

SUEZ INDIA
Corporate Social Responsibility Policy

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Recommended by : Corporate Social Responsibility Committee

Approved by : Board of Directors

SUEZ INDIA

CORPORATE SOCIAL RESPONSIBILITY POLICY

[IN TERMS OF SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014]

1. INTRODUCTION

SUEZ India Private Limited (the “**Company**”) has over 30 years of track record of sustained growth, customer satisfaction and innovation. The Company's primary business is offering water, wastewater, industrial water and solid waste management solutions to its customers which includes municipal corporations and various industries .

This CSR Policy (as defined in clause 3(g)) aims to define and establish the Company's Policy framework towards CSR (as defined in clause 3(c)).

2. OBJECTIVES

The Company recognizes and is committed towards creating common good for all. The Company shall implement its CSR Activities to integrate economic, environmental and social objectives with its operations and growth for common good. The Company is committed towards making visible and tangible contribution to communities and environment.

The Company shall identify projects/programs/activities both in urban/rural areas that will improve quality of life.

The broad objectives of this CSR Policy is to:

- (i) elucidate and inform to all Stakeholders about the Company's CSR Policy;
- (ii) demonstrate commitment to the common good through responsible business practices and good governance;
- (iii) actively support the country's development agenda to ensure sustainable change;
- (iv) set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models; and
- (v) engender a sense of empathy and equity among employees of the Company to motivate them to give back to the society.

The CSR Policy shall be implemented in accordance with the provisions of Section 135 of the Act and the Rules. It shall apply to all the CSR Activities undertaken by the Company in India as per Schedule VII of the Act and any amendments or modifications made thereto.

The CSR activities shall not include activities undertaken by the Company in pursuance of the normal course of its business. Further, projects, programs or activities that solely benefit the employees of the Company and their families shall not be considered as CSR Activities under this CSR Policy.

3. DEFINITIONS

Definitions of some of the key terms used in this policy are given below:

- a) **'Act'** means Companies Act, 2013, as amended from time to

time.

- b) **'Board'** means board of directors of the Company.
- c) **'Corporate Social Responsibility'** or **'CSR'** means and includes but is not limited to –
 - (i) projects or programs relating to activities specified in Schedule VII to the Act; or
 - (ii) projects or programs relating to activities undertaken by the Board in pursuance of recommendations of the CSR Committee as per the CSR Policy of the Company subject to the condition that the CSR Policy will cover subjects enumerated in Schedule VII of the Act.
- d) **'CSR Committee'** means CSR Committee of the Board.
- e) **'CSR Department'** means the department of the Company which has been specifically designated to assist the CSR Committee with implementation of CSR Activities.
- f) **'CSR Activities'** means projects/programs/activities to be undertaken by the Company in India, pursuant to Section 135 and Schedule VII of the Act read with the Rules.
- g) **'CSR Policy'** means this policy of the Company which relates to the activities to be undertaken by the Company pursuant to Section 135 and Schedule VII to the Act and matters incidental thereto including the expenditure thereon.
- h) **'Net Profit'** means Net Profit as defined in the Rules.

- i) **'Rules'** mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
- j) **'Stakeholder'** means and includes:
- local community;
 - employees;
 - shareholders;
 - suppliers/vendors/consultants;
 - contractors;
 - service providers;
 - Any other person including workers involved in construction and allied activities of the Company or category of persons, as may be prescribed in the Act and/or by the CSR Committee including society at large.

Words and expressions not defined in this Policy shall have the same meaning as contained in the Act read with the Rules.

4. CSR COMMITTEE

In compliance with the requirements of Section 135 (1) of the Act, a CSR Committee has been constituted by the Board. The CSR Committee at all times shall comprise a minimum of 3 directors.

The Committee may invite such other executive(s)/employees of the Company, professionals, experts and outsiders with relevant experience, as it may consider appropriate in its sole discretion, whether on permanent basis or temporarily for one of meetings of the Committee, to advise the Committee on the various CSR Activities being

undertaken/to be undertaken by the Company.

