

BUSINESS RESPONSIBILITY REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

Godrej Agrovet Limited (“the Company”) has pleasure in presenting this Business Responsibility Report for the Financial Year (F.Y.) 2021-22, in terms of the provisions of Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular Ref. No. CIR/CFD/CMD/10/2015 dated November 4, 2015, issued by the Securities and Exchange Board of India (“SEBI”). This Report aims at elaborating various initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in conformity with the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business’ (“NVGs”) which were notified by the Ministry of Corporate Affairs (“MCA”), Government of India, in July 2011.

The Company well recognizes the underlying rationale of NVGs, that a corporate is required to act as a ‘Responsible Business’ and ensure that its financial and operational growth is socially and environmentally sustainable. It has been a part of the Indian tradition over the centuries, to part

with a portion of one’s surplus wealth for the good of the society, even a practice in the business community. There is also a rising demand from all stakeholders that businesses of all forms, types and sizes should function with fairness and be socially responsible.

The worldwide unprecedented outbreak of Coronavirus disease - COVID-19 [declared as a pandemic by the World Health Organization (WHO)] has caused devastating effects on the economies and on millions of people across the world, including India. Thanks to the various efforts taken by the Central and State Governments across India and the support thereto rendered by all the sections of the society, including the community workers, medical service providers, corporates and the public at large, India is being able to recover from the COVID outbreak in gradual course. The Company is also committed to stand in solidarity with the citizens and the Government of India and support their efforts by doing to the best of its capabilities to serve its customers, employees and communities.

This Business Responsibility Report describes the activities of the Company under each of the following 9 (Nine) principles as outlined in the NVGs:

Principle 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle 3	Businesses should promote the well-being of all employees
Principle 4	Businesses should respect the interests of, and be responsive, towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	Businesses should respect and promote human rights
Principle 6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	Businesses should support inclusive growth and equitable development
Principle 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

The Company is a part of the “Godrej” Group, one of the largest professionally run private-sector groups in the country which has emerged as a major industrial and agricultural conglomerate acclaimed for the excellent quality of its products and services. “Godrej” Group has a well-established presence in varied businesses ranging from foods and consumer durables to chemicals and real estate. The Group has completed over 100 years of service to the nation and is amongst the admired business groups in India, delivering quality products and services to its customers at competitive costs, with highest international standards of customer care.

Further, it is noteworthy that the Godrej Group has been at the forefront of philanthropic and social activities for several decades, including but not limited to environmental protection, healthcare and education.

In the words of Mr. N.B. Godrej, the Chairman of the Company, the sustainability efforts by the Godrej Group can be described as:

“Much benefit can be seen

From our program Good and Green.

Society and business gain

From all the people that we train.

We thought we'd have to pay a price

For green energy but it's very nice

The costs have fallen very low

And every day our savings grow!”

A portion of the shares of the Godrej Group are held in trusts that invest back in initiatives that support the environment as well as improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai (Maharashtra) have been protected, developed, and maintained for several years and serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary schools, which focus on the all-round development of children. The Udayachal high school has been accredited with the International School Award in recognition of the school incorporating global education

ABOUT THE GODREJ GROUP AND ITS PHILANTHROPIC INITIATIVES:

into its curriculum and innovation into classroom teaching. In addition, the Godrej Group has supported initiatives in healthcare through the Godrej Memorial Hospital at Vikhroli, Mumbai (Maharashtra), which aims to provide quality healthcare at affordable costs. One such initiative is our partnership with ‘Smile Train’, a US-based NGO, which helps in performing corrective cleft lip and palate surgeries for children from low-income families. The Group offers surgery and hospitalization to the patients free of cost.

All the businesses in the Godrej Group are inspired by the Brighter Living philosophy and have imbibed Godrej values. “Brighter Giving” is a structured, skill-based, long-term volunteering programme or platform through which the employees can offer their time, knowledge and skills in meaningful, volunteering projects. This programme has a long-term goal of seeking to enable and drive meaningful initiatives for the Godrej Group’s non-profit partners and/or their beneficiaries. It also serves as a channel through which the employees can connect with and learn more about “Good & Green”. In conjunction with the Godrej Group’s vision for “Brighter Giving” for all stakeholders, the Group has developed a long-term vision of “Godrej Good & Green” for playing an active part in creating a more inclusive and greener India.

Operationalizing Good & Green is founded on shared value initiatives. The concept of “shared value” is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As a part of Good & Green, the Group aspires, to create a more employable Indian workforce, a greener India and innovate for good and green products.

ABOUT GODREJ AGROVET LIMITED AND ITS CORPORATE SOCIAL (CSR) INITIATIVES:

The Company is one of India’s foremost diversified agribusiness companies, mainly engaged in the business of Animal Feed, Crop Protection and Oil Palm. The Company’s mission is to improve the productivity of Indian farmers by innovating products and services that sustainably increase crop and livestock yields. The Company has nurtured a close relationship with Indian farmers across the length and breadth of the country, by bringing world class farming practices and techniques to them and offering end-to-end solutions for issues faced by them, thereby enabling them to enhance their financial gains. In its journey of growth, the Company has set new standards of corporate performance, reliably and consistently delivering excellent quality products and services to all our customers at competitive prices.

The Company, as a part of the larger Godrej Group, shares the Group's vision and initiatives in creating a more employable Indian workforce, a greener India and innovating good and green products.

The Company has a comprehensive Corporate Social Responsibility (CSR) Policy in place, which is posted on the Company's website www.godrejagrovvet.com. The CSR Policy

outlines programmes and projects which the Company undertakes to create a positive impact on its stakeholders. The CSR Committee reviews, monitors and provides strategic inputs for our sustainability efforts. Over the years, the Company has aligned its sustainability efforts with the priorities of the nation and the needs of local communities to deliver high-impact programmes that are easy to scale up.

