

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **PREAMBLE:**

Doing the right thing is the foundation of Procter & Gamble's Purpose, Values, and Principles. It is naturally woven into the way we work every day — paying competitive wages, working consistently with our retailers and suppliers, preventing conflicts of interest, ensuring consumer privacy and maintaining financial stewardship. This approach to business is at the heart of all we do at P&G.

Doing the right thing also includes investing in the communities in which we live, work, and serve. At its core, P&G Social Responsibility efforts aim to improve lives, which has been the Company's intention for more than 175 years.

Companies Act, 2013 ("Act") highlights the importance of Corporate Social Responsibility ("CSR") as a strategic tool for sustainable growth of the people, the communities we operate in and the Company as a whole. In line with the global principles followed by the Procter & Gamble group and the terms of Act, the policy on Corporate Social Responsibility is broadly framed taking into account the following:

1. We believe it's essential to run our business responsibly, and our operating practices reflect this commitment.
2. P&G is focused on making every day better for people and the planet through our innovations and our actions;
  - i) Environment by- Conservation of Resources, Using Renewable Resources, Generating Worth from Waste;
  - ii) Social by- providing the comforts of home, improving health and hygiene of people, social and cultural development, imparting education, training and social awareness. .

### **OBJECTIVE:**

The Policy prescribes the broad framework to ensure that all the activities carried out by the Company towards sustainability and social responsibility are in the best interest of the company and guided by the principles of this policy.

### **FORMATION OF COMMITTEE:**

The Corporate Social Responsibility Committee of the Company was constituted on August 12, 2014 consisting of 3 Directors. The Committee and Corporate Social Responsibility Policy ('Policy') is in compliance with all applicable provisions of the Companies Act, 2013, particularly Section 135 read together with the applicable rules thereto.

### **CONSTITUTION OF THE COMMITTEE**

- i. The Committee shall consist of a minimum 3 directors, atleast one of them being independent non- executive director.
- ii. Term of the Committee shall be continued unless terminated by the Board of Directors.
- iii. Chairman of the Committee shall be appointed by the Board of Directors;
- iv. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.

## **QUORUM & MEETINGS**

Minimum two (2) members shall constitute a quorum for a Committee meeting. In the event only two (2) members are present, the unanimous vote of the two (2) members shall constitute an act of the Committee. Where the Committee comprises of more than two (2) members, the act of a majority of the members present will constitute an act of the Committee. In case of an equality of votes, the Chairman shall have a second or casting vote.

The Committee shall meet at least twice a financial year, with additional meetings when circumstances require, as determined by the Committee Chairman.

## **MINUTES**

Minutes of each meeting will be prepared by or under the direction of the Company Secretary. The Company Secretary shall maintain a permanent record of the minutes of the meeting/s, and shall distribute minutes to members of the Committee as also directors who are not members of the Committee.

## **REPORTING AND DISCLOSURE**

Membership of the Committee, brief description of term of reference, programs under corporate social responsibility and attendance of the member of the Committee during the year shall be disclosed in the Annual Report.

## **SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

## **ROLE AND FUNCTIONS OF THE COMMITTEE**

The functions of the Committee are broadly summarized as-

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy; and indicate the activities to be undertaken by the Company, including but not limited to the following:
  - a. Social and cultural development by:
    - Imparting education, training (vocational and skill based) and creating social awareness;
    - Awareness programs on girl education;
    - Empowerment of women for education/ health & self- employment;
    - Empowerment of differentially abled children and their self- development;
    - Skill development and generation of employment by locally driven initiatives;
    - Promoting preventive health care and sanitation by providing health and hygiene products;
    - Making available safe drinking water;
    - Promoting sports and cultural activities and;
    - Creating awareness and development of infrastructure for sports and cultural activities;
    - Measures for the benefit of armed forces veterans, war widows and their dependents;
    - Relief and support to victims of natural calamities in any part of the Country;

- b. Ensuring Environmental Sustainability by-
  - Conservation of resources by design and manufacture of products that maximize the conservation of resources
  - Utilization of renewable energy and renewable or recycled materials;
  - Generating Worth from Waste;
- c. Any other objectives as mentioned under Section 135 of Companies Act, 2013 and/ or relevant Rules and Schedules.

*(The aforesaid list is illustrative and not exhaustive. Chairman of the Committee shall be authorized to consider such CSR activities not falling in this list, provided the same are being done for the benefit of social and sustainable development of the communities).*

- ii. Recommend the amount of expenditure to be incurred on the activities referred above;
- iii. Monitor the Corporate Social Responsibility Policy of the company from time to time.

### **IMPLEMENTATION:**

The CSR activities and the amount of expenditure to be incurred on the same shall be ascertained by the Committee based on the recommendation made to it by the Management, on an annual basis.

The investment should be project based and for every project time framed periodic mile stones should be finalized at the outset. Projects can be executed as one-time projects or long term projects spanning over a determined time period.

Project activities can be executed by Company directly or through forming a trust alongwith other group companies and/ or through recognized reputed not- for- profit organizations/ registered trust/ registered society having an established track record of three (3) years in undertaking similar programs or projects, provided the execution of each project is clearly laid down, classified to be carried out by the executing agency and reported to the Committee from time to time.

Further, projects carried out in consonance with other companies (including but not limited to companies of the Procter & Gamble group) following similar CSR objectives can be done, provided the deployment of funds and its progress of projects are specifically monitored and reported, to the Committee.

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company

### **MONITORING:**

The progress on the CSR projects, activities undertaken, spend-wise reporting shall be monitored by the Committee on atleast six- monthly basis and the Chairperson of the Committee (or a person nominated by the Chairperson for the Committee for that purpose) shall apprise the Board, of all material matters, monitoring and progress of Projects, expenditure incurred on CSR projects and any recommendations, on atleast an annual basis.

### **REVIEW:**

The Committee shall review and reassess the activities under the CSR Policy at least annually and obtain the approval of the Board of Directors, if required.