

**PHILIPS**

Domestic Appliances

**Philips Domestic Appliances India Limited**

**Corporate Social Responsibility Policy**

## **I. INTRODUCTION**

The policy on Corporate Social Responsibility of Philips Domestic Appliances India Limited (PDAIL) is broadly framed taking into account the following measures:

- 1) Welfare measures for the community at large including employees and their families, so as to ensure the poorer section of the Society derive the maximum benefits.
- 2) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness specially with regard to the economically backward class for their development and generation of income.
- 3) Protection and safeguard of environment and maintaining ecological balance.

## **II. OBJECTIVE**

The main objective of CSR policy is to lay down guidelines for Philips Domestic Appliances India Limited to make CSR a business process for sustainable development for the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate and long term social and environmental consequences of their activities

## **III. SCOPE AND AREAS TO BE COVERED**

The poor and needy Section of the Society living in different parts of India would normally be covered.

However, the scope of the CSR policy at Philips Domestic Appliances India Limited shall broadly include areas as under:

1. Eradicating extreme hunger and poverty
2. Promotion of Education
3. Promoting Gender Equality and Empowering women
4. Reducing child mortality and improving mental health
5. Combating human immunodeficiency virus, AIDS, Malaria and other diseases, including improvement of health.
6. Ensuring Environmental sustainability
7. Employment Enhancing vocational skills
8. Social Business Projects
9. Contribution to Prime Minister Relief Fund or any other Fund set up by the Central Government or State Government for socio economic development and relief and funds for the welfare of scheduled caste, scheduled tribes, other backward caste and minorities and women; and
10. Such other matters as may be prescribed from time to time under the Companies Act, 2013 or may be decided by the CSR Committee of Philips Domestic Appliances India Limited.

The above list is illustrative and not exhaustive. CSR Committee shall be authorised to consider activities not included in this list. The activities will be specific to the areas depending on the need assessment for the people. As far as possible efforts can also be made to co-ordinate with similar CSR activities that are taken up by the Central or

State Govt. All activities under the CSR activities should be environment friendly and socially acceptable to the local people and Society.

#### **IV. IMPLEMENTATION**

- a) The investment in CSR should be project based and for every project time framed periodic milestones should be finalized at the outset.
- b) Project activities identified under CSR are to be implemented as far as possible, by Specialized Agencies.
- c) Specialized Agencies could be made to work singly or in consultation with other agencies.

Such specialized agencies may include:

- Community based organization whether formal or informal.
- Elected local bodies such as Panchayats
- Voluntary Agencies (NGOs)
- Institutes/Academic Organizations
- Trusts, Mission etc.
- Self-help groups
- Government, Semi Government, and autonomous Organizations.
- Standing Conference of Public Enterprises (SCOPE)
- Mahila Mondals/ Samitis and the like
- Contracted agencies for civil works
- Professional Consultancy Organization etc.

The manner in which formal evaluation has been made by the Board of its own performance and that of the Committees of the Board and individual Directors of the Company shall be disclosed by the Board in its report every year.

#### **V. ACTIVITIES**

Activities of the CSR Committee shall be guided by the terms of reference as approved by the Board as well mentioned under Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 and Schedule VII of the Companies Act, 2013.

However, the activities of the CSR Committee will also involve the following:

- Interact with the concerned State Officials/Govt. officials to confirm the areas for undertaking activities under CSR and ensure to avoid duplicity of the job.
- To decide the priority of the activities to be undertaken under CSR.
- To interact with the CSR Implementing agencies for determining the activities to be undertaken.
- The Committee will monitor and review the progress of activities Undertaken/completed

## **VI. MONITORING**

Philips Domestic Appliances India Limited shall include a separate/chapter in the Annual Report on the implementation of CSR activities/project including the facts relating to physical and financial progress.

1. Cost benefit and justification includes the amount of financial involvement, detailed project Report for which Project Appraisal have to be carried out by External Agencies/Third party Agency.
2. Utilization Certificate with statement of expenditure duly certified by an Authorized Auditor will be submitted by the Organization/Institution to whom CSR Fund is allocated.
3. Meticulous documentation relating to CSR approaches policies, programmes, expenditures, procurement etc. should be prepared and put in the Public Domain.
4. Maintenance of Assets created under CSR would be the Responsibility of the concerned local representative of the Society. Before any capital investment is made, an undertaking would be taken from the representatives of local community that they would be responsible for maintenance of the Assets

## **VII. ANNUAL AUDIT**

Annual audit of all activities undertaken by the company would be done by the auditor. The CSR activities will be reflected in the Annual Report and Accounts of Philips Domestic Appliances India Limited under Social Overhead (CSR). The above guidelines would form the framework around which the CSR activities would be undertaken. Philips Domestic Appliances India Limited will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary.

