

SCHOTT POONAWALLA PRIVATE LIMITED
(Formerly known as 'Schott Kaisha Private Limited')

Corporate Social Responsibility Policy

REVISION CONTROL SHEET

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“For the benefit of many, for the happiness of many...”

1. CONTEXT:

Schott Poonawalla Private Limited (‘SPPL’) has been an adopter of Corporate Social Responsibility (‘CSR’) initiatives. SPPL believes that along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. SPPL believes at providing a dedicated approach to community development and also to fulfill its CSR commitments. The commitments includes amongst other things working towards removing malnutrition, improving healthcare infrastructure, sanitation, supporting education, gender equality, empowering women, environmental sustainability, disaster relief, rural development projects and preserving Indian art and culture.

2. OBJECTIVES:

SPPLs CSR Policy intends to:

2.1 Strive for economic development that positively impacts the society at large with minimal resource footprint.

2.2 Embrace responsibility for the Company ’s actions and encourage a positive impact through its activities on hunger, poverty, malnutrition, environment, communities, stakeholders and the society

3. FOCUS AREAS AND MODES OF IMPLEMENTATION:

In accordance with the requirements under the Companies Act, 2013 and the rules / regulations framed thereunder and circulars / clarifications issued thereunder (collectively ‘Applicable Law’) SPPL’s CSR activities, amongst others, will focus on:

3.1 HUNGER, POVERTY, SANITATION, MALNUTRITION AND HEALTHCARE: Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation and making available safe drinking water.

3.2 EDUCATION: Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled, and livelihood enhancement projects; monetary contributions to academic institutions for establishing endowment funds, chairs, laboratories, etc., with the objective of assisting students in their studies, this also includes skilling and re-skilling initiatives for those who are in need.

3.3 RURAL DEVELOPMENT PROJECTS: Strengthening rural areas by improving accessibility, housing, drinking water, sanitation, power and livelihoods, thereby creating sustainable villages.

3.4 GENDER EQUALITY AND EMPOWERMENT OF WOMEN: Promoting gender equality and empowering women; setting up homes, hostels and day care centers for women and orphans; setting up old age homes and such other facilities for senior citizens; and adopting measures for reducing inequalities faced by socially and economically backward groups.

3.5 ENVIRONMENTAL SUSTAINABILITY: Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water.

3.6 NATIONAL HERITAGE, ART AND CULTURE: Protecting national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promoting and developing traditional arts and handicrafts.

3.7 DISASTER MANAGEMENT: Disaster management, including relief, rehabilitation and reconstruction activities.

3.8 MISCELLANEOUS: Any other area covered under the Schedule VII of the Companies Act, 2013 read with clarifications issued by the Ministry of Corporate Affairs from time to time.

❖ **Modes of Implementation**

SI No	Focus Area	Implementation Strategy
1	Hunger, Poverty, Sanitation, Malnutrition and Healthcare	Work directly or with non-governmental organizations (NGOs) or Trusts or Non Profit Organizations at infrastructure and/or operational level to support meal or nutrition related programs in schools and other institutions across India, providing sanitation and measures for removing poverty. Work with medical and health related organizations for projects in healthcare including preventive healthcare, short term and long-term care and treatments.
2	Education	Partner directly or with non-governmental organizations (NGOs) or Trusts or Non Profit Organizations, primary, secondary and higher educational institutions including schools, colleges, and universities to encourage efforts in a wide range of areas including training, provision of funding for continued education, skilling and re-skilling initiatives, offline and online education, research, infrastructure development and capacity building.
3	Rural Development Projects	Work with non-governmental organizations (NGOs) or Trusts or Non Profit Organizations and local administrations to achieve community development goals, support projects related to development and improvement of infrastructure and essential amenities, livelihood and skilling initiatives, training and education, and rehabilitating disaster-affected victims in rural areas.
4	Gender Equality and Empowerment of Women	Work directly or with non-governmental organizations (NGOs) or Trusts or Non Profit Organizations to reach out to underprivileged and socially disadvantaged persons including women and children towards the cause of gender equality and empowerment. Projects include awareness activities, trainings, support for livelihood related efforts, infrastructure development, and operational needs.

