

emami* limited



Environmental Social & Governance (ESG) Policy Framework



ESG Policy Framework

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Principle 1: Integrity, Ethics, Transparency & Accountability

Philosophy:

Emami Limited lays down a strong foundation for ethical, transparent and accountable corporate citizenship which contributes towards establishment of a corporate culture instilled with integrity. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in alignment with healthy growth of the Company.

Policy:

1. The company shall establish an effective governance structure, policies and procedures that ensures ethical conduct at all levels across its value chain and track any misdemeanour.
2. The company shall lay down a unified procedure for transparent and easy access to information for all the stakeholders especially the vulnerable communities about the policies, procedures, performance and decisions of their company that impacts them.
3. The company shall abide by all the statutory obligations and shall not engage in practices that are abusive, corrupt, or anti-competitive and in case of any misdemeanour it would be dealt in a timely and fair manner.
4. The company shall ensure that there are effective surveillance systems in place to avoid any complicity with actions of third parties that violates any of our principles.
5. The Company shall put in place active structures and guidelines to address any conflict of interest in its micro environment.
6. The company shall ensure that it positively contributes towards public finances by in time payment of taxes and abide all laws governing it.
7. The company shall truthfully discharge its responsibility on making financial and other mandatory disclosures timely.
8. 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.
9. The company shall ensure that genuine cases of misconduct/ unlawful conduct can be reported in a responsible and confidential manner through its Vigil Mechanism.



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Principle 2: Product Lifecycle Sustainability

Philosophy:

Emami Limited endeavours to embed the principles of sustainability and efficient utilization of resources, as far as practicable, into the various stages of product or service lifecycle including procurement of raw material /service, manufacturing of product or delivery of service, transportation of raw materials and finished goods, and disposal by consumers to improve the quality of life and people and mitigate the adverse impact on environment if any.

Policy:

1. The company shall ensure that its products and services comply with all applicable statutes and regulations.
2. 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 hazards, safety and environment as defined in the company's policies namely:
 - a. Code of Conduct
 - b. Principle on Integrity, Ethics, Transparency and Accountability
 - c. Principle on Employee Well Being
 - d. Principle on Human Rights
 - e. Principle on Customer Value
3. The company shall work towards designing, producing and sourcing significant raw materials, products and services in a manner so as to continuously ensure efficient utilization of resources and use of low carbon process and technologies to minimize the adverse impact and create a balance between society, economy and environment.
4. The company shall continue to progressively factor in relevant social and environmental considerations during the process of development of products / services;
5. The company shall continue to recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property, wherever relevant.
6. In designing the products, the company shall ensure that the manufacturing processes and technologies required to produce it are resource efficient and sustainable.
7. The company shall hold complete responsibility for the safe collection, reuse and recycling of the products as a part of the extended producer responsibility.
8. The company shall enlighten all its stakeholders across the value chain about the adverse environmental and social issues and its impacts that affect product life cycle through relevant tools such as certificates, ratings, product labelling, appropriate and helpful marketing, full details of contents and composition as per the applicable laws and promotion of safe usage and disposal of their products and services.
9. The company shall work with supply chain members that comply with applicable laws and regulations related to Labour practices, human rights, anti-bribery laws, occupational health hazards, safety and environment ;



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10. The Company shall encourage resource efficiency in the supply chain and shall guide supply chain members towards becoming more sustainable.
11. The company shall work towards building capacity such that all the value chain partners, namely the third party manufacturers, service providers including transporters and suppliers of significant raw materials, are sensitized and empowered to fulfil their roles and responsibilities towards sustainability ;
12. The Company shall encourage its business partners and third parties with whom it conducts business to abide by this policy.



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Principle 3: Employee Well Being

Philosophy:

Emami Limited focuses on ensuring the well-being of all its employees. The safety and health of employees is extremely important to the Company. The company believes in giving its employees equal and ample opportunities to perform as employee well-being is imperative to achieve a profitable growth. Ensuring diversity, preventing discrimination, safety and health are part of Emami's Code of Conduct.

