

## **COLGATE-PALMOLIVE (INDIA) LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Preamble**

Colgate-Palmolive (India) Limited is committed to do business with integrity and respect for the communities around it. The Company's values of Caring Global Team Work and Continuous improvement are reflected not just in the quality products and reputation, but also in the dedication to serving the communities in which we do business.

The Company has focused its social responsibility efforts on a broader theme of "Giving India Reasons to Smile". Colgate people across India continue to make great stride towards the long-standing commitment

The Company's long term sustainability strategy - *reimagining a healthier future for people and the planet*, focuses on our efforts towards protecting the environment, improving and enhancing the quality of life of individuals and the communities we serve and help building sustainable habits.

Primary focus areas under driving Social impact strategy:

- Empower young people from underprivileged communities thrive for better future through various empowering initiatives & programs;
- Help communities with water access & water augmentation for better livelihoods & women empowerment in the water stressed geographies;
- Oral Health Elevation: As a leader in the Oral Care business, we are committed to work in the area of preventive health care and elevating oral health through oral health awareness and other interventions. We are also committed to taking up other Corporate Social Responsibility programs through partnerships and associations which impact communities and the environment positively.

### **Constitution of the Corporate Social Responsibility Committee:**

The Committee of the board shall consist of at least Three (3) Directors and the Chairperson of the Committee shall be an independent Director. Should the Chairperson be absent from a meeting the members of the Committee present at the meeting shall choose one of the members of the Committee, to chair that particular meeting. Membership of the Committee shall be disclosed in the Annual Report to the shareholders

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

The term of the Committee shall be continuous unless terminated by the Board.

**Governance:**

The CSR Committee shall operate in line with applicable legal requirements, Company's Core Values, Corporate Governance Principles and the Code of Conduct.

The CSR Committee shall report to the Board of Directors of the Company and update them from time to time. Proceedings of all meetings will be signed by the Chairperson of the Committee or by any other member chosen by the members in absence of the Chairperson of the Committee.

The Committee shall identify and recommend to the Board, the CSR activities to be undertaken by the Company. The Company will spend at least 2% of its average net profits made during the immediately three preceding financial years in any of the identified activities enlisted in Schedule VII (as amended from time to time) to the Companies Act, 2013 (Act).

The CSR Committee shall formulate and recommend to the Board an Annual Action Plan which shall include:

- i) CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- ii) the manner of execution of such projects or programmes;
- iii) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- iv) monitoring and reporting mechanism for the projects or programmes; and
- v) details of need and impact assessment, if any, for the projects undertaken by the Company.

The Board of the Company may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII, within the prescribed period under the Act and the applicable rules thereunder.

In case the Company spends an amount in excess of requirement provided under sub-section (5) of section 135 of the Act, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 up to immediate succeeding three financial years in the manner prescribed under the Act and the applicable rules thereunder.

In case of creation or acquisition of any capital asset under any of the CSR program of the Company, the same shall be transferred to and be held by the beneficiaries or entities as prescribed under the applicable provisions of the Act and the Rules thereunder.

**Project/program timelines:**

Timelines of ongoing project(s)/program(s) undertaken by the Company in fulfillment of its CSR obligation shall not exceed three years excluding the financial year in which it was commenced. CSR committee can recommend to the board for continuation of program after 4 years in same or new geographies, if the intervention need exists so and program impact outcomes are satisfactory

**Role of CSR committee:**

- To identify and and Recommend to the board the programs to be carried out during the financial year
- To review and monitor the CSR programs undertaken by the Company;
- To review and monitor the spending on the CSR activities;
- To give inputs to enhance quality of the CSR activities;
- To develop new areas for CSR activities;
- To formulate and recommend to the Board, an annual action plan as per this Policy and the applicable provisions of the Act and the applicable rules thereunder; and
- To seek advice from external experts or Consultants on CSR related matters if required.

**Implementation:**

CSR programs and initiatives will be implemented either by the Company itself or through implementing agencies / Trusts / NGOs as prescribed under the Act and the applicable rules thereunder. The Company may collaborate or pool resources with other companies to undertake CSR projects or programmes or activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending. The Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy and for capacity building as provided under the Act and the applicable rules thereunder.

The Board of the Company shall monitor the implementation of the CSR project with reference to the approved timelines and year-wise allocation and may make modifications, if any, for smooth implementation of the project within the overall permissible time period.

The Details of all CSR programs undertaken by the Company and their mode of implementation will be mentioned in the Annual Report.

**CSR Expenditure:**

The Board of the Company shall ensure that the administrative overheads shall not exceed five ( 5%) percent of total CSR expenditure of the Company for the financial year.

The Company may book impact assessment expenditure towards Corporate Social Responsibility in the manner as prescribed under the Act and the applicable rules thereunder.

The Board of the Company shall satisfy itself that the funds so disbursed towards CSR have been utilised for the purposes and in the manner as approved by it.

**Impact Assessment:**

The Company shall undertake an impact assessment study of the project(s), through an independent agency which should meet the criteria of impact assessment prescribed under the Act and the applicable rules thereunder.

The impact assessment reports shall be placed before the Board of the Company and shall be annexed to the Annual Report on CSR.

**Review**

The CSR Policy shall be reviewed by the CSR Committee at such intervals as it may deem appropriate and make recommendations, if any, to the Board for its approval. Any subsequent amendment in the Act shall automatically apply to this policy.

**Publication of this Policy**

The copy of this policy, the composition of the CSR Committee and Projects approved by the Board will be available on the website of the Company.

The details of CSR projects and programs undertaken by the Company for respective FY are given in **Annexure- A**.

**Annexure A****CSR activities of the Company for the F.Y. 2020-21**

<b>Sr. No</b>	<b>CSR project/activity</b>	<b>Sector in which project is covered</b>	<b>State and district where the Projects or Programs were undertaken</b>
1	Bright Smiles, Bright Futures™	Promoting preventive health care	Maharashtra, Delhi, Andhra Pradesh, Bihar, Chhattisgarh, Goa, Gujarat, Hyderabad, Jharkhand, Haryana, Karnataka, Kerala, Madhya Pradesh, Rajasthan, Orissa, Punjab, Telangana, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal
2	Read India Program with Pratham	Promoting Education	Maharashtra, Mumbai
3	Education & Women Empowerment Program with Seva Mandir	Promoting Education, Empowering Women, Conservation of Natural Resources	Rajasthan, Udaipur
4	"A Positive Step Program" with NTP+	Addressing inequalities	Maharashtra, Thane
5	"Saksham" Program with SEEDS	Vocational and skills training for upliftment of economically weaker youth	UP - Lucknow, Allahabad, Kanpur, Varanasi, Bihar - Patna & West Bengal Kolkata
6	Water Program with Water for People, India Trust	Conservation of Natural Resources	Maharashtra, Amravati
7	Education Program with Action Aid	Promoting Education	Himachal Pradesh - Baddi & Andhra Pradesh - Sricity
8	Keep India Smiling Foundational Scholarship Program	Promoting Education	Pan India
9	COVID-19 Support - Ration Support, Distribution of free Hand sanitizers and other hygiene products	Preventive health care	Pan India