

Welspun Corp Limited

Corporate Social Responsibility Policy

Weaving the threads of Life

OUR PHILOSOPHY

Welspun's corporate philosophy has always been to practice ethical business and be socially responsible. There is a strong commitment to a wider all-round social progress, as well as to a sustainable development that balances the needs of the present with those of the future.

Welspun is committed :

- To uphold the principle of inclusive growth and ensure development that caters to sustainable livelihoods;
- To regularly engage with communities, seek feedback on the initiatives carried out and understand areas of concerns and challenges faced by communities;
- To align Corporate Social Responsibility ("CSR") initiatives based on the needs identified in the communities and carry out the required assessments to further understand the impact of the initiatives;
- To build collaborations with organizations, governments, NGO's, institutions and other bodies that share the objective of social development;
- To develop products that caters to the development of society and ensures a reduced environmental footprint;
- To encourage employee volunteering in community initiatives; and
- To create opportunities through business operations that foster the economic development of the communities, especially the marginalized sections of society.

To communicate to internal and external stakeholders on the CSR initiatives carried out. Welspun Group's social vision has been enshrined in the three E's which have become the Guiding Principles of our CSR initiatives - Education, Empowerment and Environment & Health. We shall endeavor to undertake our projects under the banner of the Welspun Foundation for Health and Knowledge (WFHK) that aim towards holistic development of the villages around our plant and project locations.

Our Board of Directors, our Management and all of our employees subscribe to the above philosophy. We believe and act on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone.

LINKAGES WITH SUSTAINABLE DEVELOPMENT GOALS

Our aim is to undertake projects in perfect sync with the Sustainable Development agenda adopted by the UN. Our programs shall be linked to the following SDGs:

Education Programs - "Wel Accelerate", Welspun Schools

- i. Goal 4 : Quality Education
- ii. Goal 17 : Partnerships to achieve the Goal

Empowerment Programs - "Wel Netrutva", Welspun Super Sports Women, "Akankshita" Center

- i. Goal 1: No Poverty
- ii. Goal 2 : Zero Hunger
- iii. Goal 3 : Good health and wellbeing
- iv. Goal 5 : Gender Equality
- v. Goal 8 : Decent work and Economic Growth
- vi. Goal 10 : Reduced Inequalities
- vii. Goal 17 : Partnerships to achieve the Goal

Environment Programs - Sanitation Drives, Tree plantations, Safe drinking water, Pond deepening programs

- i. Goal 6 : Clean water and Sanitation
- ii. Goal 13 : Climate Action
- iii. Goal 15 : Life on Land
- iv. Goal 17 : Partnerships to achieve the Goal

Health Programs - "Wel Netrutva", Mobile Medical Unit (Ambulance), Health Camps- Preventive and Curative

- i. Goal 3 : Good health and wellbeing
- ii. Goal 17 : Partnerships to achieve the Goal

IMPLEMENTING AGENCY

The Company may either directly or through implementing agency(ies), as mentioned under Rule 4 of the CSR Rules, carry out its CSR activities.

WFHK is an essential part of the Group and is active wherever we have a national business presence. Through it we engage with local stakeholders, and in a process that is both consultative and collaborative, we undertake a range of innovative & sustainable programmes.

The Company may also engage an International Organisation notified by the Central Government under the United Nations (Privileges and Immunities) Act, 1947 for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of personnel for CSR with the approval of the Board. However, the International Organisation shall not act as an implementing agency for CSR projects or programmes.

OUR PROGRAMS

Under Education, we strive to "Accelerate the Doors to the Future" through:

- Quality Education Programmes in Government Schools;

- Teacher Trainings;
- Welspun run schools, namely “Welspun Vidya Mandir”, “Gayatri Devi Public School”, “Gayatri Devi Ved Vidyalaya”;
- Programmes in Anganwadis;
- Career Guidance and Counselling;
- Vocational and Skill Training for the Rural Youth,

Under Empowerment, we “Enable Wings to Fly” through:

- Sustainable Livelihood programmes in the villages;
- Support and strengthening of Self Help Groups through financial literacy and income generation activities;
- Support and sponsorship of Women Athletes coming from challenging backgrounds (physical / financial) participating in sports events at National level / International level, representing any State or Union territory(ies);
- Support to Farmers in increasing farm productivity and Capacity Enhancement Trainings;
- Support to Rural Artisans,

Under Environment & Health, we aim “For a Better Tomorrow” through:

- Safe Drinking water initiatives;
- Mobile Health Vans;
- Sanitation & Hygiene programs;
- Women and Child Health programs;
- Tree Plantation Drives;
- Solid Waste Management programs.

For the sake of clarity, it may be noted that the above CSR programs do not include:-

- the activities undertaken in pursuance of normal course of business of the Company;
- contribution of any amount directly or indirectly to any political party;
- activities benefiting employees of the Company as defined in Clause (k) of section 2 of the Code on Wages, 2019;
- activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services;
- activities carried out for fulfilment of any other statutory obligations under any law in force in India;

LONG TERM (ON GOING) PROJECTS:

The Company shall transfer unspent CSR funds of Long Term Projects / On-going projects into a separate bank account to be opened by the Company within 30 days from end of financial year.

The Company shall transfer the above unspent amount by 30th April after completion of 3 years to any of the funds prescribed under Schedule VII of the Act.

