

# Responsible and Sustainable Business Conduct Policy

Bajaj Holdings &  
Investment Limited

21 October 2022

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## **A. INTRODUCTION**

Bajaj Holdings & Investment Ltd. ('BHIL' or 'the Company') is registered with the Reserve Bank of India as a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC).

BHIL is a part of BSE 200 and Nifty 200 index of top 200 companies listed in India. BHIL is essentially a holding and investment company and does not have any other operations of its own. The Company's investments consist of :

- a. Strategic investments in group companies and
- b. Financial investments in capital markets and investment in properties.

Being part of the Bajaj group – one of the oldest and most respected business houses, the Company recognizes that its responsibility and accountability is not limited only to its investors but also to the society at large.

For sustainable development, the management of the Company, to the extent applicable, will continue its efforts to strike a balance between the economic, social and environmental performance in dealing with various stakeholders of the Company, namely, shareholders, government and regulators, value chain partners employees and the society as a whole.

Our strong foundation of corporate governance led responsible business practices help us to fulfil our duty as a responsible corporate citizen to conduct business sustainably and make a meaningful difference to all our stakeholders.

## **B. SCOPE AND PURPOSE OF THE POLICY**

This Policy, to the extent applicable lays out the key principles (also commonly known as Environmental, Social and Governance (ESG) principles), besides serving as a statement of intent, towards achieving a judicious balance between economic, social and environmental commitment to its stakeholders.

This policy is formulated in accordance with Regulation 34 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015. This Policy reiterates the Company's intent to abide by the applicable principles laid down in the National Guidelines on Responsible Business Conduct published by the Ministry of Corporate Affairs ("NGRBCs") while conducting its business, to the extent applicable.

The Company has enlisted some of its policies, codes, etc. (refer Annexure A) which aid in conduct of its business practices/ activities in line with the below key principles.

### **C. AUTHORITY AND RESPONSIBILITY**

This policy may be reviewed and amended from time to time in line with the changes in the regulatory requirements as well as changes in Company's intent and business environment/eco- system. All material changes to this policy will be placed before the Board for approval. Implementation of this Policy shall be supervised either by an executive committee constituted by Bajaj Group comprised of the Senior Employees of the Group or Shri Sanjiv Bajaj, MD & CEO.

### **D. EFFECTIVE DATE**

This Policy shall be effective from the date of approval by the Board.

### **E. KEY PRINCIPLES OF RESPONSIBLE AND SUSTAINABLE BUSINESS CONDUCT**

The Company shall conduct its business practices/ activities in line with the following key principles which are broadly based on the principles envisaged in the NGRBCs in the interest of social set up, environmental and governance framework:

**Principle 1: Business should conduct and govern themselves with integrity in a manner that is Ethical, Transparent and Accountable**

- The Company shall ensure appropriate governance structures, procedures and practices for ethical conduct at all levels.
- The Company shall, to the extent considered necessary and permitted by regulations, ensure transparent communication and access to relevant information about its decisions that impact relevant stakeholders, keeping in mind the need to protect confidential competitive plans and information.
- The Company shall not engage in practices that are abusive, corrupt or considered as anti-competitive under applicable laws.

- The Company shall truthfully discharge its responsibility on financial and other mandatory disclosures.
- The Company shall be a responsible corporate citizen by promoting social welfare activities and strive to promoting sustainability and minimizing the adverse impact of Company operations on the environment.
- The Company shall not practice discrimination based on age, sex, color, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals unrelated to the individual's suitability for the job and ability to perform the related work.
- The Company shall maintain accounts and records which reflect the true and fair picture of the Company's business activities in compliance with accepted accounting principles and standards for financial reporting.
- The Board members and employees shall ensure and take all reasonable measures to protect the confidentiality of non-public information about the Company, its business and other materially significant information obtained or created in connection with any activities with the Company and to prevent the unauthorized disclosure of such information, unless required by applicable laws, regulatory process or for any other legitimate purpose.
- The Board members and employees of the Company shall always act in the interest of the Company and ensure that any business or personal association does not create a conflict of interest with their roles and duties in the Company or its operations.
- The Board members and the employees shall make disclosures on materially significant related party transactions that may have potential conflict with the interests of Company.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle**

- The Company being an investment entity neither have consumption of raw material nor produce any tangible goods, hazardous or otherwise.
- The Company shall make efforts to dispose waste in a responsible manner, including through authorized recyclers, to the extent applicable.
- The Company understands that its employees, though small in number, can play a role in reducing

the environmental impact and thus shall create awareness regarding its various initiatives having a positive environmental impact. The Company shall engage with its employees and encourage them to adopt environment friendly practices.

### **Principle 3: Businesses should promote the well-being of all employees**

- The Company is committed to create a thriving, safe and inclusive workplace for all its employees. To achieve this, it will drive various employee engagement initiatives.
- The Company shall provide remuneration and equal opportunities at the time of recruitment as well as during employment irrespective of age, sex, color, caste, disability, marital status, ethnic origin, race, religion, sexual orientation, disease (viz. HIV/Aids) or any other status of individuals, thereby presenting an opportunity to excel and grow best suited to the individual's suitability and ability to perform the related work.
- The Company shall prohibit use of child labour, forced labour or any form of involuntary labour, paid or unpaid.
- The Company shall ensure timely payment of wages, as per applicable labour laws, to the extent applicable.
- The Company shall take cognizance of work-life balance of all its employees, especially that of women, and shall seek to provide appropriate facilities for the employee well-being.
- The Company shall keep the workplace environment safe, hygienic and humane, upholding the dignity of the employees.
- The Company shall respect freedom of association as a human right and accept collectivism whenever employees wish to organize themselves.
- The Company shall ensure continuous upgradation of skill and competence of employees by providing access to necessary learning opportunities, on an equal and nondiscriminatory basis. It shall promote career development through human resource interventions.
- The Company shall create a harassment free workplace with due systems and practices in place for employees to feel safe and secure while discharging their responsibilities.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders**