ABOUT THIS BUSINESS RESPONSIBILITY REPORT:

This Business Responsibility Report of the Company is divided into the following 5 (Five) sections, as per the format prescribed in SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015:

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY:

Section A	General Information about the Company
Section B	Financial Details of the Company
Section C	Other Details
Section D	Business Responsibility (BR) Information
Section E	Principle-wise Performance

- Corporate Identity Number (CIN):** L15410MH1991PLC135359
- Name of the Company:** GODREJ AGROVET LIMITED
- Registered Office Address:**
Godrej One, 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai 400 079, Maharashtra, India
- Website:** www.godrejagrovvet.com
- E-mail ID:** gavlinvestors@godrejagrovvet.com
- Financial Year reported:** From April 1, 2021 to March 31, 2022
- Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):**

Sr. No.	Name and Description of Main Products	National Industrial Classification (NIC) Code of the Product (as per NIC 2008)
1.	Animal Feeds	10801, 10802, 10803
2.	Agricultural Inputs / Crop Protection	20121, 20211, 20213, 20219
3.	Vegetable Oils	10402

Moreover, the Company has subsidiaries and Joint Ventures engaged in the business of agrochemicals, pharmaceuticals intermediates, dairy products, poultry, chicken processing and value-added vegetarian and non-vegetarian products.

Number of National Locations	<p>Animal Feed:</p> <p>Sachin (Surat - Gujarat), Miraj (Sangli- Maharashtra), Dhule (Maharashtra), Khanna (Ludhiana-Punjab), Ikolaha (Ludhiana, Punjab), Khurda (Orissa), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh)</p> <p>Aqua Feed:</p> <p>Hanuman Junction (Krishna Dist., Andhra Pradesh) and Kondapalli (Vijayawada, Andhra Pradesh)</p> <p>Crop Protection Business:</p> <p>Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri, Maharashtra)</p> <p>Vegetable Oils:</p> <p>Ch. Pothepalli (West Godavari Dist., Andhra Pradesh), Chintampalli (West Godavari Dist., Andhra Pradesh), Seethanagaram (West Godavari Dist. Andhra Pradesh), Varanavasi (Ariyalur, Tamil Nadu), Valpoi (Sattari, Goa) and Kolasib (Mizoram)</p>
Number of International Locations	<p>ACI Godrej Agrovet Private Limited, a Joint Venture of the Company, is a company incorporated and operating in Bangladesh.</p> <p>Al Rahba International Trading LLC is an Associate of the Company incorporated and operating in Abu Dhabi, United Arab Emirates (UAE).</p>

8. Markets served by the Company (Local / State / National / International):

The Company has spread its wings both in the domestic market and to some extent in the international markets.

SECTION B: FINANCIAL DETAILS OF THE COMPANY:

Financial Year 2021-22	Amount (₹ Crore)
Paid-up Capital	192.11
Total Turnover	8,385.74
Net Profit After Tax	419.14
Total Spending on Corporate Social Responsibility (CSR)	5.29

The list of activities in which the CSR expenditure mentioned above has been incurred, in line with activities mentioned under Schedule VII is as follows:

- Rural Development
- Livelihoods Enhancement
- Water Conservation
- Promotion of Agriculture & Animal Husbandry
- Promotion of Education
- Promotion of Sports and Games
- Environmental Sustainability
- Promotion of Sanitation, Health and Hygiene

SECTION C: OTHER DETAILS:**1. Subsidiary Companies:**

The Company had 7 (Seven) subsidiaries during the Financial Year 2021-22 and as on March 31, 2022, in or outside India, which includes 5 (Five) direct subsidiaries and 2(Two) sub-subsidiaries.

The list of subsidiaries of the Company is given below: -

-
1. Astec LifeSciences Limited
 2. Godrej Tyson Foods Limited
 3. Godrej Maxximilk Private Limited
 4. Godvet Agrochem Limited
 5. Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
 6. Comercializadora Agrícola Agroastrachem Cia Ltda (a subsidiary of Astec LifeSciences Limited)
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Participation of Subsidiary Companies in the Business Responsibility (BR) Initiatives of the parent company:

Out of the subsidiaries of the Company specified above, 3 (Three) subsidiaries which are required to comply with Section 135 of the Companies Act, 2013, viz., Astec LifeSciences Limited, Godrej Tyson Foods Limited and Creamline Dairy Products Limited have their own CSR projects within the respective CSR budgets applicable to them.

Participation and percentage of participation of other entity/entities (e.g., suppliers, distributors, etc.) that the Company does business with, in the Business Responsibility (BR) Initiatives of the Company:

The other entities with whom the Company does business, viz., suppliers, distributors, etc. do not participate in the business responsibility initiatives of the Company.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION:**1 (a) Details of Director / Directors responsible for implementation of the BR policy/ies:**

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, comprising of the following Directors as its Members (as on March 31, 2022): -

Sr. No.	Name	Position in the Committee	Director Identification Number (DIN)
1.	Dr. Raghunath A. Mashelkar	Chairman (Non-Executive, Independent Director)	00074119
2.	Mr. Nadir B. Godrej	Member (Non-Executive, Non-Independent Director)	00066195
3.	Mr. Balram S. Yadav	Member (Executive, Non-Independent Director)	00294803
4.	Ms. Roopa Purushothaman	Member (Non-Executive, Independent Director)	02846868

There was no change in the composition of the CSR Committee during the Financial Year 2021-22.

The CSR Committee of the Board of Directors is responsible for approving and overseeing the CSR projects implemented by the Godrej Good & Green team and reports to the Board of Directors of the Company.