The CSR Committee shall institute transparent monitoring mechanism for implementation of the CSR Activities undertaken by the Company.

4.1 TERMS OF REFERENCE OF THE CSR COMMITTEE

The CSR Committee shall be responsible for—

- (i) Formulate, recommend and modify/alter whenever necessary, Corporate Social Responsibility Policy which shall indicate the projects/programs/activities to be undertaken by the Company, as specified in Schedule VII to the Act;
- (ii) Recommend the amount of expenditure to be incurred on the projects/programs/activities referred to in clause (i) above;
- (iii) Institutionalize transparent monitoring mechanism for ensuring implementation of the CSR projects/programs/activities; and
- (iv) Any other activity(ies)/functions, as may be assigned by the Board.

5. CSR ORGANISATION

The CSR Activities shall be undertaken/executed/implemented either by the Company itself and/or primarily through SUEZ Foundation – India. The Company may also conduct/implement its CSR Activities through any company established by the Company or its subsidiary(ies), or associate(s) under Section 8 of the Act (erstwhile Section 25 of the Companies Act, 1956) or otherwise. In the event, the Company implements its CSR Activities through any other trust(s), society(ies), company(ies) that is not established by the Company or its subsidiary(ies) or associate(s), such trust(s), society(ies), company(ies) should have an established track record of at least three years in

undertaking similar programs or projects and the Company will clearly specify the project or programs to be undertaken through these entities, the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism.

In order to implement the approved CSR Activities, the Company may involve specialized agencies, which could include government/semi-government/autonomous organisations, educational institutions, professional consultancy organisations, registered voluntary organisations, or any other appropriate agency/authorities.

The Company may also collaborate or pool resources with its subsidiaries, or associates or other companies to undertake CSR Activities, provided that the CSR committees of the respective companies are in a position to report separately on such CSR Activities being undertaken in accordance with the Act and the Rules.

6. CSR ALLOCATION

The CSR Allocation for a financial year shall include – (a) at least 2% of the average Net Profits of the Company for the last three financial years; (b) any income arising there from; (c) surplus arising out of CSR Activities; and (d) any contribution specifically received for CSR Activities. Further, it is clarified that any surplus arising out of CSR Activities shall not form part of the business profits.

7. CSR BUDGET

The overall amount to be committed towards CSR will be approved by the Board upon the recommendation of the CSR Committee.

8. CSR ACTIVITIES

The Company will undertake its CSR Activities in the following areas:

1. Promote quality education among children belong to socially and economically disadvantaged group;
2. Talent nurturing and skill development as part of the promotion of education and employment;
3. Health and sanitation awareness in urban slums and villages and other underprivileged persons;
4. Cleanliness initiatives;
5. Initiatives for women empowerment

The details of each of the CSR activities/ programs undertaken have been set out in Annexure -I.

The CSR Committee will be entitled to include other projects/ programs/ activities or any social development initiative as may be approved by the CSR Committee/Board which is in consonance with the Act read with Schedule VII.

The Company shall give preference to the local area and areas around it where it operates, for undertaking/implementing/executing/collaborating for CSR Activities.

9. IMPLEMENTATION OF CSR ACTIVITIES

The CSR Activities identified by the CSR Committee and approved by the Board shall be implemented in a project mode through the CSR

Department which will entail charting the stages of execution through planned processes, measurable targets, mobilization and allocation of budgets and prescribed timelines. It also involves assigning of responsibility and accountability. Suitable documents / agreements shall be entered into with the implementing agencies for the purposes of implementation of the projects. The conditions of grant of amounts for all CSR Activities and the break-up of the allocations shall be set out and evaluated from time to time.

10. MONITORING MECHANISM

The CSR Committee will ensure a transparent monitoring mechanism for ensuring effective implementation of the CSR Activities proposed to be undertaken by the Company.

The details of various components of monitoring mechanism for the projects are given in Annexure II.

The CSR Committee will ensure that the CSR Activities are undertaken in compliance with this CSR Policy and in a project or program mode with clearly defined project deliverables, implementation schedules, processes and budgets as mentioned above.

