards a no child labour policy in their industries. Members shall strictly observe that no child labour is employed in the company.

19. ABOLITION OF FORCED LABOUR.

The Company strictly prohibits forced or compulsory labour. The Company is committed to ensuring that employees enter into employment and stay on in the Company of their own free will. Members shall uphold this policy.

20. GIFTS & DONATIONS

No Member shall receive or offer, directly or indirectly, any gifts, donations, remuneration, hospitality, illegal payments and comparable benefits which are intended or perceived to be intended to obtain business (or uncompetitive) favors or decision for the conduct of the business. Normal gifts of commemorative nature for special events may be accepted.

21. OTHER DIRECTORSHIPS

The Company feels that serving on the Board of Directors of other companies may raise substantial concerns about potential conflict of interest. Therefore all Directors shall report / disclose such relationships to the Board on an annual basis. It is felt that service on the Board of a direct competitor is not in the interest of the Company. Hence all the Directors are barred in accepting such position without the concurrence of the Board.

22. DUTIES OF INDEPENDENT DIRECTORS

All Independent Directors shall adhere the Role, Functions and Duties as prescribed in the Schedule-IV read with Sub-section 7 of Section 149 of Companies Act, 2013 and rules made thereof and applicable provisions of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 with Stock Exchange as amended from time to time.



23. ACCOUNTABILITY

The Board of Directors (BOD) shall oversee the Company's adherence to ethical and legal standards. All employees and members of the Board of Directors shall undertake to stop or prevent actions that could harm customers or reputation of the Company and to report such actions as soon as they occur to take corrective steps and see that such actions are not repeated.

24. COMPLIANCE WITH CODE OF CONDUCT

Each Director and senior management personnel shall adhere to this code of conduct and affirm compliance with the code on an annual basis as per the Annexure-1 to the Code and the new member(s) shall submit the declaration cum acknowledgement form as per the Annexure-2 at the time of the joining in the Company. Violation of this Code will lead to appropriate disciplinary action.

25. WAIVER OF THE CODE

Any waiver of the applicability of the Code or waiver of application of any provision of the Code to any Member shall be approved by the Board of Directors.

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