

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 decision making 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
- 2) Empower vulnerable population through education, health, life skills and livelihood support.
- 3) Model Village/Habitation Development- Co Community Development
- 4) Good Agricultural Practices Agriculture Labour Practices, and to reduce & eliminate Child Labour while ensuring compliance of the provisions under the law
- 5) Prevention of HIV/AIDS and Support to People Living with HIV/AIDS

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 and the activities to be undertaken, recommending the expenditure to be incurred on each of these activities and monitoring the CSR Policy from time to time.

The members of the CSR Committee are:

Mr. R.A. Shah-Chairman

Mr. K.K. Modi

Mr. Anup N. Kothari

Mrs. Bina Modi

Dr. Lalit Bhasin

Budgets

The Act lays down mandatory requirements with regard to CSR for larger companies (those with at least Rs. 5Cr 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 minimum requirement, 2% of the average annual net profit of Godfrey Phillips India Limited shall be spent on CSR activities.

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

Implementation Process

The projects identified and covered under the areas of CSR activities shall be implemented by the Company itself through its employees or through any implementing agency. 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.