



Code of Conduct & Ethics for Board & Senior Management

HERITAGE FOODS LIMITED

(Formerly Known as Heritage Foods (India) Limited)

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1. PREFACE

This Code of Conduct and Ethics (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”), to be applicable to all Directors and members of senior management of the Company (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.

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

- **Directors:** mean all members on the Board of Directors or Committees thereof.

- **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.



- **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.
- **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.

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

All Members should not engage in any business, relationship or activity, which may be in conflict with the interest of the Company. Conflict may arise in many situations. It is not possible to cover every possible conflict situation and at times, it will not be easy to distinguish between the proper and improper activities. Set forth below, are some of the common circumstances that may lead to conflict of interest, actual or potential.

- i. Members should not engage in any activity / employment that interfere with your performance or responsibility to the Company or otherwise in conflict with or prejudicial to the interests of the Company.
- ii. As a general policy, Members should avoid conducting business with a relative or with a firm / Company in which a relative / related party is associated in a significant role / position.
- iii. Whenever/ wherever the related party transaction is unavoidable Members will fully disclose their interest in the transaction to the Board or to the CEO of the Company and due records for such transactions will be maintained as per the statutory requirements.



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



8. 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.

9. 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).

10. 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.



11. 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.

12. 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.



13. 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.

14. 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.

15. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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.

21. 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.



22. 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.

23. 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.

24. 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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