

CORPORATE SOCIAL RESPONSIBILITY POLICY

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

OBJECTIVE

Rettenmaier India Private Limited (“**Company**”) is committed to comply with its Corporate Social Responsibility (“**CSR**”) obligations and this policy lays down the principles of the CSR obligations of the Company and provides a statement of how the Company proposes to meet its CSR obligations. As the Company grows its business and has achieved sustainable growth in its profits, it is essential to be cognizant of its social responsibility towards the society and the socio-economic system within which it operates and to ensure that the growth is all inclusive and also for the betterment of the society in general. The CSR policy has been formulated with the following objectives:

- To lay down guidelines to embed CSR as a business process for development of the society.
- To undertake projects/programmes which will enhance the quality of life and economic well-being of the society in accordance with Schedule VII of the Companies Act, 2013 (“Act”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“Rules”).

We shall try to contribute for social and economic development on regular basis. We believe that to succeed, an organization must maintain highest standards of corporate behavior towards its employees, consumers and society in which it operates. We are of opinion that CSR underlines the objective of bringing about a difference and adding value to lives of the people who are underprivileged and in dire straits.

This CSR Policy shall operate as the Corporate Social Responsibility Policy of the Company for the purpose of Section 135 of the Companies Act, 2013 and the rules made thereunder including the Companies (Corporate Social Responsibility Policy) Rules 2014 (“CSR Rules”) as amended from time to time.

SCOPE & COVERAGE

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company will review the sectors/activities from time to time and make additions/deletions/clarifications to the sectors/activities. We shall focus on the following areas which are aligned to Schedule VII to the Companies Act, 2013:

- Eradicating hunger, poverty and malnutrition, promoting health care, education for under privileged children and their welfare.
- Education, Training and Rehabilitations of Persons with Intellectual and Development Disabilities

VISION AND POLICY STATEMENT

Through sustainable measures, actively contribute to the social, economic and environmental development of the society in which the Company operates ensuring participation from the society and thereby create value for the nation.

The CSR Committee will annually recommend the CSR programmes and projects to the Board for its approval. The Board of the Company through its CSR Committee will plan and monitor the expenditure of CSR activities.

CSR PROGRAMMES AND PROJECTS

The Company proposes to adopt one or more of the following CSR activities as prescribed by applicable laws, including Schedule VII of the Companies Act, 2013, as amended from time to time:

- Eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care) and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;

- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- 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 Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports.
- Contribution to the Prime Minister's National relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
- (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development

Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

- Rural development projects
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.

The CSR activities shall be undertaken within the territory of the Republic of India. The Company's CSR projects and programmes will be undertaken by the Company by itself or with joint and collaborative efforts of other eligible entity.

The CSR projects and programmes may also be implemented through registered public charitable trusts, not-for-profit companies set up under Section 25 of the Companies Act, 1956 and corresponding Section 8 of the Companies Act, 2013 through recognized and reputed NGOs and similar entities.

CSR COMMITTEE

The CSR policy and programs shall be implemented, managed and supervised by the CSR committee appointed by the Board.

The CSR Committee shall comprise at least of such number of directors as is mandatorily required by applicable laws.

The Committee shall inter alia:

- Formulate and update the CSR Policy which will be approved by the Board;
- Decide the CSR activities to be taken up by the Company in accordance with this Policy;
- Decide the amount to be allocated for each project or activity;
- Oversee and monitor the progress of the initiatives rolled out under this Policy; and
- Submit a report, to the Board on all CSR activities undertaken during the financial year
- The Committee shall meet at least once in a financial year.

RESPONSIBILITIES OF CSR COMMITTEE

The responsibilities of the CSR Committee include:

- Formulating and recommending to the Board the CSR Policy and indicating activities to be undertaken
- Recommending the amount of expenditure for the CSR activities,
- Monitoring CSR activities from time to time and
- Such other functions as the Board may deem fit.