Policy:

Diversity, Equal Opportunity, Freedom of Association

1. The company shall provide and maintain equal opportunities at the time of recruitment and separation as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
2. The company shall respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance Redressal mechanisms.
3. The Company shall ensure that there are systems and processes in place to enable them and the value chain partners to comply with all the regulatory requirements relating to its employees.

Prevention of Child Labour/ Forced Labour and Harassment

4. The company shall not use child labour, forced labour or any form of involuntary Labour, paid or unpaid.
5. 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 ;
6. The company shall create systems and practices to ensure a humane workplace free from harassment (sexual harassment) and discrimination where employees feel safe and secure in discharging their responsibilities.

Employee Well Being:

7. The company shall strive to instill a sense of duty in every employee including those of service providers at the Company's premises, towards their personal safety, as well as that of their co-workers
8. The company shall take cognizance of the work-life balance of its employees, especially that of women.
9. The company shall provide facilities for the wellbeing of its employees including those with special needs.



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10. The company shall ensure timely and transparent payment of fair living wages to meet basic needs and economic security of the employees.
11. The company shall ensure continuous skill and competence upgrading of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. The company shall promote employee morale and career development through enlightened human resource interventions.



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Principle 4: Stakeholder Engagement

Philosophy:

Emami recognizes employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding our operations and regulatory authorities as key stakeholders. The company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc.

Policy:

1. The company shall develop system, process and mechanism to understand the expectations and concerns of its stakeholders, define its purpose and scope of engagement, and commit to being responsive towards them.
2. The company shall acknowledge, assume responsibility and be transparent about the impact of their policies, decisions, product & services and associated operations on the stakeholders.
3. The company shall strive to give special attention towards vulnerable and marginalized stakeholders belonging to areas that are underdeveloped.
4. The company shall commit to resolve differences and redress grievances with stakeholders in a just, fair and equitable manner.
5. The Company shall consult with the stakeholders in developing various policies and processes.
6. The Company shall ensure that all the stakeholders are benefitted from the value or profit generated by the Company. In case of any conflict that arises, the Company shall ensure that the same is resolved in a just, fair and equitable manner.



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Principle 5: Human Rights

Philosophy:

Emami respects and promotes human rights for all individuals. The company's commitment to human rights and fair treatment is set in its Code of Conduct. The Code provides to conduct the operations with honesty, integrity and openness with respect for human rights and interests of employees.

Policy:

1. 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 and groups whose human rights are impacted by the business have access to grievance redressal mechanisms.
2. The company should ensure that awareness programmes are regularly held to make their employees conscious about their human rights.
3. The company shall recognize and respect the human rights of all relevant stakeholders and groups, including that of communities, consumers and vulnerable and marginalized groups. This includes carrying out human rights with due diligence to identify, prevent, mitigate and account for how they address adverse human rights impacts.
4. The company shall, within its sphere of influence, promote the awareness and realization of human rights across their value chain.
5. The Company shall enlighten its business partners and third parties with whom it conducts business to abide by this policy.
6. The Company shall ensure that there is an active mechanism to take corrective actions to address issues linked to its business causing, contributing or otherwise being linked to adverse human rights.



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Principle 6: Preservation of Environment

Philosophy:

The Company places highest corporate priority in ensuring and adhering to best procedures relating to environmental protection. Emami sets high standards in the area of environmental responsibility – striving for performance that does not merely comply with regulations but reduces environmental impacts. Emami believes that it has a responsibility to take care of the planet and preserve its beauty, hence to use resources in a sustainable manner and strength for future generations.