The CSR Committee has formulated and recommended to the Board and the Board has approved a CSR Policy, which outlines the Company’s strategy to bring about a positive impact on society through various CSR activities and programmes. This Policy focuses on addressing critical social, environmental and economic needs of the

marginalized / underprivileged sections of the society. Through this Policy, the Company aligns its CSR strategy with the Godrej Group’s Good & Green vision and goals. The Company adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create a positive social and environmental impact.

There were 2 (Two) Meetings of the CSR Committee during the Financial Year 2021-22 (i.e., on May 7, 2021 and November 9, 2021).

1 (b) Details of Business Responsibility (BR) Head:

Name	Mr. B.S. Yadav
Designation	Managing Director
Telephone	022 – 2519 4437
Email ID	bs.yadav@godrejagroviet.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] Business Responsibility Policy(ies):

(a) Details of Compliance [Reply in Yes (Y) / No (N)]:

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency & Accountability	Sustainability	Employees 'Well-being	Stakeholders' Welfare	Human Rights	Environment	Influencing Regulatory Policy	Equitable Development	Customer Responsibility
1	Do you have a policy/policies for...?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all stakeholders.								
3	Does the policy conform to any national / international standards? If yes, specify?	The Company’s policies are aligned with the Godrej Group policies incorporating the global best practices.								
4	Has the policy been approved by the Board?	Since all the policies are not required to be approved by the Board of Directors, the approval of the Board has been obtained wherever it is mandatory.								
	If yes, has it been signed by MD / Owner / CEO / Appropriate Board Director?	Yes, however, all policies are not a mandatory requirement.								

5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	The policies formulated and adopted by the Company are available on the website of the Company www.godrejagrovvet.com .								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	Does the company have in-house structure to implement the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of all the policies is internally monitored. Audit / evaluation by external agencies is carried out wherever mandatory.								

3. Governance related to Business Responsibility (BR):

(a) Frequency with which the Board of Directors, Committee of the Board or the Managing Director assess the BR Performance of the Company:

The Corporate Social Responsibility (CSR) Committee and the Board of Directors assess various initiatives forming part of the Business Responsibility (BR) performance of the Company twice in a year.

(b) Whether the Company publishes Business Responsibility Report or Sustainability Report and if yes, the hyperlink to view the Report and frequency of publication:

Yes, the Business Responsibility Report forms part of the Annual Report.

The same can be viewed on the website of the Company www.godrejagrovvet.com .

SECTION E: PRINCIPLE-WISE PERFORMANCE:

The following are the updates for the Company on each of the principles stated in the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business issued by the Ministry of Corporate Affairs (MCA).

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY:

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders, namely, Shareholders, Customers, Employees, Suppliers, Regulatory Authorities and General Public.

The Company, as a responsible corporate citizen, is fully aware of its obligations to make appropriate and timely disclosures as mandated under various laws. The Company also refrains from engaging in any practices that are abusive, corrupt or anti-competition.

Organization Structure:

At the Apex, is the Board of Directors headed by a Non-executive Chairman and having half of its composition as Independent Directors. The Board provides guidance and support to the Management in terms of broad Strategy, Direction, Governance and Compliance. The Company's Board of Directors has the following 6 (six) mandatory / non-mandatory committees:

- i. Audit Committee;
- ii. Nomination and Remuneration Committee;
- iii. Stakeholders' Relationship Committee;
- iv. Corporate Social Responsibility (CSR) Committee;
- v. Risk Management Committee;
- vi. Management Committee;
- vii. Strategy Committee (dissolved w.e.f. May 7, 2021).

These Committees have clearly defined areas of operation and they operate as empowered by the Board. These Committees monitor and provide direction to the senior leadership team. This ensures greater focus on specific aspects of Corporate Governance and expeditious resolution of issues of governance if and when they arise.

Code of Conduct:

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the Code of Conduct from Board Members and Senior Management has been obtained for the Financial Year ended March 31, 2022.

The Company also has a Code of Conduct which is applicable to all employees the Company. The same can be viewed on the website of the Company viz., www.godrejagrovet.com

Whistle Blower Policy & Mechanism:

A Whistle Blower Policy has also been put in place by the Company. The purpose of this Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this Policy. The Policy provides adequate safeguards against victimization of persons who use Whistle Blower Mechanism and make provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Stakeholders' Complaints:

There were no Stakeholders' Complaints outstanding at the beginning of the Financial Year 2021-22.

51 Shareholders' Complaints were received during the Financial Year 2021-22. All the complaints have been resolved and no complaint remained unresolved as on March 31, 2022.

Dealings with Business Partners:

The Company encourages its business partners, viz., group companies, joint ventures, suppliers, distributors, contractors, etc. to follow ethics, transparency and accountability in their dealings with the Company.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

The Company believes that in order to function effectively and profitably, the Company needs to endeavour to improve the quality of life of people and to ensure this, the Company is required to thoroughly

work upon all stages of the product life cycle, right from design to final disposal of the goods after use.

Godrej Group's Good & Green vision supports the development of goods which are environmentally sustainable. As part of the vision, the Company aspires to develop products which consume fewer resources (energy, water), emit fewer greenhouse gases and include recyclable, renewable, and/or natural materials to the maximum possible extent, through extensive research.

The Company aims to bring in world class farming practices and techniques to Indian farmers and to offer end-to-end solutions for issues faced by them, thereby enabling them to enhance their financial gains. The Company works closely with Indian farmers to develop over hectares of smallholder Oil Palm Plantations to bridge the demand and supply of edible oil. Innovation is a key driver of our strategy. The Company is constantly engaged in experimentation and looks for research-based solutions to improve farm productivity and thereby, the profitability of farmers.

