

CORPORATE SOCIAL RESPONSIBILITY POLICY

TWININGS PRIVATE LIMITED

Corporate Social Responsibility Policy

Preamble

Twining's Corporate Social Responsibility (CSR) builds a dynamic relationship between Twining's on one hand and the society and environment on the other. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth.

"Twining's CSR Policy" has been prepared keeping in mind the company's business ethics and to comply with the requirements of Section 135 of the Companies Act, 2013 (hereinafter called as "the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2021, issued by the Ministry of Corporate Affairs ("MCA"), Government of India. This policy shall apply to all CSR initiatives and activities taken up at the various locations of the Company, for the benefit of different segments of the society, specifically the deprived, under-privileged and differently abled persons.

1. CSR VISION STATEMENT & OBJECTIVE

In alignment with vision of the company, the CSR initiatives, will continue to enhance value creation and inclusion of hard core poor people in the mainstream of the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a Socially Responsible Corporate. The company's long-term CSR objective is "to improve the quality of life of the communities we serve through long term value creation for all stakeholders. The main objective of the Policy is to establish the basic principles and the general framework of action for the management to undertake and fulfil its corporate social responsibility.

2. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition:

The Corporate Social Responsibility Committee shall consist of two or more Directors.

Meetings:

The Committee shall hold meeting as and when required, to discuss various issues on implementation of the CSR Policy of the Company.

Quorum:

The quorum for a meeting of the Committee on CSR shall be one-third of its total strength (any fraction contained in that one-third being rounded off as one), or two members, whichever is higher.

Sitting Fee:

The Sitting Fees for attending the meeting may be determined from time to time by the Board of Directors.

Role of CSR Committee:

The role of CSR Committee is:

- a. To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Section 135 of the Companies Act 2013.
- b. To recommend the amount of expenditure to be incurred on the specified activities in a financial year.
- c. To monitor the Corporate Social Responsibility Policy of the company from time to time.
- d. To recommend the Board on the guiding principles for selection, implementation and monitoring of CSR activities.
- e. To formulate and recommend to the Board, an Annual CSR Action Plan in pursuance of its CSR policy.
- f. To recommend the Board to alter the Annual CSR Action Plan at any time during the financial year based on the reasonable justification to that effect.
- g. Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

3. RESOURCES

Funding & Allocation

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, the Company will allocate 2% of its average net profits made during the 3 immediately preceding financial years as its Annual CSR Budget. The Annual CSR Budget shall be spent on projects / activities as laid down in this Policy.

"Administrative Overheads" expenses incurred by the Company will be used for 'General Management & Administration' of the Corporate Social Responsibility functions in the Company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

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 a period of six months of the expiry of the financial year.

Transfer of unspent CSR amount. - Until a separate fund is specified by the Government, the unspent CSR amount, if any, shall be transferred by the Company to a fund specified in Schedule VII of the Act.

4. ACTIVITIES, PLANNING & IMPLEMENTATION

Areas for Activities

The Company shall identify projects / programmes which will fall in any one or more of the following areas /sectors for its CSR spending:

(i) 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.

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.

(iv) 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 the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.

(v) 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 art and handicrafts.

(vi) 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.

(vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports.

(viii) 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.

(ix) 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.

(x) Rural development projects.

(xi) Slum area development.

xii) Disaster management, including relief, rehabilitation and reconstruction activities.

The CSR projects or programs or activities undertaken by the Company as per the Company's CSR Policy in India only shall amount to CSR Expenditure in accordance with the provisions of the Act.

The Company will prefer to take up projects for spending the amount earmarked for CSR at local areas and areas where the Company operates.

All expenses and contributions for CSR activities will be made after approval of the CSR committee, which would then be placed before the forthcoming CSR committee for noting and record. The Chairman will ensure that the expenses/contribution will be in full compliance of the CSR Policy.

Implementing Agency

The Board shall ensure that the CSR activities are undertaken by the Company itself or through -

(a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961, established by the company, either singly or along with any other company, or

(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

(c) any entity established under an Act of Parliament or a State legislature; or

(d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Every entity who intends to undertake any CSR activity, shall register itself with the Central Government by filing the form CSR-1 electronically with the Registrar.

The Company shall specify the project or programs to be undertaken through these entities, modalities of utilization of funds on such projects and programmes.

5. EXCLUSIONS

Corporate Social Responsibility (CSR) means the activities undertaken by the Company in pursuance of its statutory obligation laid down in Section 135 of the Act in accordance with the provisions contained in the CSR Rules, but shall not include the following, namely:

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- (i) activities undertaken in pursuance of normal course of business of the Company.
- (ii) any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.
- (iii) contribution of any amount directly or indirectly to any political party.
- (iv) activities benefitting employees of the Company.
- (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India.

6. CSR PROGRAMES

CSR programmes will be undertaken at various locations i.e., Corporate office, units and other business places of the Company in India to the best possible extent within the defined ambit of the identified Project/ Program. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

Identification of projects / programmes at various locations will be done by means of the following:

- (a) Need identification Studies by the Senior Management/ professional institutions/agencies.
- (b) Internal need assessment by cross-functional team at the local level.
- (c) Receipt of proposals/requests from Charitable institutions and NGOs
- (d) Suggestions from the Board of Directors/senior management level.

7. MONITORING AND EVALUATION

- a. To ensure effective implementation of the CSR programmes undertaken at various locations, a monitoring and evaluation mechanism will be put in place.
- b. The progress of CSR programmes under implementation at various locations will be reported to corporate office on a periodical basis.
- c. The report on progress on the CSR programe undertaken by the Company will be put forward to the CSR Committee with full details of cost incurred and results achieved on a regular basis.
- d. Project locations will try to obtain feedback from beneficiaries about the programmes implemented at the area.
- e. Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.
- f. CSR initiatives of the Company will be reported in the Annual Report & the Board's Report in compliance with Section 135 pf the Act and rules made thereunder.

8. IMPACT ASSESSMENT

- a. Details of need and impact assessment, if applicable for the projects undertaken by the Company will be included in the Annual Action Plan.
- b. If the Company has an average CSR obligation of ten crore rupees or more, in the three immediately preceding financial years, it shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.
- c. The impact assessment reports if applicable shall be placed before the Board and shall be annexed to the annual report on CSR.
- d. Impact assessment, if applicable may be booked as the expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.

9. CAPITAL ASSET

The CSR amount may be spent by the Company for creation or acquisition of a capital asset, which shall be held by -

- a. A company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number.
- b. Beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- c. A public authority

Provided that any capital asset created by the Company prior to the commencement of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, shall within a period of one hundred and eighty days from such commencement comply with this requirement, which may be extended by a further period of not more than ninety days with the approval of the Board based on reasonable justification.

10. LIMITATION AND AMENDMENT:

The Board of the Company may in their discretion and on recommendation of the CSR Committee make any changes/modifications and /or amendment to this policy from time to time. In the event of any conflict between the provisions of this policy and statutory requirements, law shall prevail over and automatically be applicable to this Policy. In the event of any amendment to the Act, this Policy shall be deemed to have been amended accordingly.

11. GENERAL

In case of any doubt with regards to any provision of the policy and in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from the Government from time to time. The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.

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