



Good food, Good life

# Nestlé India Corporate Social Responsibility Policy

(As amended on 16<sup>th</sup> February 2021)

## I. Corporate Social Responsibility (CSR) Policy

Nestlé India Limited ("the Company") is a publicly listed Company in India.

This document articulates the Company's Corporate Social Responsibility (CSR) Policy (the "Policy"). This Policy applies to all CSR activities of the Company in India and conforms to the requirements of Section 135 of the Companies Act 2013 (as amended from time to time), rules notified thereunder and any other applicable statutory provision(s) (collectively referred hereafter as "CSR Provisions"). The Policy is guided at all times by the Company's Corporate Business Principles and the Code of Conduct.

The Company is a leading Nutrition, Health and Wellness Company. As a responsible Company, it has since its inception, participated in business activities which help in improving the quality of life for the communities where it operates. This also includes creating better livelihood opportunities.

In consultation with stakeholders, the Company has decided to focus its activities on the following areas, where it is in a position to create maximum value. These focus areas are:

- **Nutrition:** A large part of our population is impacted by the double burden of malnutrition. Improving nutrition awareness of communities is a focus area.
- **Water and Sanitation:** India is among the world's most water stressed regions. Additionally, safe drinking water is a concern in many parts of the country. The Company would focus on helping farmers reduce water usage in agriculture, raising awareness on water conservation and providing access to water and sanitation.
- **Rural Development:** Supporting the sustainable development of farmers will be the third focus area.
- **Livelihood:** Unemployment is a major issue impacting development and health outcomes. The Company would focus on livelihood enhancement through trainings.
- **Education:** The Company would focus on supporting education, with a special focus on education for the girl child.
- **Environment:** The Company would focus on activities that have a positive impact on environment.

The Company will continue to engage with stakeholders including farmers, experts, NGOs and the Government and would take up such other CSR activities in line with Government's intent and which are important for society.

The above areas are mapped with the activities as prescribed in Schedule VII to the Companies Act, 2013 in the Nestlé India Guiding Principles for the formulation of Annual Action Plan. While the focus of CSR efforts will be in the local areas and areas around it where the Company operates, the Company may also undertake projects

where societal needs are high or in special situations (such as in the case of natural disasters etc.).

CSR expenditure will include all expenditure incurred by the Company on CSR Programmes undertaken in accordance with the approved Annual Action Plan. The CSR activities undertaken by the Company are not expected to lead to any additional surplus beyond what would accrue to the Company in the course of normal operations. However, surplus if any arising out of the CSR Projects or Programs shall not form part of the business profit of the Company and shall be dealt with in accordance with the applicable CSR Provisions. Likewise, any excess amount spent on CSR activities may be set off against the requirement to spend in the succeeding financial years in accordance with the applicable CSR Provisions. In the event the Company creates or acquires capital asset out of the CSR spend, such capital asset will be dealt with in terms of the applicable CSR Provisions.

## II. Governance

The Company's CSR Governance structure is headed by the CSR Committee of the Board of Directors of the Company. This Committee reports to the Board of Directors of the Company. The CSR Committee consists of four directors of which, two are independent directors. The CSR Committee provides oversight and guidance on CSR performance and monitor compliance with the CSR Policy, commitments and the applicable CSR Provisions. The CSR Committee formulates and recommends to the Board an annual action plan which includes the modalities of utilisation of the CSR funds and implantation schedules for the projects or programmes, monitoring and reporting mechanism for the projects or programmes and details of need and impact assessment for the projects undertaken by the Company. The CSR Committee also recommends any alteration in the annual action plan at any time during the year and update, if any, required to the CSR Policy.

The CSR Committee determines the overall scope of, provide input on, and recommend adoption of the CSR report to the Board of Directors of the Company and reviews the effectiveness of the CSR Policy and activities included in the Policy.

