

## Business Responsibility Report

Annexure 6

Colgate-Palmolive (India) Limited ('Colgate' / 'Company') maintains the highest ethical standards in every aspect of its business practices. Maintaining the Company's reputation and nurturing the trust that our consumers and trade partners place in us is of utmost importance. Every year, Colgate invests a considerable amount of time and resources in training employees on the Code of Conduct, Ethics and Compliance and Sustainability, in order to uphold our values. While this is the responsibility of Colgate's employees, it is also strictly applicable to Colgate's suppliers, distributors, clearing and forwarding agents, vendors and other third party associates, as a pre-condition to doing business with Colgate.

### Section A: General Information about the Company

1.	Corporate Identity Number (CIN) of the Company	L24200MH1937PLC002700
2.	Name of the Company	Colgate-Palmolive (India) Limited
3.	Registered address	Colgate Research Centre, Main Street, Hiranandani Gardens, Powai, Mumbai – 400 076, Maharashtra, India
4.	Website	www.colgatepalmolive.co.in
5.	E-mail ID	investors_grievance@colpal.com
6.	Financial Year reported	April 1, 2018 - March 31, 2019
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	The Company's business segment is "Personal Care" (including Oral Care).
8.	List three key products/services that the Company manufactures/provides (as in the Balance Sheet):	i. Toothpaste ii. Toothbrush iii. Mouthwash
9.	Total number of locations where business activity is undertaken by the Company (i) Number of International Locations (ii) Number of National Locations	- None - 8 (Factories, Head Office & Branches)
10.	Markets served by the Company - Local / State / National / International	All

### Section B: Financial Details of the Company

(` In Lakhs)

1.	Paid up Capital (`)	27,20
2.	Total Turnover (`)	4,432,44
3.	Total profit after taxes (`)	775,57
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5.	List of activities in which expenditure in 4 above has been incurred	Kindly refer the Annual CSR Report in Annexure-2 to the Board's Report

### Section C: Other Details

1. **Does the Company have any Subsidiary Company/Companies?**
  - The Company does not have any Subsidiary.
2. **Do the Subsidiary Company / Companies participate in the BR Initiatives of the Parent Company? If Yes, then indicate the number of such Subsidiary Company(s).**
  - Not applicable.
3. **Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If Yes, then indicate the percentage of such entity / entities? [Less than 30%, 30-60%, More than 60%]**
  - Yes, the Company shares its ethical business practices, Third Party Code of Conduct and Global Anti-Bribery Policy with its contract manufacturers, warehouse agents, suppliers and other third parties associated with the Company.

### Section D: BR Information

#### 1. Details of Director/Directors responsible for Business Responsibility

- a) Details of the Director/ BR Head responsible for implementation of the BR Policy/policies

Sr. No.	Particulars	Details
1.	Name	Mr. I. Bachaalani
2.	DIN Number (if applicable)	06975320
3.	Designation	Managing Director
4.	Telephone number	022 - 6709 5050
5.	e-mail ID	investors_grievance@colpal.com

#### 2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y/N)

**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

Sr. No.	Questions	Business Ethics	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Regulatory Policy	Equitable Development	Customer Responsibility
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words) #	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director? *	Y	Y	Y	Y	Y	Y	Y	Y	Y
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?	#	#	#	#	#	#	#	#	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
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?	Y	N	N	N	N	N	Y	N	Y

# <https://www.colgatepalmolive.com/en-us/core-values/code-of-conduct>

\* Colgate has a globally applicable Code of Conduct policy.

**2a. If answer to S. No. 1 against any principle, is 'No', please explain why:**

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within the next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

**3. Governance related to BR**

- **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meets to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**
  - The Committee meets at such frequency as may be deemed necessary to evaluate the BR performance of the Company. Also the Audit Committee of the Company assesses the BR performance on a quarterly basis.
- **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**
  - The Company publishes the 'information on sustainability' in the Board's Report which forms a part of the Annual Report of the Company. The hyperlink to view the Annual Report is as below:  
  
<http://www.colgateinvestors.co.in/annual-report>

**Section E: Principle-wise performance**

**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

- 1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

Yes, Colgate is committed to dealing legally and ethically in all aspects of business dealings. Colgate's goal is to ensure that Colgate People and the third parties with whom we work reflect the same high ethical standards and demonstrate a commitment to compliance with all applicable laws. Colgate's reputation depends on the conduct of its employees as well as the conduct of its third parties.