The Company stays committed to making environmental sustainability a key part of its manufacturing processes. At the Company's factories, there is a relentless focus on productivity and environmental sustainability. To strengthen this approach, the Company has invested in a robust technology solution that has revolutionized the speed and accuracy of data monitoring and work towards achieving the targets. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. The Company is moving from low efficient to highly efficient utility. Technologies implemented by the Company are

not only energy efficient but also more reliable. This has helped the Company to reduce down time, enhance productivity and build a more sustainable business. The Company recognizes the fact that over-consumption results in unsustainable exploitation of the planet's resources, and therefore, it is necessary to promote sustainable consumption of resources, including recycling of resources.

The Company endeavours to raise consumer awareness through appropriate labelling and helpful marketing communication. While being vigilant about protection of the Company's own intellectual property, the Company respects the rights of other owners of intellectual property rights in the society at large.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

The Company has amicable employee relations at all locations and would like to place on record its sincere appreciation for the unstinted support it continues to receive from all its employees.

The Company constantly makes concerted efforts towards creating learning and development opportunities on a non-discriminatory basis, that continually enhance the employee value in line with the organizational objectives. Also, the safety and health of employees is utmost important to the Company and the Company is committed to building and maintaining a safe and healthy workplace. There are several policies formulated for the benefit of employees, which promote gender diversity, equal opportunities, prevention of sexual harassment, safety and health of employees.

The details of the Company's workforce as on March 31, 2022, are given in the table below: -

Total number of permanent employees	2,711
Total number of employees hired on temporary / contractual / casual basis	3,735
Number of permanent women employees	114
Number of permanent employees with disabilities	4
Whether the Company has an employee association that is recognized by management	Yes
Percentage of permanent employees of the Company who are members of recognized employee association/s	17%

Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2021-22 and pending, as on the end of the said Financial Year, i.e., March 31, 2022

As regards complaints relating to child labour, forced labour, involuntary labour: No

The Company has received and disposed off 1 case under its Prevention of Sexual Harassment Policy formulated / adopted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Percentage of employees who were given safety and skill upgradation training during the Financial Year 2021-22

43%

All employees who join the Company demonstrate their commitment to follow the Code of Conduct by signing in their acceptance to adhere to the same.

Some of the measures / initiatives taken at the Company-level or at Godrej Group-level are as follows:

DIVERSITY AND EQUAL OPPORTUNITIES:

The Company values diversity and is committed to offering equal opportunities in employment. The Company does not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, creed, gender, gender identity / expression, sexual orientation, disability, age, or marital status and always allows for equal opportunities for all team members. Diversity and inclusion initiatives are taken care of at the corporate level by the 'Diversity & Inclusion' team and are supported by the Diversity Council comprising of business leaders and HR representatives from across businesses and Associated Companies in the GILAC Group.

Some of the initiatives taken by our Diversity & Inclusion Team include the following:

• **Godrej Careers 2.0**

The Careers 2.0 programme offers live business projects of 6-9 months duration to women who are currently on a career break. This programme is designed to integrate women back into the workforce who have taken a break due to various reasons.

• **Godrej Women's Leadership Network**

The Godrej Women's Leadership Network provides women at Godrej several opportunities to network, learn and grow.

• **Godrej Alliance for Parents [GAP]**

Godrej Alliance for Parents is a great resource for working parents and their spouses to share experiences and discuss issues ranging from childcare to children's education and their own work life balance.

• **Diversity Sensitization Workshops**

A special diversity sensitization workshop focusing on gender inclusion is being conducted for all people managers across the GILAC group. The workshop focuses on unconscious biases and how managers can tackle them in the workplace to create an inclusive culture.

The Company is committed to creating and maintaining an atmosphere in which all employees can work together, without fear of sexual harassment, exploitation or intimidation. A gender-neutral policy on prevention of sexual harassment has been in place for years. The existing policy was further strengthened by adoption of a Policy and constitution of Internal Complaints Committee at Head Office (HO) as well as at regional levels under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

All employees are required to go through mandatory training on prevention of sexual harassment.

HEALTH AND SAFETY

• **On-campus**

The Company has canteen facility at Head Office (HO) and certain locations, where food and refreshments are provided to ensure that hygienic and healthy food is available at the premises. All Company premises are non-smoking zones. Smoking is strictly prohibited in the campus. Initiatives like fire safety training are also regularly undertaken.

• **Health Check-up**

The Company has initiated a policy for annual health check-up of employees.

GOOD WORKING ENVIRONMENT:**• Progressive Human Resource (HR) Policies**

The Company prides itself as a great place to work, a fact recognized and acknowledged externally as well. HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, adoption leave and benefits, extended maternity leave and benefits, paternity leave and benefits – to name a few – go a long way in ensuring that the employees successfully strike a work-life balance.

EMPLOYEE ENGAGEMENT:**• Engagement Forums**

There are multiple touch points for leadership team to interact with employees through forums like long range plan, annual operating plan, engagement surveys, HR connect sessions, etc. The Company invests in functional training for all employees in line with their current and future career aspirations. The learning suite encompasses functional training, leadership development programs and behavioural training geared towards leading self, leading others and leading business.

At Godrej, it is believed that employee awareness and engagement is a key factor in driving sustainability. The Company continues to demonstrate employee engagement in the form of training and development, education, communication, activities and recognition.

Towards the end of the Financial Year 2021-22, the Company's staff has resumed offices from a work from home.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE, TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

The Company recognizes that it has the responsibility to think and act beyond the interests of its internal stakeholders, to include all its stakeholders beyond its employees.