The Board monitors and reviews the performance and impact of the CSR programmes, provides input and course corrections if required and satisfies itself that the CSR funds so disbursed have been utilized for the purposes and in the manner as approved by it. The Executive Director – Finance & Control and CFO shall certify to the fact that CSR funds so disbursed have been utilised for the purposes and in the manner approved by the Board.

## III. Selection and Implementation of CSR Activities

Nestlé India Limited

[CIN:L15202DL1959PLC003786]

Registered Office: 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001



Good food, Good life

The Company's CSR programmes are guided by this Policy. The Company will undertake CSR activities as stated in the ANNEXURE with their execution modalities and implementation schedules.

The CSR Committee may under the above areas identify and recommend to the Board "Ongoing Project/s" that requires multi-year implementation but not having timelines exceeding three years excluding the financial year in which it commences, and also may designate some of the existing CSR projects as an Ongoing Project and such Ongoing Projects shall be selected, implemented, monitored and reported in accordance with the applicable CSR Provisions.

The CSR Committee may, if required, recommend to the Board of Directors as part of the CSR Policy, activities outside of the above-mentioned focus areas. All activities will be undertaken in project mode with defined objectives and deliverables, clarity on target

beneficiaries, implementation plans with schedule of timeline agreed prior to commencement of activities.

The Company would implement the CSR programmes through Company personnel and partnerships with expert agencies, NGOs and Government. In cases where the implementation is through external implementing agencies, the Company would monitor the implementation.

The CSR Policy issued pursuant to the Act has been recommended by the CSR Committee of the Board of Directors and approved by the Board of Directors and shall be placed on the Company's website [www.nestle.in](http://www.nestle.in).

#### **IV. Amendments**

Amendments from time to time to the CSR Policy, if any, shall be considered by the Board of Directors based on the recommendations of the CSR Committee.



Good food, Good life

## Nestlé India - Guiding Principles for the formulation of Annual Action Plan

| Programmes/Activities/Initiatives   | Project Name                   | Schedule VII, Section 135 Companies Act, 2013 | Modalities of Execution                                      | Implementation Criteria* / Schedule  | Monitoring, Evaluation and Impact   |
|---|--------------------------------|---|--|--|---|
| <b>Nutrition Awareness</b>  |                                |   |  |  |   |
| The Company aims to create awareness regarding nutrition, good cooking practices, good hygiene and the importance of physical activity among children in schools particularly village schools through various programmes. The school based programme/s will involve students receiving focused nutrition training and will be based on a multi-partnership approach in collaboration with leading regional universities, NGOs and other stakeholders. This will enable joint development and regional customisation of the content. | Nestlé Healthy Kids Programme  | (i)   | In collaboration with external agency: Academic Universities | The programme is conducted basis the school year starting Apr – June and ending Dec-Jan.   | <ul style="list-style-type: none"> <li>• Pre and Post Evaluation</li> <li>• Annual Report</li> <li>• Change in knowledge, attitudes and practices of students</li> <li>• Number of students covered</li> </ul>  |
| The Company aims to create awareness about nutrition and healthy habits, importance of food, water and personal hygiene, utilising health services and the importance of physical activity. These programmes will be designed for school going children and conducted in partnership with NGOs/experts/government based on the learning through sports and conducted in the schools and/ or communities. Each child will receive specified hours of training throughout the year.   | Nestlé Healthy Kids Programme  | (i)   | In collaboration with external agency: Universities; NGO     | The programme is conducted in accordance with the school year starting Apr – June and ending Dec-Jan. Throughout the year in the communities | <ul style="list-style-type: none"> <li>• Impact Reports</li> <li>• Project Progress and Financial Reports</li> <li>• Change in knowledge, attitudes and practices of beneficiaries</li> <li>• Number of beneficiaries covered</li> </ul>  |
| The Company aims to reach out to children with access to the internet and engage them in learning about nutrition and healthy habits.   | Nestlé Healthy Kids Programme  | (i)   | Directly; In collaboration with NGO                          | Throughout the year  | <ul style="list-style-type: none"> <li>• Knowledge increment</li> <li>• Number of students covered</li> </ul>   |
| The Company aims to create awareness about nutrition and health among adolescents, young couples and caregivers among marginalised communities. The programme will be developed in partnership with NGOs and designed to develop community support for improved health.   | Project Jagriti                | (i)   | In collaboration with external agency: NGO                   | Throughout the year  | <ul style="list-style-type: none"> <li>• Impact Reports</li> <li>• Project Progress and Financial Reports</li> <li>• Change in awareness and behaviour</li> <li>• Metrics including: number of persons covered, nutrition and health awareness, delay in age of marriage, family planning, breastfeeding practices. etc.</li> </ul> |
| The Company aims to create awareness about prevention and management of diseases like Cancer, Non-Communicable Diseases, etc  | Nestlé Healthy Kids Programme; | (i)   | Directly; In collaboration with NGO                          | As and when required   | <ul style="list-style-type: none"> <li>• Change in awareness and behaviour</li> </ul>   |