- The Company understands the impact of its policies and decisions on the stakeholders. In line with its policies, practices and processes, wherever necessary, the Company keeps its stakeholders informed of the important decisions/matters relating to the Company.
- The Company is responsive to the grievances raised by its stakeholders. The Company shall strive to resolve the grievances/issues raised by the stakeholders expeditiously.

**Principle 5: Businesses should respect and promote human rights**

- The Company appreciates the inherent, universal, indivisible, inalienable and interdependent nature of human rights. The Company shall strive to percolate these values, through its policies and practices, at all levels in the organization.
- The Company shall always strive to integrate respect for human rights in management systems, wherever applicable, through assessing and managing human rights impact of operations. Access to grievance redressal mechanisms shall be ensured for all individuals whose human rights are impacted by the Company or its operations.
- The Company shall recognize and respect the human rights of all relevant stakeholders. The Company shall endeavor to promote the awareness and realization of human rights across the value chain and not be complicit in human rights abuses.

**Principle 6: Business should respect, protect and make efforts to restore the environment**

- The Company being an investment entity neither have consumption of raw material nor produce any tangible goods, hazardous or otherwise.
- To the extent possible, the Company will strive to adopt technology, thereby reducing its paper consumption.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner**

- The Company, through its group company, having membership(s) with various chambers and associations shall aim to make recommendations/ representations before regulators and associations for advancement and improvement of financial services industry in India.
- While pursuing policy advocacy, the Company shall ensure that its advocacy position is consistent

with the principles and core elements contained in the NGRBCs. To the extent possible, the trade and industry chambers, associations and such other collective platforms shall be utilized to undertake policy advocacy.

- As a corporate citizen, the Company shall operate within the democratic setup and constitutional framework.
- The Company shall strive to perform the function of policy advocacy in a transparent and responsible manner while engaging with the authorities considering the Company's as well as the larger national interest.

#### **Principle 8: Businesses should promote inclusive growth and equitable development**

- The Corporate Social Responsibility (CSR) philosophy of the Company has been formulated under the vision and principles of the Bajaj Group's Founding Father, Late Shri Jamnalal Bajaj, who believed in creating shared value through fair and equitable business functioning. The Group believes that 'majority of expenditures under CSR are converted to 'investments in resource creation' for use over generations.'
- The core elements of our CSR activities include continuing commitment by business to ethical principles, protection of human rights, care for the environment, while improving the quality of life of all, including the local community and society at large.
- The Company through its CSR policy shall continue to drive initiatives for the benefit of different segments of the society, with focus on the marginalized, poor, needy, deprived, under-privileged and differently abled persons.
- For inclusive growth and equitable development, the Company through its CSR activities shall focus on the areas as enumerated in the Corporate Social Responsibility Policy, as amended from time to time.

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

- Considering the nature of business, the Company does not have any customers. However, if and when the need arises, the overall well-being of the customers and that of society shall be considered while serving the needs of customers. The Company shall refrain from restricting the freedom of choice while designing, promoting and selling its products and services.



## **F. AREAS OF FOCUS**

While the key principles enumerated above cover the overall landscape of responsible and sustainable business conduct within which the Company shall endeavor to operate, however, in order to have greater impact, following shall be our areas of focus:

1. Governance - Conduct and govern business with integrity in a manner that is ethical, transparent and accountable.
2. Empowering society - Promote social welfare activities for inclusive growth, equitable development and well-being of society.
3. Employee wellbeing - Create a thriving, safe and inclusive workplace for its employees and provide merit-based opportunities for professional development and growth.
4. Stakeholder engagement – Engage with relevant stakeholders for enhancing the responsible and sustainable business practices.

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Date: 21 October 2022

Place: Pune

Sd/-

Chairman

## Annexure A

Following are some of the policies, codes etc. which aid the Company in abiding by the principles of NGRBCs:

- Archival policy
- Board Diversity Policy
- Board Evaluation Criteria
- Code of Conduct to regulate, monitor and report trading by designated persons and Policy on Institutional Mechanism.
- CSR policy
- Dividend Policy
- Fair Disclosure Code
- Familiarization program for Independent Directors
- Investment Policy
- PMLA Policy
- Policy for Penalty Structure for violations in Company's Insider Trading Code
- Policy on Determination of Materiality for Disclosure of Events
- Policy on material subsidiaries
- Policy on materiality of Related Party Transaction
- Remuneration policy
- Risk Management Policy
- Terms of Appointment of Independent Director
- Whistle Blower policy
- Employee related policies:
  - Code of Conduct- For Directors and Senior Management
  - Code of Ethics and Personal Conduct
  - Creche policy
  - Disciplinary Actions and Grievance Redressal Policy
  - Other Employee engagement Policies:
    - Car policy
    - Domestic Travel Policy
    - Employee Separation Policy
    - Leave Attendance policy
    - Mobile reimbursement policy
  - Prevention of sexual harassment at workplace
  - Reward and Recognition Policy