In case there are no Long-Term Project / On-going projects, then the Company shall within 6 months from the end of financial year, i.e., by 30th September, transfer the unspent amount to any of the funds prescribed by MCA under Schedule VII of the Act.

“Long Term Projects / On-going projects” means a multi-year project undertaken by a Company, as approved by the Board, in fulfillment of its CSR obligation having timelines not exceeding three years. Any project(s) whose duration has been extended beyond one year shall be considered as Long Term Projects / On-going projects, with the approval of the Board.

NEED ASSESSMENT AND PROGRAMME REVIEWS

Prior to the commencement of projects, we carry out a need assessment study to assess the need in the communities. Quantified targets are set for all projects and the projects are monitored every quarter by the Steering Committee comprising of CEO, Managing Director, Group Head CSR and Senior Representative(s) from Chairman’s Office. Wherever necessary, midcourse corrections are carried out.

COMPANY CONTRIBUTION, EXCESS CONTRIBUTION AND SET-OFF:

The Company shall spend at least 2% of the average of the net profits (as defined under Clause (h) of Rule 2 of the Companies (CSR Policy) Rules, 2014 as amended from time to time (“CSR Rules”)) of the Company during the three immediately preceding financial years through WFHK, direct contributions made by the Company or any organization registered as per Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 for the CSR activities to be undertaken with preference to the local areas around the Company offices, plants, operations.

CSR spends, in a financial year, in excess of 2% of the average of the net profits of the Company during the three immediately preceding financial years, may be set off against the CSR contribution in succeeding three financial years with the approval of the Board, as permissible under the provisions of the Companies Act, 2013, subject however to the condition that the excess amount available for set off shall not include the surplus arising out of the CSR activities.

The unspent CSR amount, if any, in any financial year, shall be transferred by the Company to any fund included in Schedule VII of the Act i.e. Clean Ganga Fund, Prime Minister's National Relief Fund or Prime Minister’s Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or such other funds as may be notified under the Companies Act, 2013.

CAPITAL ASSETS

Any capital asset created or acquired by the Company using the CSR contribution, shall be transferred to the beneficiaries (in the form of self-help groups, collectives, entities) of the CSR project for which the said assets was created /acquired or to a public authority.

GOVERNANCE STRUCTURE:

The Corporate Social Responsibility Committee (“CSR Committee”) of the Directors of the Company shall be responsible for monitoring the CSR Policy from time to time.

The CSR Committee shall approve and recommend to the Board, the projects or programmes to be undertaken, the modalities of execution and implementation schedule from time to time. Apart from recommending and approving budgets for project implementation, the Committee will also institute a monitoring mechanism to track the progress of each project. The CSR Committee comprises of:

Mr. K.H.Viswanathan (Independent Director) – Chairman

Ms. Revathy Ashok (Independent Director) – Member

Mr. Vipul Mathur (Managing Director & CEO) –Member

CSR TEAM AND ITS RESPONSIBILITIES:

CSR Programs shall be driven by dedicated CSR team under the guidance and support of CSR Committee and the MD/ CEO or equivalent. The CSR team would play a significant role in implementation of the CSR Programs ensuring that the same are in line with this Policy and the purview of the applicable laws governing CSR. The CSR team shall be responsible inter alia for:

- a. Co-ordination with the business functions / unit / location and the implementing agencies for successful implementation of the CSR programmes within the prescribed timelines;
- b. Reporting the progress and impact of the CSR programmes on a quarterly basis to MD/ CEO or equivalent and suggest any modification in the current CSR projects including consideration of multi-year projects, if any for consideration by the CSR Committee and the Board, as may be required.

MONITORING MECHANISM & IMPACT ASSESSMENT:

To ensure effective monitoring mechanism and impact assessment, the CSR team shall:

- a. prepare an Annual Action Plan to decide the following:
 - i. Areas of CSR programmes;
 - ii. Expenditure on CSR programmes;
 - iii. Implementation of CSR programmes;
 - iv. Monitoring of CSR programmes

and other incidental aspects and present the same to the CSR Committee and the Board for their approval;

- b. Endeavor to obtain feedback from the CSR Committee / Board about the programmes;
- c. Arrange for third party audits which shall be carried out by the Company or its implementing agency(ies) with respect to the CSR programmes undertaken by the Company.

COMPLIANCE WITH APPLICABLE LAWS

Our Corporate Social Responsibility policy conforms to the Companies Act, 2013 (“the Act”) and the Rules notified thereunder. All activities are as prescribed by Schedule VII to the Act.

DISCLOSURE AND REPORTING

The composition of the CSR Committee, the CSR projects / programmes of the Company as approved by the Board and undertaken by the Company shall be reported every year in the Annual Report and disclosed on the website of the Company along with impact assessment report.

MISCELLANEOUS

The Company Secretary is authorized to amend the Policy to give effect to any changes / amendments notified by the Ministry of Corporate Affairs or the SEBI.

The amended Policy shall be circulated to the CSR Committee for noting and ratification.

This Policy shall be effective from June 28, 2021 and can be modified, withdrawn or suspended by the Company at its sole discretion without any prior intimation.

ENQUIRIES AND CSR SUPPORT

For any enquiries related to Welspun Group’s CSR initiatives, please contact:

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Lower Parel (West), Mumbai – 400013.
Board : +91 -22-66136000

**Approved and Adopted by the Board on June 28, 2021.
For Welspun Corp Limited**

**Sd/-
Vipul Mathur
Managing Director & CEO
Mumbai, June 28, 2021**