

JINDAL WORLDWIDE LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

As amended w.e.f 1st April, 2024

1. INTRODUCTION

Corporate Social Responsibility (“CSR”) builds a dynamic relationship between a company on one hand and the society and environment on the other. As a responsible corporate citizen, we try to contribute for social and environmental causes on a regular basis. CSR is traditionally driven by a moral obligation and philanthropic spirit. Over time it has become an integral part of business. Jindal Worldwide Limited (“the Company”) operates in a manner that not just continues to generate an attractive return for shareholders, but also minimizes our impact on the environment and helps in replenishing the planet; while lending a helping hand to the community.

The Company’s ethical practices, transparent businesses, strong corporate governance and focused employees have strived a success. The Company cherishes people and believes in inclusive growth to facilitate creation of a value-based and empowered society primarily in and around its area of operations.

2. SHORT TITLE AND APPLICABILITY

This policy, which encompasses the company’s philosophy for giving back to society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for the welfare & sustainable development of the community at large, is titled as the ‘JINDAL CORPORATE SOCIAL RESPONSIBILITY POLICY’. It has been prepared keeping in mind the company’s business ethics and to comply with the requirements of Companies Act, 2013 (hereinafter called as “the Act”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014, notified by the Ministry of Corporate Affairs vide Notification dated 27th February, 2014.

This policy shall apply to all CSR initiatives and activities taken up not only at the various work-units and locations of the company but also in any other parts of the country, for the benefit of the society.

3. DEFINITIONS

- a) **“Act”** means the Companies Act, 2013;
- b) **“Administrative overheads”** means the expenses incurred by the company for ‘general management and administration’ of 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.
- c) **“Annexure”** means the Annexure appended to these rules
- d) **“Corporate Social Responsibility (CSR)”** means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in these rules, but shall not include the following, namely:-
 - i. activities undertaken in pursuance of normal course of business of the company:

Provided that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and

development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-

- a) such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act;
- b) details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
- 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 under section 182 of the Act;
- iv. activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- 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;
- e) **"CSR Committee"** means the Corporate Social Responsibility Committee of the Board referred to in section 135 of the Act;
- f) **"CSR Policy"** means a statement containing the approach and direction given by the board of a company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- g) **"Net profit"** means the net profit of a company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:-
 - i. any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
 - ii. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:
Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
- h) **"Ongoing Project"** means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

Words and expressions used and not defined in this policy but defined in the Act shall have the same meanings respectively assigned to them in the Act

4. CSR VISION STATEMENT & OBJECTIVES

The core theme of the Company's CSR policy is giving back to the society from which it draws its resources by extending helping hand to the needy and the underprivileged. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and international norms.

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.

5. CSR COMMITTEE

Composition:

The Corporate Social Responsibility Committee shall consists of three or more Directors, out of which at least one director shall be an independent director.

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

Responsibilities:

CSR Committee shall:

- a) formulate, update and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII of the Act;
- b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- c) monitor the Corporate Social Responsibility Policy of the company from time to time;
- d) suggest areas of intervention to the Board;
- e) approve projects that are in line with the CSR policy.

6. LIST OF ACTIVITIES/PROJECTS

The Company shall undertake any of the following Activities/Projects or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility (“CSR”):

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach 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 centres 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 recognised 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. (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 Defense 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).

- x. rural development projects;
- xi. slum area development;

Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

- xii. disaster management, including relief, rehabilitation and reconstruction activities.

7. QUANTUM OF AMOUNT TO BE SPENT ON CSR ACTIVITIES

For achieving its CSR objectives through implementation of meaningful & sustainable CSR programs, 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 activities laid down in this Policy.

Treatment of Surplus fund arising out of the CSR activities

Any surplus arising out of the CSR activities shall not form part of the business profit of a 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.

Setoff of excess amount

Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135, 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 subject to the conditions that -

- i. the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.
- ii. the Board of the company shall pass a resolution to that effect.

Capital asset

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

- i. a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or

- ii. beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or
- iii. a public authority.

8. IMPLEMENTATION

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, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 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, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

Explanation- For the purpose of clause (c), the term “entity” shall mean a statutory body constituted under an Act of Parliament or State legislature to undertake activities covered in Schedule VII of the Act.

Engagement of International Organisation

A company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

Collaboration with other Company

A company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

Project Approval and Operation

1. The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect;
2. To monitor the implementation of the project with reference to the approved timelines and year-wise allocation;
3. to make modifications, if any, for smooth implementation of the project within the overall permissible time period;
4. the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

9. IMPACT ASSESSMENT

The Company shall undertake impact assessment, through an independent agency, when the average CSR obligation of the Company is ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, 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.

The impact assessment reports shall be placed before the Board of Directors and shall be annexed to the annual report on CSR.

Impact assessment expenditure for a financial year shall not exceed two percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is higher.

10. MONITORING MECHANISM

To ensure effective implementation of the CSR programmes undertaken at each work centre, a monitoring mechanism will be put in place by the work centre head.

The progress of CSR programmes under implementation at work centre will be reported to corporate office on a monthly basis.

The report on progress on the CSR programme 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

Work centres will try to obtain feedback from beneficiaries about the programs implemented at the area.

Appropriate documentation of the Company's CSR activities, executing partners, and expenditure entailed will be undertaken on a regular basis.

CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board's Report in compliance with Section 135 and rules made thereunder.

11. CSR REPORTING

The Board's Report of the Company pertaining to financial year shall include an annual report on CSR as specified in Section 135 of the Companies Act, 2013 and rules made thereunder.

12. ADMINISTRATION AND REVIEW OF THE POLICY

The Board of the Company on the recommendation of the Corporate Social Responsibility Committee shall have authority to amend or modify this policy to align with any amendments made to the Act and rules made thereunder or such other circulars, SOP, guidelines or regulations issued by Ministry of Corporate Affairs and any other statutory authority.

In the event of any subsequent amendment / modification in the Act and/or applicable laws then this policy shall stand modified to the extent applicable.

In the event of inconsistency of this policy with any statutory provisions, then the relevant provisions of such applicable law shall prevail upon the provisions of this Policy.

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