

Corporate Social Responsibility Policy

Godfrey Phillips India Limited firmly believes and lives the values of Corporate and Social Responsibility and pledges to sustain its effort towards being Responsible and Accountable for its business at all times. The Policy displays the Company and its employee's commitment to the community we work with and the environment from which we extract resources. We will ensure that our CSR initiatives integrate social and environmental considerations into our businesses apply to all our operations, is incorporated into our governance, management, business strategy, and daily decisions and actions.

Our vision is to continually strive to be good Corporate Citizen by investing in constant improvement and focus on education and HIV/AIDS, contributing to the community through holistic welfare activities, safeguarding the interest of the farmers and helping women to enhance their livelihood opportunities, strive for developing educational infrastructure in backward regions so as to meaningfully contribute not only to the community but the nation we proudly belong to.

Guiding Principles

- We will be responsible for the development of our co-communities, would not only reduce the negative impact if any, but work towards improvement of their quality of lives.
- We will leverage our resources, expertise, services, relationships and influence for the benefit of our communities and our community partners.
- We will take our stakeholder/community interests into account in our decisionmaking in the short and long-term.
- We will strive towards improving accessibility to education amongst underprivileged communities
- We will actively work towards the welfare of society by promoting education, providing solutions to better and sustained livelihood, infrastructure development, healthcare, sanitation and hygiene and limiting/eradicating prevalent social issues in our community.
- We will contribute towards prevention of the spread of HIV/AIDS, enhance awareness and erase the myths and misconceptions surrounding it.
- We will regularly monitor implementation of this policy, outcomes of our initiatives and publicly report on our progress in a transparent and effective manner.
- We will continually review our CSR policy, business practices and governance to encourage evolution.

Areas of CSR activities

The areas identified for focus by the Company have emanated from the core value of 'support and participation in addressing societal and environmental concerns'. The areas have been solidified with the participation of the business units, employees and the community they work with and the prioritisation and focus areas emerged as education, sustained livelihood, improved quality of life, rural development, and empowerment of marginalised section of the community.

Therefore, we will work for any one or all of the following causes in alignment with our businesses and values:

- 1) Promoting education - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- 2) Empower vulnerable population through education, health, life skills and livelihood support - Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh

set-up by the Central Government for the promotion of sanitation and making available safe drinking water.

- 3) Model Village/Habitation Development- Co Community Development - Rural development projects.
- 4) Good Agricultural Practices Agriculture Labour Practices, and to reduce & eliminate Child Labour while ensuring compliance of the provisions under the law - Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- 5) Prevention of HIV/AIDS and Support to People Living with HIV/AIDS - Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- 6) Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

The CSR Committee

As per the Companies Act 2013, the Company has to set up a Corporate Social Responsibility Committee with representation by a minimum of three Directors of the Board, with at least one of them being an Independent Director.

The CSR Committee will be responsible for formulation of the company's CSR Policy, formulate and recommend to Board an annual action plan, which shall include list of Projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII, the manner of execution of project, modalities of utilization of fund and implementation, monitoring and reporting for the projects including assessment.

The members of the CSR Committee are:

Dr. Bina Modi

Mrs. Nirmala Bagri

Mr. Sumant Bharadwaj

Budgets

The Act lays down mandatory requirements with regard to CSR for larger companies (those with at least Rs. 5 Cr net profit/Rs. 500 Cr net worth/Rs. 1,000 Cr turnover), which includes a requirement to spend at least 2% of the average annual net profit (average of three preceding years) on CSR activities.

Therefore, as a requirement, minimum 2% of average annual net profit of Godfrey Phillips India Limited shall be spent on CSR activities.

Implementation Process

The projects identified and covered under the areas of CSR activities shall be implemented by the Company itself through its employees or Company established under section 8 or a Registered Public Trust or a Registered Society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company or Company established under section 8 or a Registered Trust or a Registered Society, established by the Central Government or State Government or Entity established under an Act of Parliament or a State legislature or Company established under section 8 or a Registered Public Trust or a Registered Society, registered under section 12A and 80G of

the Income Tax Act, 1961, and having an established track record of at least 3 years in undertaking similar activities.

The CSR projects undertaken by the Company will be monitored from time to time by way of progress reports received in respect of various projects undertaken by the Company.