ROLE OF THE BOARD

After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company.

To ensure that the CSR activities included in this Corporate Social Responsibility Policy are undertaken by the Company.

Board of the Company may decide to undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a company established under section 8 of the Act by the Company.

Board shall ensure that in each financial year the Company spends at least 2% of the average net profits of the Company made during the three immediate preceding financial years, calculated in accordance with Section 198 of the Act, in pursuance of its CSR policy. Further, while spending the amount earmarked for CSR activities, preference should be given to local areas and areas around the Company where it operates.

DISCLOSURE OF THE POLICY

The CSR policy recommended by the CSR Committee and approved by the Board shall be displayed on the Company's website (if any) and shall be disclosed in the Board's report as well.

CSR REPORTING

The Board Report of a Company shall include an Annual Report on CSR containing particulars specified in Annexure to the CSR Rules as per the prescribed format.

FINANCIAL OUTLAY AND IMPLEMENTATION FOR CSR ACTIVITIES

Every year, the Board shall with the approval a budgetary allocation for CSR activities/projects for the year. The budgetary allocation will be based on the profitability of the Company and the requirements of applicable laws.

The Company expects to spend the budgeted amount allocated for CSR activities/ projects planned for each financial year, within that year. If for any reason, the budget of a year remains unutilised, the same would not lapse and would be carried forward to the next year for expenditure on CSR activities, which were planned for implementation in the previous year, but could not be completed due to some reason. The Company shall comply with the relevant provisions of the law relating to the unspent CSR amount, whether for on-going projects or otherwise.

The CSR Committee and the Board will disclose the reasons for not being able to spend the entire budgeted amount on the CSR activities as planned for that year.

Any surplus arising out of the CSR activities, projects or programs shall not form part of the business profits of the Company and shall be deployed back into the CSR activities.

The CSR activities would be chosen for implementation by the Company in compliance with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013.

MONITORING AND REPORTING FRAMEWORK

The Company recognises that monitoring is critical for assessment of the progress as regards timelines, budgetary expenditure and achievement of targets. Monitoring may be done periodically with the help of identified key performance indicators, the periodicity being determined primarily by the nature of key performance indicators.

Monitoring will be done in project mode with continuous feedback mechanism, and recourse always available for mid-course correction in implementation, whenever required.

The performance of the Company's CSR activities would be monitored on the basis of their achievement of annual targets and the utilization of their annual budgets for the activities planned and the targets set for each year. Implementation and monitoring of the CSR activities will be overseen by the CSR Committee.

If the projects are being implemented by external agencies, the Company may in consultation with CSR Committee designate special executives for this purpose.

EVALUATION

CSR Committee shall also evaluate each CSR project or CSR expenditure made by the Company. The monitoring and evaluation may be assigned by the CSR Committee to an independent external agency for the sake of objectivity and transparency. The CSR Committee shall report to the board whether the project / purpose was successful or not and reasons thereof. If the project was not completed in the desired manner, the CSR Committee should be able to pin-point the reasons for the failure and the corrective action(s) that may be taken to make it a success, if still possible. The evaluation process shall be used as a learning opportunity for the CSR Committee members to make notes of dos & don'ts for the next CSR project and to ensure the judicious spend of the CSR funds going forward.

GENERAL

In case of any doubt with regard to any provision of this CSR Policy and also in respect of matters not covered herein, a reference should be made to the CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.

All provisions of the CSR Policy would be subject to revision/amendment in accordance with the applicable laws. The Board reserves the right to modify, cancel, add, or amend this CSR Policy. Minimum 2 (Two) members shall constitute a quorum for the committee meeting. Proceedings of all meetings must be signed by the Chairman of the Committee and tabled at the subsequent Board and Committee meeting.

REVIEW OF THE POLICY

The CSR Committee shall review the CSR Policy from time to time based on the changing needs and make suitable modifications as may be necessary with the approval of the Board.