The stakeholder engagement process consists of a variety of activities from stakeholder identification, consultation, prioritization, collaboration and reporting. The identification of all relevant stakeholders and understanding their expectations is of high concern for the Company in its quest to be sustainable. The Company identifies key stakeholders on the basis of their influence on the Company's operations and the Company's impact on them. The Company has already identified and prioritized key stakeholders and

continues its engagement with them through various mechanisms such as consultations with local communities, supplier / vendor meets, customer / employee satisfaction surveys, investor forums, etc.

The Company gives high priority to communities around our plant locations. In order to develop programmes that meet the needs of these communities, a detailed community needs assessment in priority plant locations was carried out through an external third-party consultant. The team followed a three-step approach, where the connected with the plant and corporate office, held extensive field-based assessments, backed by thorough secondary research to validate key facts and add on additional information available from official sources. The result is a comprehensive report of the community, their needs, gaps in the system and the Company's way forward. The Company is now in the process of implementing high impact community development programmes based on the recommendations from the assessment.

The Company is working in partnership with the government and local village communities. This approach helps the Company to distribute accountability and ensure long-term impact of its community development initiatives.

a. COVID-19 Relief Initiatives and Vaccination awareness

COVID-19 has been a public health crisis of unprecedented proportions and has impacted the marginalised communities the most, both in terms of health facilities and economic dimensions. Even when vaccinations began, people from low-income and underserved communities were left behind. The Company provided medical infrastructure support in 11 locations around its operations. The Company started vaccination awareness drives in communities around several of its manufacturing plants facilities, drove awareness and provided vaccination support to 14,810 people near three of its plant locations - Hoskote, Seethanagaram and Dindori. The Company enabled door-to-door vaccination services for the elderly and vulnerable people and also organized vaccination awareness sessions with 9,200 students in 3 districts of Maharashtra to reduce vaccine hesitancy.

b. Grameen Vikas – Livelihoods and Entitlements

The Company collaborated with non-profit organisations and social enterprises to design and run several livelihood and entitlement programmes for beneficiaries from low-income sections of society. The Company aims to improve their earning potential by building their skills, handholding farm and non-farm enterprises, empowering on savings and enterprise

management, and them connecting with the relevant government schemes.

The programme aims to work with primarily women and marginalized groups to diversify their income streams, enhance their access to government schemes and thereby help reduce their vulnerability to the climate change and its economic impact. The Company's key initiatives and impact in FY 2021-22 are listed below:

- The Company trained 769 farmers across Maharashtra, Uttar Pradesh, Bihar and Chhattisgarh and helped them improve farming practices by providing input support such as good quality seeds, and vermicompost among others. The turmeric cultivation benefitted 43 farmers with a net profit of ₹ 2.8 Lakh per cycle; Intensified vegetable cultivation benefitted 156 farmers with a net profit of ₹ 3.7 Lakh; and the Company helped create 8 farmer groups with 149 farmers for Farmer Producer Organisation (FPO) linkages.
- The Company trained 1,498 women on savings and enterprise management that included training on



(Women led off-farm enterprises of poultry and fishery)

c. Integrated Watershed Management

Around the world, climate change is affecting seasonal weather patterns, leading to either intense precipitation or drought-like events. In 2016-17, the Company initiated an Integrated Watershed Management programme in the drought prone districts of Magadi, Karnataka and Barwani, Madhya Pradesh. The Company is working in partnership with NABARD and a Local NGO to help restore the ecological balance of the region and mitigate the risk of climate change for the local farmers. The Company has completed treating 4,423 hectares of land covering 100% of total area in Magadi and 54% of the total area in Barwani. To date, the Company has provided approximately 3 lakh saplings for direct and seed dibbling. Over 2,940 farmer households have been

accounting, marketing, and enterprise development among others. The Company enabled formation of 672 non-farm enterprises on fisheries, poultry, and goatry. The Company helped create 126 fisheries units with a turnover of ₹ 1.25 Lakh; 200 integrated poultry and fisheries model with an average profit of ₹ 28,000.

- National and State governments run various welfare schemes for farm and off-farm enterprises and farmers. The Company connected 2,532 people with govt. schemes which led to 158 people receiving pension support leveraging ₹ 4.8 Lakh; 10 farmers were enrolled in National Mission for Sustainable Agriculture leveraging ₹ 3.04 Lakhs and 5 received subsidy on agricultural machinery leveraging ₹ 1.7 Lakh.
- The Company also helped set-up 250 kitchen gardens that help improve the nutrition of the household and also act as an alternate source of income for the rural households.



benefitted from the project. The Company has engaged with 1,794 farmers to support their livelihoods and build their capacity, in order to diversify their income. 6.5 million m³ of water in FY 2021-22 has been captured through the project, which has helped Godrej Agroveter become a Water Positive Company. The Company has also been able to sequester 23,879 ton of carbon which is 24% of its total Carbon Footprint.

By the FY 2023-24, the Company aims to treat a total of 5,941 hectares of land as well as build the capacity of the whole community on Water Management and Sustainable Agriculture.



(Integrated watershed structures in Mohaliya Village, Barwani, Madhya Pradesh)