**Nestlé India Limited**

[CIN:L15202DL1959PLC003786]

Registered Office: 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001



Good food, Good life

|  | Project Jagriti               |      |  |                     |   |
|--|-------------------------------|------|--|---------------------|---|
| <b>Water and Sanitation</b>  |                               |      |  |                     |   |
| Sanitation Projects: Construct sanitation facilities for girl students in rural schools to encourage attendance. Through this initiative, the Company endeavours to facilitate and remove what is considered to be the major cause of dropout rate among girl students in village schools. | Sanitation Projects           | (i)  | Directly; In collaboration with NGO                              | Throughout the year | <ul style="list-style-type: none"> <li>• Number of schools</li> <li>• Number of students using the facilities</li> <li>• Number of facilities constructed</li> </ul>                    |
| Clean Drinking Water Projects: The Company aims to construct drinking water facilities in schools and locations which lack access to drinking water.   | Clean Drinking Water Projects | (i)  | Directly; In collaboration with NGO                              | Throughout the year | <ul style="list-style-type: none"> <li>• Number of schools and locations</li> <li>• Number of beneficiaries using the facilities</li> <li>• Number of facilities constructed</li> </ul> |
| Water awareness for students: The Company aims to create awareness among students regarding water conservation and protection of water resources to ensure the responsible utilisation of water for a sustainable future.  | Water Awareness Programme     | (iv) | Directly; In collaboration with NGO.                             | Throughout the year | <ul style="list-style-type: none"> <li>• Number of students covered</li> </ul>  |
| Water awareness for farmers: The Company aims to enable farmers to reduce water use in agriculture in collaboration with the Universities / Experts / NGOs / Government.   |                               | (iv) | Directly   | Throughout the year | <ul style="list-style-type: none"> <li>• Number of farmers reached</li> </ul>   |
| <b>Environment</b>   |                               |      |  |                     |   |
| The Company aims to undertake projects for plastic and solid waste management and/or water conservation  | Hilldaari                     | (iv) | In collaboration with external agency: Government/ NGO/ Directly | Throughout the year | <ul style="list-style-type: none"> <li>• Project Progress and Financial Reports</li> <li>• Outreach through awareness programme</li> </ul>  |
| The Company aims to undertake projects on Climate Change like afforestation, enhancing activities within ongoing initiatives   |                               | (iv) | In collaboration with external agency: Government/ NGO/ Directly | Throughout the year | <ul style="list-style-type: none"> <li>• Reduction in GHG emissions</li> </ul>  |
| <b>Livelihood</b>  |                               |      |  |                     |   |
| Hygiene and Food Safety Training: The Company aims to create awareness about good hygiene and food safety among street/ other food vendors help the safety culture and enhance the livelihood of food operators.   | Project Serve Safe Food       | (ii) | In collaboration with external agency: Government and NGO        | Throughout the year | <ul style="list-style-type: none"> <li>• Number of street food vendors trained</li> </ul>   |
| <b>Education</b>   |                               |      |  |                     |   |

