

CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

ORKLA INDIA LIMITED¹



Version	Approved By	Date of Approval
1.0	Board of Directors	June 11, 2024
2.0	Board of Directors	June 03, 2025

¹Formerly known as “Orkla India Private Limited” and “MTR Foods Private Limited”

1. INTRODUCTION

The Policy shall be known as the “Corporate Social Responsibility (CSR) Policy” (“**CSR Policy**” or “**Policy**”) formulated by Orkla India Limited (the “**Company**” or “**Orkla India**”), in compliance with Section 135 read along with Schedule VII of the Companies Act, 2013 (the “**Act**”) and Companies (Corporate Social Responsibility) Rules, 2014 (“**CSR Rules**”) including any amendment from therein from time to time.

The Company believes in creating value through its CSR initiatives and promoting , sustainable development of the environment and social welfare of the people and society at large. This policy 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, titled as the ‘Orkla India CSR Policy’. This policy shall apply to all CSR initiatives and activities taken up for benefit of the society.

2. VISION STATEMENT

Our vision is to integrate Orkla India’s social and environmental responsibilities in a manner to ensure sustainability in operations and relationships with key stakeholders and communities – **“Enhance everyday life of families and communities for a better tomorrow”**.

3. CSR ACTIVITIES

While the Company may undertake CSR activities which the CSR Committee may decide from time to time, in any areas or subjects in accordance with the requirements under the Act, and the rules / regulations framed thereunder and circulars / clarifications issued thereunder (collectively, “**the Applicable Law**”), Orkla CSR activities, within the ambit of Schedule VII of the Act, amongst others, will focus on:

- Nutrition & Health: Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation, and providing mid-day meals for school children.
- Sustainable Agriculture: 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.
- 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.
- Contributions to public funded Universities: as listed under sub-clause (b) to clause (ix) of Schedule VII and engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Ensuring Environmental Sustainability: Sustainable resource use, rainwater harvesting, groundwater replenishment and waste management.

- Education & Skill Development: Support for quality education at all levels and employment enhancing vocation skills especially among children and women.
- Disaster Response: Contribution to inter alia the Prime Minister's National Relief Fund or Prime Minister's Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) and such other funds enlisted under Schedule VII.

4. IMPLEMENTATION METHODOLOGY

The Company shall undertake its CSR activities as approved by the Board based on the recommendations of the CSR Committee, either directly or through implementing agency(ies) such as registered trusts, societies, or Section 8 companies. The Company proposes the CSR activities and projects to the CSR Committee for their consideration and recommendation in accordance with the requirements of the Act. Identification and implementation of multi-year CSR projects will be monitored by the CSR Committee and the Board as required under the Act.

5. CSR ANNUAL ACTION PLAN AND LOCATION OF CSR EFFORTS

The CSR funds shall be allocated based on the annual action plan recommended and approved by the CSR Committee.

The annual action plan and the CSR activities shall be displayed on the website of the Company as required under the Act.

The Company shall give preference to the local areas where the corporate offices and factories are located to utilize the amount earmarked for CSR activities. However, the Company may also support CSR initiatives in other regions within India, particularly those benefiting socially and economically marginalized communities, or larger societal causes.

6. CSR ALLOCATION

The Board shall allocate for the purpose of CSR activities in every financial year, at least 2% of average net profits of the immediately three preceding financial years as defined under the Companies Act, 2013.

The following guiding principles to be adhered to in terms of CSR expenditure:

- (i) The administrative overheads shall not exceed five percent (5%) of the total CSR expenditure of Company for the fiscal year.
- (ii) Any surplus generated from CSR activities shall not form part of the business profit of Company and shall be treated as follows:
 - Plough back into the same project; or
 - Transfer to a designated Unspent CSR Account and spent in pursuance of CSR policy and Annual Action Plan of Company; or
 - Transfer to a Fund specified in Schedule VII, within the prescribed timeline as specified in

the CSR Rules

- (iii) Any unspent amount shall be reported by the Board in its report specifying the reasons for not spending the amount and shall be dealt with in accordance with the Section 135 of the Act and rules made thereunder.
- (iv) In case, Company spends an amount in excess of requirement of its CSR obligations in a financial year, such excess amount may be set off against the requirement of CSR spending up to immediate succeeding three financial years subject to fulfilment of conditions specified under the Companies (CSR Policy) Amendment Rules, 2021 and any amendment thereunder from time to time.
- (v) In case of an Ongoing Project, the unspent amount shall be transferred to an account i.e., 'Unspent CSR Account' within 30 days of the end of the financial year, or within such other period as may be specified in the Act or Rules from time to time, and such sum shall be spent during the next three financial years from the date of transfer, in the manner prescribed under the Act read with Rules, failing which, the Company shall treat the unspent amount in the manner prescribed under the Act read with Rules.
- (vi) In case of activities/projects other than Ongoing Project, the same shall be transferred to funds specified in Schedule VII of the Act, or any such other fund(s) as may be specified under the Act or Rules, within 6 months of the close of the financial year or within such other time as may be specified from time to time
- (vii) Subject to the provisions of the Act, surplus, if any, arising out of CSR projects or programs or activities shall not form a part of the business profits of the Company.

7. CSR FUND AND IMPLEMENTATION OF PROJECTS

a. Evaluation of Project:

The CSR Committee will evaluate proposals based on assessment of the potential impact of such proposals, and any other criteria as may be determined. The CSR Committee will approve and recommend to the Board funding for such proposals for implementation.

b. Governance and Monitoring Mechanism

- (i) The Company's CSR Governance structure is headed by the CSR Committee of the Board of Directors of the Company.
- (ii) The CSR Committee provides oversight and guidance on CSR performance and monitor compliance with the CSR Policy, commitments and the applicable CSR Provisions.
- (iii) All projects and programs will be monitored, based on reports and regular field visits. The monitoring process will cover both programs and financial reviews.

- (iv) The CSR Committee will receive periodical progress reports on all CSR activities of the company

c. Reporting

Each of the CSR projects and programs would have clearly defined output, outcome and process indicators which will have to be reported at specified frequencies.

The Company will collaborate with the relevant implementing agencies to monitor the status and utilization of funds for each project and will report its findings to the CSR Committee, the Board and the Chief Financial Officer (CFO) of the Company periodically to enable them to meet their reporting, monitoring and other legal obligations.

The Board of the Company shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer shall, on an annual basis, certify that effect.

8. DISPLAY OF CSR ACTIVITIES ON COMPANY'S WEBSITE

The CSR committee composition, CSR activities, Annual Action Plan, along with the contents of this CSR policy shall be displayed on the Company's website at <https://www.orklaindia.com/sustainability/csr/>.

9. REVISION OF POLICY

The Company reserves its right to amend or modify this CSR Policy in whole or in part, at any time without assigning any reason whatsoever. Unless otherwise specified such amendments shall be effective from the date of the meeting of the Board at which such amendments are approved.