The CSR Committee will monitor the programs and projects to ensure that they are being carried out in compliance with this CSR Policy and the Act and in accordance with the approved budget.

11. ROLE OF THE CSR DEPARTMENT

The CSR Department, under the overall supervision and control of the CSR Committee, shall be responsible for:

- (i) Determining the modalities of execution including targets and timelines in consultation with the CSR Committee;
- (ii) Ensuring that implementation of all CSR Activities is being carried on in accordance with the above;
- (iii) Supervising the implementation of the CSR Activities and ensuring that the CSR Activities are undertaken in compliance with this CSR Policy with clearly defined project deliverables, implementation schedules, processes and budgets;
- (iv) Undertaking impact assessment of all CSR Activities;
- (v) Maintaining documents and accounts pertaining to all CSR Activities of the Company;
- (vi) Keep the CSR Committee updated on Implementation progress of CSR programs; and
- (vii) Assisting the CSR Committee in monitoring of CSR projects and preparation of the annual report on CSR.

12. CAPACITY BUILDING

The Company may build CSR capacities by providing suitable training to their own personnel as well as those of implementing agencies through institutions with established track record of at least three financial years. However, such expenditure including expenditure on administration overheads shall not exceed 5% of the total CSR expenditure of the Company in one financial year.

13. DISCLOSURES

The CSR Committee with assistance from the CSR Department shall prepare an annual report on CSR, in the format prescribed under the Act and the Rules and such report shall be included in the Board's report annexed to the financial statements. The report shall be signed by the Chairman of the CSR Committee, the Managing Director/CEO/Director of the Company and such other person as may be prescribed.

The Company shall host the contents of the CSR Policy on its website in such manner as may be prescribed.

14. RESPONSIBILITY STATEMENT

A responsibility statement shall be issued by the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company, at the end of each financial year.

15. AMENDMENTS

The CSR Committee is empowered to recommend amendments or modifications to the CSR Policy and such changes shall be placed before the Board for approval.

Where the CSR Policy is in variance with the requirements of the Act and/or the Rules, the provision of the Act and/or the Rules shall prevail.

16. GENERAL

In case of any doubt with regard to any provision of the CSR Policy and also in respect of matters not covered herein, a reference to be made to the CSR Committee or to the Chairman of the CSR Committee. In all such matters, the interpretation and decision of the Chairman of the CSR Committee shall be final.

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AREAS OF CSR INTERVENTION

Enumerated below are the areas where the Company will implement its CSR Activities. This will be reviewed from time to time by the CSR Committee of the Board and specific initiatives under these will be undertaken in line with the CSR Policy to meet the overall objectives of these interventions.

- 1. Model School Development Program:** To identify and develop a centre of excellence in a Government Senior Secondary School as a model school to demonstrate effective delivery of equitable quality education for all children. The objective is to develop a model ICT centre with latest devices, gadgets and curriculum in close coordination with SCERT/ NCERT, model Science and mathematics labs in the school, equip children and teachers on usage of Science, Math and ICT labs and empower them for enhancing their learning level with innovative techniques, create and empower the school to maintain Water, Sanitation & Hygiene (WASH) & Disaster risk reduction friendly school, stimulating and inclusive learning for students.
- 2. Urban Underprivileged Health and Sanitation Sensitization Program:** The program entails providing healthcare and sanitation awareness to the underprivileged population in urban slums. This shall include organizing workshops, sensitization campaigns, etc.
- 3. Skill Development Program:** The Company believes that training and employment is the key for India's development. The Company believes in

empowering underprivileged and marginalized women by providing them with the much needed market driven skill sets for productive employment.

Annexure-II

Monitoring

The CSR department will provide regular progress report to the CSR Committee of the Board. This report would indicate:

- Achievement since last progress report / during the last quarter in terms of coverage compared to the target and reasons for variance.
- In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.
- The Board shall seek a short progress report from the CSR Committee on a quarterly basis.