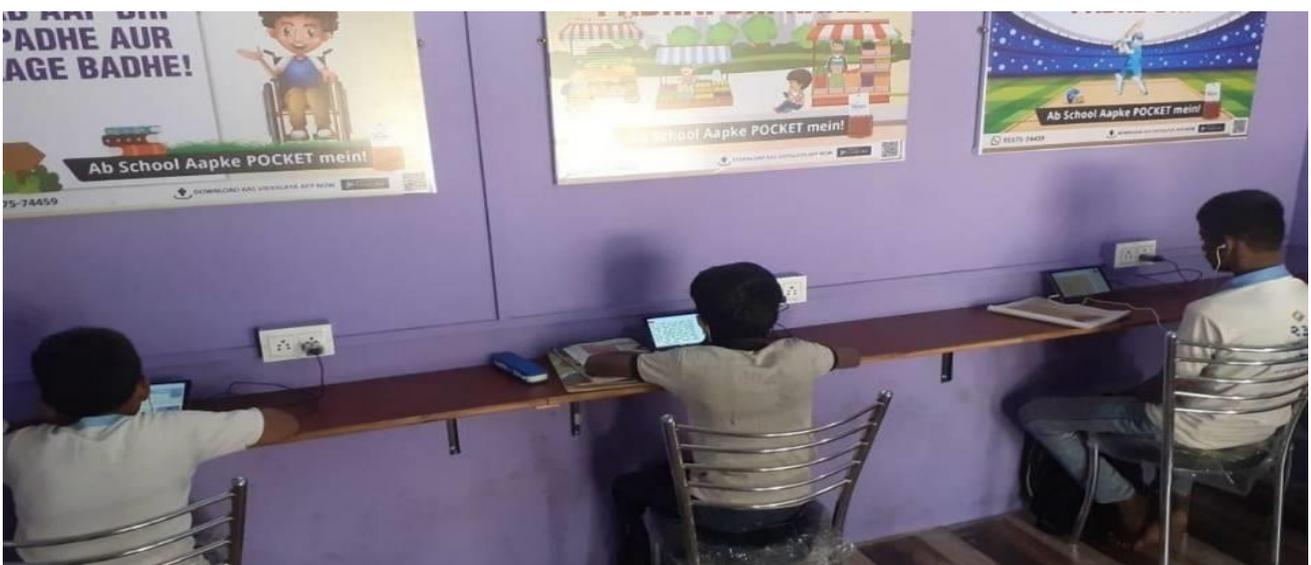
d. Education

As per the 2021 Annual Status of Education Report (ASER), children have touched the lowest point in the decade, both in terms of reading and numerical abilities. This was led by the learning gap fuelled by COVID-19 as students have faced numerous challenges in trying to attend online classes from home.

The Company's teams around its Manufacturing Plants in Maharashtra and Uttar Pradesh along with its NGO Partner, have set up Digital Cafés with Tablets and pre-loaded syllabus and videos for classes 6 – 10. The Café also has a mentor from the local community to help the students in the learning process. Company's teams mobilised over 486 students to watch over 15,000 hours of educational content that's easy to understand. The

Café supplements the school curriculum and functions as a coaching substitute for rural students. It aims to bridge their learning loss and improve their academic performance. The Company aims to scale up the programme and support 50,000 students by 2025.

The Company has also experimented a physical and mental fitness programme with government schools around our plants in Andhra Pradesh and Punjab engaging over 4,075 students. With an aim to bring physical education to children at home, teachers and students are connected via WhatsApp groups. They are given daily fitness activities and challenges and are guided and motivated to participate. Close to 75% students actively participated in the online engagement.



(Digital cafes for providing academic support)

e. Renewable Energy Initiative for Urban College and its students

For the last 60 years, Sophia College has been committed to responding to the changing needs of women in our society. These women are going to be the change for sustainable and inclusive development. In an effort, to bring in sustainability to education institutes and optimize energy utility, the Company has installed a solar rooftop power plant with a capacity of 64.02kW at Sophia College Mumbai which is expected to generate around 1 lakh units of electricity per year. This will also reduce the GHG footprint of the college by 75 Tons of CO₂. This is not only going to reduce the amount spent on energy of Sophia College but is a step towards making the educational institute more environmentally friendly.

f. Agri-vocational training

The Agriculture sector in India today faces a major manpower/labour shortage. While the mouths to feed in the country are growing at a fast pace, the hands to work on farm-lands is reducing drastically. The Company aspires to see a change in the mindset of the young students towards farming and dairy management and for the said purpose has attempted to gather its expertise and knowledge of agriculture and animal husbandry in a curriculum and share it with 7,000 young students from 41 schools in Satara, Maharashtra and one block in Gujarat. The purpose is to acquaint 2,000+ students each year with the basic know how of agriculture and animal husbandry. By engaging them each year in various projects and building their knowledge and hands on learning on subjects like growing vegetables, milking animals, constructing small irrigation channels in the agricultural plots.

g. Future of Farming Conclave

In December 2018, the Company hosted its first ever 'Future of Farming' conclave. The theme of the conclave was on shaping the future of Indian agriculture with a focus on doubling farmer income, women farmers, and the role of millets and proteins in nutrition and income generation. The Company hosted a series of exciting panels with speakers from Agri business, government, non-profits, social enterprises, food industry, academia and media, with over 150 audience participants. In one of the sessions, the Company brought together women farmers to talk about whether it is even possible to double farmer income.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

The Company strongly believes in the principle of respect for human rights of all, which imbibes its spirit from the Constitution of India.

The Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.

Further, the Company's Code of Conduct covers aspects like diversity, anti-discrimination, equal opportunity, compliance with the law and integrity which all contribute to respecting and promoting human rights.

The Company also has policies like Whistle Blower Policy, Policy on Prevention of Sexual Harassment at Workplace, which encourage respect and promotion of human rights.

Any violation of the Code of Conduct or the aforesaid policies can result in stern disciplinary action including termination of employment and / or other appropriate actions as permissible under the law.

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2021-22.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

At Godrej, our sustainability strategy – "Good & Green" - is driven by the vision to help create a more inclusive and greener planet. Good & Green is based on shared value principle that aligns business competitiveness and growth with positive social and environmental impact.

The Company focuses on 5 (Five) major areas related to environmental sustainability:

- i. Reduce specific energy
- ii. Become Water Positive
- iii. Increase renewable energy usage
- iv. Become carbon neutral
- v. Ensure zero waste to landfill

The Company is deeply committed to strengthening its approach to make environmental sustainability a key part of its manufacturing processes. By reducing its energy needs, managing its waste, and transforming its

products, the Company is driving success both for its business and the planet. From sourcing of raw materials to the manufacturing technologies that the Company uses at its plants, the Company integrating sustainability into the very core of its business processes and value chain.