Colgate has a stringent anti-bribery policy viz. Global Anti-bribery Policy that recognizes the local anti-bribery laws of the country in which we do business as well as the US Foreign Corrupt Practices Act which has extra-territorial jurisdiction. The Company rigorously follows

the Policy in true letter and spirit without any deviation and expects all of its third party partners to comply with the Global Anti-Bribery Policy as a strict mandate.

Colgate People as well as all third party partners acting on behalf of Colgate or in connection with Colgate business are strictly required to follow the Colgate Global Anti- Bribery Policy in letter and spirit without any deviation. For this purpose, Colgate employees are provided online training on the Policy, its expectations and reporting mechanism on an annual basis. They are also informed on the importance of monitoring its third party/ies engaged on behalf of Colgate from time to time.

In addition to prohibiting bribery of government officials, Colgate also recognizes the importance of sensitizing its employees and third parties against commercial bribery and strictly prohibits from engaging in bribery of private parties.

Colgate has a robust Anti-Bribery Due Diligence process for its Vendors, Suppliers and other stakeholders dealing with the Government or statutory authorities on behalf of the Company, in accordance with its Global Anti-Bribery Policy. Colgate has a zero tolerance for any breach of its Policy.

- 2. How many stakeholder complaints have been received in the past Financial Year and what percentage was satisfactorily resolved by the management?**

The Company received 7 (seven) code of conduct complaints during the financial year 2018-19 which was duly investigated and appropriate action was taken. The numbers of complaints under POSH Act and before the Consumer Dispute Redressal Forums are provided in further sections of this report.

**Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.**

- 1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.**

- Colgate is committed to improving the sustainability profile of its packaging, through regular evaluation of materials and processes. For example, cartons that have lower thickness contribute to improved biodegradability and recyclability.

- Most of the toothpaste cartons of the Company are made of recycled paper board which can be further re-cycled. Additionally, all shippers are made from recycled paper and can be further recycled.
- 2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**
- i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?**
- We ensure sourcing raw material and packaging material from the suppliers who are located close to our manufacturing facilities. In most of the cases, we source packaging material locally. The secondary and tertiary packaging material has the potential of being reused and recycled
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?**
- We have conducted Water Treasure Hunt initiatives at our manufacturing plants in India. The key objectives of such initiative was to identify, quantify and implement pragmatic water saving ideas and most importantly inculcate the culture of saving water. Through this initiative, the Company has been able to save a considerable amount of water and we continue to make efforts to save water. Along with this initiative, the sensitization to build a 'save water culture' is carried out through various mediums like quiz contests, messages from the leadership and sharing updates with reference to Water.
- We also generated funds through a week long initiative of 'Joy of Giving', which supported the cause of safe sanitation for girls in Ashramshalas in the Amravati District of Maharashtra.
- Since 2013, we have supported communities in West Bengal and Bihar with water programs with the help of Water for People. Through this initiative we have empowered 1,508 Water User Committees, trained 144 Jalbandhus and Nirmalbandhus with a 50% Women representation and also replenished 757,114,638 Litres of water.
- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**
- The Company launched a Save Water Cause Campaign in partnership with Metro across their stores in India. Through this campaign, we were able to support communities with piped water connections in one village, and in three schools across three villages in the Amravati District of Maharashtra. The initiative was implemented by the NGO - Water for People, India Trust.
- 4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**
- Colgate's 'Enhance Supplier Management' program helps suppliers to improve their quality, efficiencies, productiveness and waste reduction through regular audits, recommendations and an inspection process.
- 5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so**
- Yes, more than 90% of the waste generated during the manufacturing process at the Company's plants is being diverted to recycling. Company has also contracted with a waste management Service Provider entity named NEPRA Environmental Solutions Pvt. Ltd. The said Service Provider is responsible for collection, sorting, processing, and recycling of an uncontaminated multi layered packaging waste. This will help in diverting the Industrial waste towards recycling and co-processing of the waste to avoid landfills.
- Also, the containers of our primary packaging material are reused and recycled. Most of the material used for transportation of primary and secondary packaging material is recycled and reused.

Solid waste / sludge from Waste Water Treatment Plants and process waste from the factories located at Sanand, Gujarat; Kundaim, Goa; and Baddi, Himachal Pradesh are sent to cement manufacturing companies which is co-processed to be converted into cement. A small portion of the waste is not environment friendly and is therefore disposed in a controlled manner to government approved Common Hazardous Waste Treatment Storage and Disposal Facility (CHWTSDF).

The goal of the program is to divert all solid waste from landfill, incineration and the environment.

All 4 of our manufacturing sites are TRUE Zero Waste Rating System certified sites from GBCI (Green Business Certification Inc.) and the highest certification status of "Platinum" has been conferred. "Colgate is the first company with TRUE-certified facility in India."