## **ANNEXURE -I**

### **Philips Domestic Appliances India Limited**

#### **TERMS OF REFERENCE OF THE CSR COMMITTEE**

##### **I. Constitution**

The Committee has been established by resolution of the Board of directors dated 29 June 2022 of the Company and is to be known as the Philips Domestic Appliances India Limited Corporate Social Responsibility or (PDAIL CSR Committee).

##### **2. Membership and Chairman**

- 2.1 The members of the PDAIL CSR Committee shall be appointed by the Board of Directors and shall comprise of the three directors.
- 2.2 The Board of Directors shall appoint a chairman from amongst the members of the PDAIL CSR Committee (the "Chairman") and shall decide his or her period of office.
- 2.3 The PDAIL CSR Committee may invite any other Director of the Company or any other employee/person to advise and/or to join meetings of the PDAIL CSR Committee when required notwithstanding that they are not members of the PDAIL CSR Committee.

##### **3. Quorum**

A quorum shall be two (2) members. A duly convened meeting of the PDAIL CSR Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the PDAIL CSR Committee.

##### **4. Attendance at Meetings**

- 4.1 No one other than the PDAIL CSR Committee Chairman and other Committee members is entitled to vote at a meeting of the PDAIL CSR Committee.
- 4.2 Should any Committee Member be absent from duly called meetings without sending a leave of absence, for three (3) consecutive meetings, recommendations will be made to BOD for that member to be replaced.
- 4.3 The chairman of the Company, Director, any head or executive and any other member of senior management may be called upon or shall be able to speak at any meeting of the PDAIL CSR Committee by prior arrangement with the Chairman.

## **5. Secretary**

The Secretary of the company shall be the Secretary of the PDAIL CSR Committee who shall keep records of proceedings, membership, and the dates of any changes to the membership of the **PDAIL CSR** Committee.

## **6. Frequency of Meetings**

Meetings shall be held at such times as the PDAIL CSR Committee deems appropriate, and in any event shall be held not less than Two (2) times a year.

## **7. Proceedings**

- 7.1 Meetings of the PDAIL CSR Committee shall be summoned by the Secretary of the CSR Committee at the request of the Chairman or any member thereof.
- 7.2 Unless otherwise agreed, notice of each meeting confirming the venue, time, and date, together with an agenda of items to be discussed and supporting papers, shall be sent to each member of the PDAIL CSR Committee and any other person required to attend not later than 24 hours prior to the date of the meeting.
- 7.3 The Secretary to the PDAIL CSR Committee shall record the proceedings and resolutions of meetings of the PDAIL CSR Committee and shall circulate the minutes of such meetings to all members of the PDAIL CSR Committee
- 7.4 In the absence of the PDAIL CSR Committee Chairman, those members present shall elect one of their number to chair the meeting.

## **8. Authority**

- 8.1 The PDAIL CSR Committee is authorised by the Board at the expense of the Company to take advise on any matter related to CSR policy or any other matter within its terms of reference, It is authorised to seek any information that it requires from any party in order to perform its duties.
- 8.2 The PDAIL CSR Committee is authorised by the Board at the expense of the Company to obtain external professional advice and to secure the attendance of third parties with relevant experience and expertise at meetings of the PDAIL CSR Committee if it considers this necessary.
- 8.3 The above terms of reference may be amended from time to time as required, subject to approval by the Board.

## **9. Duties** The responsibilities of the PDAIL shall be:

- 9.1 Review, agree and establish the Company's PDAIL CSR strategy and its implementation in practice and that the Company's social, environmental, and economic activities are aligned with each other.
- 9.2 Develop and recommend for acceptance by the Board, policies on all aspects of PDAIL CSR including Schedule VII of the Companies Act, 201 3 and other PDAIL CSR-related matters as may be determined by the PDAIL CSR

Committee from time to time.

- 9.3 Receive reports and review activities from executive and specialist groups managing PDAIL CSR matters across the Group's operations.
- 9.4 Monitor compliance with the PDAIL CSR policies throughout the Group and to review performance against agreed targets.
- 9.5 Consider other topics, as referred to it by the Board.

## **10. Sitting Fee**

The members of the Committee shall be paid sitting for every meeting of the PDAIL CSR Committee.

The sitting fee amount shall be the same as for the other Committee Meetings of the Board.

## **11. Amendments**

The terms of reference may be amended by a decision taken by the Board of Directors.