The Company is also looking for ways to extend its sustainability efforts beyond its manufacturing plants to impact the entire life cycle of its products. The Company is building capabilities to make its overall manufacturing approach more future ready. The green commitment by 2025 Vs the 2011's baseline is:

- i. Reduce GHG emission intensity by 30% and carbon neutrality for Scope 1 and 2 emissions
- ii. Reduce energy intensity by 20%
- iii. Reduce water intensity by 30% while maintaining water positivity
- iv. Achieving zero liquid discharge and reducing waste to landfill by 30%

Here is a snapshot of the Company's Green performance as at March 2022 vs Green goals commitment for 2025:

<p>Reduction in Water Intensity</p> <p>Goal for 2025 – 30% Reduction</p> <p>Achieved till March 2022 – 14% Reduction</p>	<p>Reduction in Emission Intensity</p> <p>Goal for 2025 – 30% Reduction</p> <p>Achieved till March 2022 – 8% Reduction</p>	<p>Reduction in Energy Intensity</p> <p>Goal for 2025 – 20% Reduction</p> <p>Achieved till March 2022 – 7% Reduction</p>
<p>Zero Liquid Discharge (ZLD)</p> <p>Goal for 2025 – 100% Reduction</p> <p>Achieved till March 2022 – 90% of GAVL sites are Zero Liquid Discharge sites</p>	<p>Waste to Landfill</p> <p>Goal for 2025 – 30% Reduction</p> <p>Achieved till March 2022 – 31% Reduction</p>	<p>% Renewable Energy to Our Energy Portfolio</p> <p>Goal for 2025 – 90% Renewable Energy</p> <p>Achieved till March 2022 – 68% Renewable Energy</p>

The Company complies with all the requirements of the Central Pollution Control Board and State Pollution Control Boards. The Company has created detailed checklists for compliance and continuously emphasises on improving productivity and plant utilisation. The Company has also set the targets for improvement in its environmental short-term and long-term performance.

Carbon Disclosure Project (CDP)

CDP is a global non-profit that runs a prominent environmental disclosure platform. The platform scores companies on their actions on reducing greenhouse gas emissions, and protecting water resources and forests. Over 13,000 companies representing 64% of the global market capitalization disclosed through CDP 2021. Here is how the Company ranked:

v. Source 90% of all energy used from renewables
The Company continuously strives to achieve our Good & Green goals and targets. The Company is using clean energy sources by shifting from the use of fossil fuels to that of renewable fuels, such as biomass, in boilers and procuring electricity from renewable energy sources.

The Company is improving its productivity to reduce specific water consumption while deploying recycling system in all its manufacturing plants to further reduce our freshwater consumption. The Company has also undertaken several initiatives at its manufacturing facilities to reduce waste generation and divert the waste from landfill.

A dedicated team has been set-up to identify different projects and green technologies to implement across all our locations. Several initiatives have yielded excellent benefits.

Climate Change Disclosure

GAVL continued to score "B" which is above the Food sector, Asia Regional and the Global average score of "B-" in CDP Climate disclosure.

Forest – Palm Oil Disclosure

As a first-time applicant for Forest disclosure in CDP, the Company was rated "B" which is above the Food sector, Asia Regional and the Global average score of "B-" in the category.

The Company has a high focus on environmental performance backed with strong risk management processes and governance that it has built over a decade. The Company will step up its progress and get to the leadership position. In the coming year, the Company will adopt internal carbon pricing and is committing towards Science Based Targets to further strengthen its climate action response.

Awards & Accolades

The Company's Oil Palm Chintampalli plant won the prestigious 'CII's Energy Efficient Unit' award for the third time. The plant has reduced its specific energy consumption by 12% from the baseline and over 99% of the plant's energy comes from renewable sources.

Case Studies related to Environment initiatives in FY 2021-22

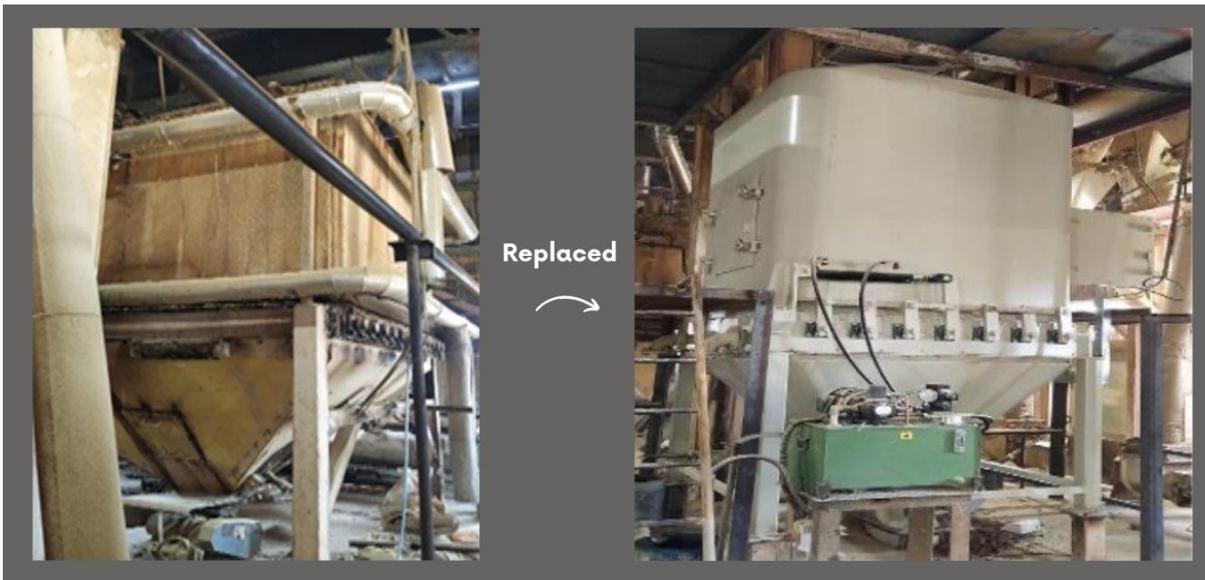
Case Study #1 - Aqua Feed's Energy Efficiency & Productivity Improvement Project

At GAVL's Hanuman Junction Aqua Feed plant, the Company implements several initiatives with an objective to improve energy efficiency and productivity.