SI No	Focus Area	Implementation Strategy
5	Environmental Sustainability	<p>a) Work directly or with NGOs or Trusts or Non Profit Organizations on safeguarding the environment, including protection of flora and fauna, promoting climate action, renewable energy, natural resource conservation as well as promoting resource efficiencies across energy, water and waste management.</p> <p>b) Projects can include interventions in the areas of water and wastewater management (watershed management, lake rejuvenation, etc.), rural electrification, waste to energy (household biogas), avoidance or replacement of firewood for cooking with efficient alternatives, forestry, amongst others.</p>
6	National Heritage, Art and Culture	Support artists, including writers, poets, painters, musicians, dancers and theatre artists, in collaboration with partner organizations through contribution towards operational needs, performance activities, livelihoods, and other opportunities to encourage preservation of cultural and traditional Indian art forms. Undertake restoration of architectural structures, historical monuments, and water bodies.
7	Disaster Management	Work directly or with NGOs or Trusts or Non Profit Organizations or Central Government or State Government Funds for making contributions to give relief to disaster affected areas.
8	Others	Work directly or with NGOs or Trusts or Non Profit Organizations or Central Government or State Government body corporates or any other entity as permissible as per Applicable Law for making contribution for activities eligible under Schedule VII of the Companies Act, 2013 from time to time.

4. UNDERTAKING CSR ACTIVITIES:

- 4.1** SPPL will undertake the CSR activities (being projects / programs / other permitted activities), recommended by the CSR Committee to the Board and approved by the Board. The activity shall be undertaken on its own, or by NGO, Trusts or Non Profit Organization or any other entity permissible as per Applicable Law in compliance with the legal requirements.
- 4.2** The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company and will be spent towards CSR activities only.
- 4.3** Identification and implementation of multi-year CSR projects / programs ('Ongoing Projects') will be monitored by the CSR Committee.

5. CSR ANNUAL ACTION PLAN AND LOCATION OF CSR EFFORTS:

- 5.1** The CSR Committee shall formulate CSR Team comprising of members who are in employment with the Company. The Team Members shall comprise of Managing Director, atleast 1 representative from HR Department and atleast 1 representative from Accounts Department located at each of the factories of the Company.

- 5.2** The CSR Team Members shall preferably identify CSR activities nearby factory locations of the Company. They shall do the preliminary field work in respect of any CSR activity, gather all the information as required under the Annual Action Plan as prescribed under Companies (Corporate Social Responsibility Policy) Rules, 2014 and any other information which may be required and place the same before the CSR Committee. They shall also prepare the modalities of spending the funds and the manner in which the spending shall be monitored for approval of CSR Committee.
- 5.3** Based on the Annual Action Plan and other data received, the CSR Committee shall decide on the CSR activities, its locations, amount to be spent and recommend the CSR Annual Action Plan to the Board for its approval.
- 5.4** The Board may modify the annual action plan as per at any time during the financial year, based on reasonable justification.

6. GOVERNANCE

- 6.1** The CSR Committee shall deliberate on the Annual Action Plan and recommend the same to the Board for approval. On receipt of approval of the Board, the CSR Committee shall direct the CSR Team Members to spend the budgeted amount for the CSR activities. If necessary, the CSR Committee may direct the CSR Team to enter into agreements with respective Implementing Agencies incorporating the terms of spending the approved CSR Budgets on the respective CSR activities and reporting mechanisms.
- 6.2** The CSR Team Members shall spend the amount in accordance with approved Annual Action Plan and as per the directions of the CSR Committee and report the same to the CSR Committee.
- 6.3** The CSR Team Members will monitor the status of each project and will report its findings and likely completion date to the CSR Committee periodically or in the end of the financial year depending on the type of the project. The same shall be reviewed by the CSR Committee and forwarded to the Board for its review and to enable the Board to meet their statutory obligations.
- 6.4** In case the Company has undertaken CSR activity directly, then the CSR Team Members who are responsible for monitoring the respective CSR activity shall issue a spending certificate certifying that the monies have been spent for the purpose for which it was budgeted. In case the Company has engaged with an Implementing Agency to spend on a CSR activity, the CSR Team Members shall issue a spending certificate that the monies have been spent for the purpose for which it was budgeted and also collect spending reports from the respective Implementing Agency.
- 6.5** At the end of every financial year or beginning of next financial year, the head of finance function shall certify to the Board that the CSR monies have been utilized for the purposes and in the manner as approved by the Board for the respective financial year.
- 6.6** In any year, where the Company has spent in excess of its CSR obligation, such excess spending shall be available for set off against the Company's CSR obligations for up to the next three financial years in accordance with Applicable Law, and the Board shall be competent to pass a resolution in this regard.