**Principle 3: Businesses should promote the well-being of all employees.**

Colgate's commitment to caring for people is manifested in the workplace through a variety of programs designed to promote and reward individual and team achievement and specifically in matters of employment:

- It is the policy, practice and aim of Colgate to provide employment opportunities to all qualified persons on an equal basis. The Company does not discriminate against any employee or applicant for employment on the basis of race, religion, disability, ethnicity, marital status or any other characteristic protected by law.
- The Company does not employ / engage child labour.
- It provides training, education and promotion opportunities that permit development and career advancement to the Company's workforce.
- It prohibits sexual harassment by any person in the workplace or while conducting Company's business.
- It provides wellness programs for the employees.
- Free health check-ups are arranged for the employees.

**1. Please indicate the Total number of employees:**

Total number of employees: 2,305

**2. Please indicate the Total number of employees hired on temporary / contractual / casual basis:**

The total number of employees hired on temporary / contractual / casual basis: 789

**3. Please indicate the Number of permanent women employees:**

Number of permanent women employees: 158

**4. Please indicate the Number of permanent employees with disabilities:**

Number of permanent employees with disabilities: NIL

**5. Do you have an employee association that is recognized by management?**

There is one union/employee association recognized by the management at Goa Factory.

**6. What percentage of your permanent employees is Members of this recognized employee association?**

There are 2,305 permanent employees as of March 31, 2019. Of these, about 457 employees are a part of the majority union at Goa Factory. Approximately 19.82% of the permanent employees are Members of this union.

**7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last Financial Year and pending, as at the end of the Financial Year.**

The Company has not received any complaint relating to child labour, involuntary labour and on discriminatory employment during the financial year 2018-19. Further, during the Year, three complaints under sexual harassment were received and investigated out of which two complaints were resolved by the Internal Complaints Committee. There is only one complaint under investigation at the end of the financial year 2018-19.

**8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent Employees : 100%
- Permanent Women Employees : 100%
- Contractual Manpower : 100%
- Employees with Disabilities : N.A.

**Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.**

- 1. Has the Company mapped its internal and external stakeholders?**

Yes, the Company has mapped its internal and external stakeholders.

- 2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes, the Company has identified the disadvantaged, vulnerable and marginalized stakeholders.

- 3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Company has focused some of its CSR initiatives on the education livelihoods, water and employability linked skill training to less privileged Members of society in urban, rural and tribal geographies. Also, Company supports a program called 'A Positive Step' with an NGO working for the well-being of children infected / affected by HIV. Under the said program, the Company took another step in Knowledge Garden Initiative and launched a mentorship program for senior children who aspire to choose path for their career/life. Other initiatives taken by the Company like its Saksham program are mentioned in the Annual CSR Report forming part of the Board's Report.

**Principle 5: Businesses should respect and promote human rights.**

- 1. Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?**

The policy for human rights forms part of the Third Party Code of Conduct of the Company. The Third Party Code of Conduct extends to the contract manufacturers, suppliers and other third parties associated with the Company.

Colgate strongly opposes the use of child labour, forced or bonded labour, human exploitation, and all other forms of unacceptable treatment of workers.

- 2. How many stakeholder complaints have been received in the past Financial Year and what percent was satisfactorily resolved by the management?**

We have not received any complaints regarding human rights in the past financial year.

**Principle 6: Business should respect, protect and make efforts to restore the environment.**

- 1. Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others?**

The policy extends to the major third parties associated with the Company through the Third Party Code of Conduct.

- 2. Does the Company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If Yes, please give hyperlink for webpage etc**

Yes, the Company does have strategies/ initiatives to address global environmental issues. The hyperlink for the same is: <https://www.colgatepalmolive.co.in/core-values/sustainability>

- 3. Does the Company identify and assess potential environmental risks? Y/N**

Yes, the Company identifies and assesses potential environmental risks through the Risk Management Committee of the Company's Board of Directors.

- 4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

At present, the Company does not have a project related to Clean Development Mechanism.

- 5. Has the Company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y / N. If Yes, please give hyperlink for web page etc.**

For details kindly refer the **Annexure-3** of the Board's Report for financial year 2018-19 i.e. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo.

6. **Are the Emissions / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the Financial Year being reported?**

Yes, the Emissions / Waste generated by the Company are within the permissible limits given by the Central Pollution Control Board / State Pollution Control Board for the financial year 2018-19. In one case there was high TDS (Total Dissolved Solids) at out plant in Sanand i.e. 2190 against limit of 2100.

7. **Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

We have not received any show cause notice to any of the sites from CPCB / SPCB in the financial year 2018-19.

**Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.**

1. **Is your Company a Member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

The Company is associated / is a Member of the following Associations:

- a) The Advertising Standards Council of India – ASCI
- b) Indian Beauty & Hygiene Association - IBHA
- c) The Associated Chambers of Commerce and Industry of India - ASSOCHAM
- d) American Chamber of Commerce in India – AMCHAM
- e) Confederation of Indian Industry – CII
- f) Bombay Management Association – BMA
- g) Federation of Indian Chambers of Commerce and Industry – FICCI
- h) Bombay Chamber of Commerce and Industry – BCCI
- i) Council for Fair Business Practices - CFBP
- j) Ayurvedic Drug Manufacturer's Association – ADMA

2. **Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if Yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others).**

Although the Company is Member of the Associations, it has not lobbied in the above areas.

**Principle 8: Businesses should support inclusive growth and equitable development.**

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If Yes, details thereof**

Yes, the Company has programmes / initiatives / projects in pursuit of the policy related to Principle 8. Please refer to Annual CSR Report in **Annexure-2** to the Board's Report for financial year 2018-19.

2. **Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?**

The Company has engaged with NGOs / registered non-profit Trusts / Societies that support the aforesaid programs such as NGO - Water for People India Trust, which works towards water availability, accessibility, quality of water, education on hygiene and conservation of water through WASH and Sustainability aspects. The Program with NGO NTP+ supports the education, nutrition and overall personality grooming of the children infected/affected with HIV. NGO SEEDS with their implementation partner helps in empowerment of the less privileged and marginalized youth through employability linked skill development program. Our association with NGO Seva Mandir has supported programs in various domains like education for children, women empowerment and conservation of natural resources for the communities in the tribal and rural areas. Colgate supports NGO Pratham for their initiative "Read India" to support the cause of education. Our Program with NGO Action Aid aims to bring positive impact in the lives of the children, by empowering them with



computer literacy and communication skills. Company through an agency and its direct resources implements 'Bright Smiles & Bright Future' Program and Oral Health Month Program to spread oral hygiene awareness and right brushing techniques for children.

**3. Have you done any impact assessment of your initiative?**

The NGOs/registered non-profit Trusts/Societies supported by the Company conduct assessment of the impact of the programs /initiatives.

**4. What is your Company's direct contribution to community development projects - Amount in ` and the details of the projects undertaken?**

The details of the community development programs/ projects and CSR expenditure are available in the CSR Report under **Annexure-2** to the Board's Report for financial year 2018-19.

**5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

The NGO's collaborate with the communities and make efforts to engage and build sustainability in the programs through this engagement in all of our partnership programs. The details of the community development projects are available in the CSR Report under **Annexure-2** to the Board's Report for financial year 2018-19.

**Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.**

Since the Company's business is consumer products, our success depends upon consumer satisfaction, trust and goodwill. When a consumer expresses dissatisfaction, we address the problem promptly, courteously and fairly, and make every responsible effort to sustain or regain the consumers' goodwill and brand loyalty. The Company believes that the consumer opinions, concerns and inquiries communicated to the Company regarding its products are important sources of information. To further strengthen its customer care system, the Company has set up a call centre at Pune by partnering with Aegis Limited, which acts as a contact centre for our consumers, providing inbound and outbound customer care support. The Company understands consumer needs and delivers world-class products that cater to the evolving needs of consumers. The Company has fair, equitable and transparent terms for all its customers.

**1. What percentage of customer complaints / consumer cases is pending as on the end of Financial Year:**

As on March 31, 2019, total 7 consumer cases were pending before various consumer courts. All these cases are sub-judice.

**2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information).**

Yes, the Company displays product information on the product label, over and above what is mandated as per local laws. A few examples are the efficacy of the product, the technology used in the product and the consumer benefits attributed to the product.

**3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of Financial Year? If so, provide details thereof, in about 50 words or so.**

Apart from the routine consumer cases mentioned above, there are no pending cases against the Company regarding unfair trade practices or anti-competitive behaviour. The company had received in the normal course, some complaints with respect to its online / TVC commercials through the Advertising Standards Council of India (ASCI). All these routine complaints have been resolved satisfactorily.

**4. Did your Company carry out any consumer survey / consumer satisfaction trends?**

Yes, the Company regularly conducts consumer surveys and monitors consumer satisfaction trends.

On behalf of the Board

R.A. Shah Director (DIN : 00009851)	I. Bachaalani Managing Director (DIN : 06975320)
M.S. Jacob Whole-time Director & CFO (DIN : 07645510)	M. Chandrasekar Whole-time Director (DIN : 07667965)

Place : Mumbai  
Date : May 27, 2019