At the plant, the Company has a post-conditioning system for pelleted aqua feed. This system is essential for the production of shrimp feed and pelleted fish feed as it helps the feed possess better water stability, palatability, and digestibility. The old system has been replaced with a new energy efficient system that improved productivity by almost 40% by reducing the in-process rejection of produce and improved energy efficiency.

Company's shrimp intake line had challenges such as water seepage, raw material leakages, water contamination, and high-power consumption. By implementing modifications on the shrimp intake line to address these issues, the Company was able to save over 40 kWh of power per ton in the shrimp line.

Overall, these initiatives have helped to reduce the plant's specific energy consumption by 4% which is just enough power to electrify nearly 40 homes for a year.



(Replaced post-conditioning system at Hanuman Junction Aqua Feed plant)

Case Study #2 - Renewable Energy Portfolio Increase & Green House Gas Emission Reduction

GAVL has been at the forefront in investing in clean sources of energy. Approximately 70% of the energy used in Godrej Agrovet's manufacturing plants is now generating from the renewable sources.

In FY 2021-22, the Company's team has taken a significant step in reducing the Green House Gas emission by creating clean source of sustainable energy of 17.35 million Units/ annum through Roof Top solar system. This clean energy will contribute to cleaner environment for next 20-25 years.

The project has been taken up in two phases generating 9.32 million units/annum of potential savings of ₹ 297 Lakh / Annum in Phase-I; and 8.03 million units / annum with a potential savings of ₹. 276.6 Lakh/Annum in Phase-II. The project will help reduce the greenhouse gas footprint by around 14,200 tons of CO₂ equivalent and equivalent to 4,26,014 nos. of tree plantation. This has also helped the Company in increasing the share of renewables in its energy portfolio from 66% earlier to 68%.

Case Study #3 - Aqua Feed achieves Zero Waste to Landfill Status

Biomass Fly ash is a major concern for both aquatic and terrestrial biota existing in the vicinity as it causes water, soil and air pollution. It is critical to safely dispose the Fly Ash that is generated. With limited options for meaningful utilization of ash, a very small percentage of it is commercialized at present.

Biomass Fly Ash is a resource material for the cement industry and building products manufacturing units. It is also being used as one of construction material in Roads and Flyovers embankment construction and thus helping to save earth and prevent degradation of the good agricultural land. The Company's Aqua team has successfully diverted 100% waste from landfilling to recycling by channelizing approximately 1,800 MT of biomass ash waste for recycling to brick manufacturer.

PRINCIPLE 7: BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A RESPONSIBLE MANNER

For any policy advocacy, the Company ensures that it does so with the highest degree of responsible and ethical behaviour and also works with collective platforms such as trade and industry chambers and associations to take up matters with the relevant government bodies.

The Company is a member of Bombay Chamber of Commerce and Industry (BCCI), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI).

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

The Company recognizes the fact that corporate growth and equitable development are interdependent and that the Company owes a responsibility to play its role in the social and economic development agenda of the country.

The 'Good & Green' vision inspires each one at Godrej Agrovet Limited to continue to work towards building a brighter, greener and more inclusive India. Sustainability is intrinsically linked not just to the Company's growth strategy, but also to its legacy and values. The Company strongly believes that it is accountable to the communities while the Company continues to drive shareholder value. This helps the Company to improve the lives of those at the base of the pyramid, preserve and protect the environment, improve efficiency of operations and generate innovations.

As a part of sustainability strategy 'Good & Green', the Company addresses a critical need of enhancing livelihoods of low-income group youth. It collaborates with non-profit organizations and social enterprises to design and run a number of livelihood training programmes for marginal farmers from low-income communities. The focus of these programmes is to improve the earning potential of trainees, by building their skills and empowering them. The Company builds vocational skills and also provides post-training support.

The Company works in collaboration with Non-Governmental Organizations (NGOs) and social enterprises to design and run a number of employability or livelihoods training programmes across the Company. The focus of these programmes is to improve the earning potential of small holder farmers' men and women both. Through a third-party assessment conducted with the beneficiaries.

PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS AND CONSUMERS IN A RESPONSIBLE MANNER

The Company has a customer-centric approach and greatly values the trust, satisfaction and loyalty of its customers. Its primary focus is delighting customers, both external and internal. The Company honors the freedom of choice of its customers and does not restrict free competition in any manner.

There were no major undisputed customer complaints pending as at the end of the Financial Year 2021-22.

The Company does display or disseminate adequate and truthful factual information to enable safe and effective usage of its products, which is over and above what is mandated by the applicable laws. The Company does not indulge in any kind of misleading or confusing advertisement.

There are no cases filed against the Company regarding unfair or anti-competitive trade practices during the preceding 5 (Five) Financial Years.

The Company regularly conducts customer surveys to know the customer satisfaction trends.

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

N. B. Godrej Chairman

(DIN: 00066195)

Mumbai, May 9, 2022