Policy:

1. The company shall utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. The company shall ensure that there are proper policies and procedures to measure and address its adverse impact on environment at all stages of its life cycle. The company shall assess the environmental impact and bear the cost of pollution abatement with due regard to public interest.
3. 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 with the society.
4. The company shall continuously seek to improve their environmental performance by adopting innovative and cleaner production methods, promoting use of resource efficient and low carbon technology and use of clean and renewable energy.
5. The company shall develop Environment Management Systems and contingency plans and processes that shall help it in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to its operations.
6. The company shall strive to report its environmental performance, including the assessment of potential environmental risks associated with their operations, to the stakeholders in a fair and transparent manner. The Company should define measurable key performance indicators and targets to monitor their performance on environmental aspect.
7. The Company shall focus on developing adoption and mitigation measures to address the climate change and build climate resilience.
8. The company shall proactively engage in the best industry practices for persuading and encouraging its stakeholders across its value chain to adopt these principles of re-use and recycle its resources in an optimal manner.



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Principle 7: Responsible Advocacy

Philosophy:

Emami believes that a lot can be achieved by the company if it works together with the Government, legislators, trade bodies and regulators in a responsible and transparent manner to create positive social and environmental outcomes. Emami has always strived to create a positive impact in the business eco-system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. Emami engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

Policy:

1. The company shall work with industry organizations that are engaged in policy advocacy in a fair and responsible manner respecting/abiding by the human rights.
2. The company shall ensure that policy advocacy is conducted in a transparent and ethical manner.
3. The Company shall undertake policy advocacy through trade and industry chamber and association and other similar collective platforms.



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Principle 8: Inclusive Growth & Equitable Development

Philosophy:

Emami has always believed to ensure protection of interests of all stakeholders of the Company in harmony with healthy growth of the Company. In compliance with section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the company has adopted a CSR policy through which it undertakes the projects in accordance with Schedule VII of the Companies Act, 2013.

Policy:

1. The company shall innovate and invest in products, technologies and processes that promote the wellbeing of society.
2. The Company shall ensure that the business takes proper responsibility to minimize any adverse impacts that it has on social, cultural and economic aspects of society.
3. The company shall make efforts to complement and support the development priorities at local and national levels, and ensure appropriate resettlement and rehabilitation of communities who have been displaced and whose livelihoods have been disrupted owing to the company's business operations.
4. The company shall be sensitive towards the needs and concerns of the local communities while designing and implementing the company's CSR Programmes and operations in regions that are underdeveloped and vulnerable.
5. The company shall undertake CSR activities in accordance with Schedule VII of the Companies Act, 2013 as per the recommendation of the CSR committee and as per the CSR policy of the company.
6. The Company shall respect all forms of intellectual property and traditional knowledge and make efforts to ensure that benefits derived out from that knowledge are shared equitably.



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Principle 9: Customer Value

Philosophy:

Emami is a consumer centric company and the foundation of the company is based on the trust, satisfaction and loyalty of our consumers across the world. Emami is dedicated to delivering products that excite customers and meet their requirements. Emami's products are the result of understanding consumers' unmet desires, through path breaking technology by combining generations of practical experience with a continuous flow of new knowledge. An invigorating synergy of Ayurveda and modern science has been the backbone of Emami's innovative product pipeline to ensure sustainable growth over the years to come. Emami undertakes multi-centre clinical trials to ensure that Emami's products do not have an untoward impact on users and creates value for both.

Policy:

1. The company shall take into account the overall well-being of the customers and that of society.
2. The Company shall ensure that it mitigates and minimizes any adverse impacts of its goods and services on consumers, the environment and society at large.
3. The company shall ensure that it does not engage in any anti-competitive practices that restrict the freedom of choice in any manner while designing, promoting and selling its products.
4. The company shall maintain the customer database in a responsible manner that does not infringe/breach their right to privacy.
5. The company shall disclose all information truthfully and factually as per applicable laws, through labelling and other means, including the risks to the individual and to the society from the use of the products, so that the customers can exercise their freedom to consume in a responsible manner.
6. The company shall educate and guide its customers on the safe and responsible usage of its products and services and environment friendly ways to dispose them off after usage.
7. The company shall promote and advertise its products in ways that do not mislead or confuse the consumers.
8. 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.
9. The company shall provide an active and transparent grievance redressal mechanism to address customer concerns and feedback.
10. The company shall provide essential services namely utilities in an equitable and universal manner to those whose services have been discontinued for any reason.