**Nestlé India Limited**

[CIN:L15202DL1959PLC003786]

Registered Office: 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001



Good food, Good life

|  |                                 |              |  |                      |  |
|--|---------------------------------|--------------|--|----------------------|--|
| Girl Child Education: The Company aims to support the education of the girl child.   |                                 | (ii)         | In collaboration with external agency: NGO | Throughout the year  | • Number of beneficiaries  |
| The Company aims to set up Library, Science lab and provide infrastructure in schools.   |                                 | (ii)         | In collaboration with external agency: NGO | Throughout the year  | • Number of schools and students   |
| <b>Employee Volunteering Programme</b>   |                                 |              |  |                      |  |
| Employees engage with beneficiaries from marginalised communities and in creating awareness about nutrition, healthy habits, and good hygiene through sports and other activities.<br>Creating awareness around managing plastic waste through sports and other various activities including Volunteering day, World Oceans Day, etc | Employee Volunteering Programme | (i)          | In collaboration with external agency: NGO | Throughout the year  | • Number of employees volunteering/ hours spent  |
| <b>Village / Local area adoption in any state</b>  |                                 |              |  |                      |  |
| Project will focus on any or all the above components of CSR activities  | Project Vriddhi                 | (x)          | Directly; In collaboration with NGO        | Throughout the year  | <ul style="list-style-type: none"> <li>• Impact Reports</li> <li>• Project Progress and Financial Reports</li> <li>• Improved access to water &amp; sanitation</li> <li>• Change in knowledge and practice amongst students</li> <li>• Change in awareness and behaviour amongst beneficiaries</li> <li>• Empowered communities who access government programs to lead village development activities</li> </ul> |
| <b>Disaster Management/ Relief funds/ efforts</b>  |                                 |              |  |                      |  |
| 1. Contribution to Relief funds or efforts set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.   |                                 | (viii)       | Directly                                   | As and when required | • Contribution in cash or kind   |
| 2. Disaster Management Including relief, rehabilitation and reconstruction activities  |                                 | (xii)        |  |                      |  |
| <b>Other Funds</b>   |                                 |              |  |                      |  |
| Other Funds set up by the Central or State Government for any of the Programmes / activities / initiatives listed above including Swach Bharat Kosh.   |                                 | (i) and (iv) | Directly                                   | As and when required | • Contribution in cash or kind   |
| Funds created for prevention and management of diseases like Cancer, Non-Communicable Diseases, etc  |                                 |              | Directly                                   | As and when required | • Contribution in cash or kind   |

\*Implementation through Sec 8 Co., Registered PUBLIC Trust and Registered Society.

1. Implementing partners to be independent having established track record of at least 3 years in undertaking SIMILAR ACTIVITIES
2. Registration under 12 A and 80G of Income Tax Act.
3. To register with MCA (Form CSR 1) and have Unique CSR Number.

**Nestlé India Limited**

[CIN:L15202DL1959PLC003786]

Registered Office: 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001



Good food, Good life

- a. CSR initiatives are undertaken based on consultation with the communities and baseline studies in the community. These are continuously monitored with periodic reporting. The Company will continue to implement other societal and community related initiatives.
- b. In the event the overall outlay in any of the above CSR Projects is Rs. One(1) crore or more it has completed not less than one year before undertaking the impact study, an Impact Assessment of such projects will be undertaken by the Company through an Independent Agency and the same shall be placed before the Board and annexed to the annual report on CSR of the Company.

**Nestlé India Limited**

[CIN:L15202DL1959PLC003786]

Registered Office: 100/101, World Trade Centre, Barakhamba Lane, New Delhi – 110 001