



Goodyear India Limited

CORPORATE SOCIAL RESPONSIBILITY POLICY

The purpose of this policy is to underline the guiding principles and mechanism for undertaking various activities/programmes for Corporate Social Responsibility

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| SUBSEQUENT AMENDED ON | MAY 27, 2021 |
| CURRENT VERSION | 03 |
| Chairman of the Board | |

1. Title and applicability

Goodyear India Limited (“the Company” or “GIL”) has developed its Corporate Social Responsibility (“CSR”) policy in accordance with section 135 read with the Schedule VII of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 notified by the Ministry of Corporate Affairs, Government of India. This Policy, henceforth called “ **CSR Policy**”, underlines the guiding principles and mechanisms undertaking various CSR activities/ programmes.

2. Vision

Being a socially active Company at a global level, GIL cares for its environment and communities and aims at being a responsible corporate citizen.

3. Objective

The objectives of the CSR Policy are to:

- Increasingly contribute to activities that are beneficial to the society and community at large
- Chart out a mechanism for undertaking CSR activities
- Engage with GIL’s key stakeholders in matters related to CSR Activities
- Align and sync the activities undertaken by GIL with the applicable laws.

4. Validity

The CSR Policy was approved by the Board on June 6, 2014 and thereafter amended on February 14, 2018 and on May 27, 2021, respectively. The Annual Report of the Company shall provide the details of its CSR activities that have been implemented during each financial year and shall be uploaded on the website of the Company every year.

If there is any inconsistency between the CSR Policy, and/or applicable CSR rules and regulations, the requirements of such CSR regulations shall prevail.

5. Areas of Focus

The Company continuously strives to be a socially, ethically and environmentally responsible corporate entity. The Company aims to contribute to activities that are beneficial to the society and community at large in alignment with the areas specified in Schedule VII of the Companies Act, 2013.

6. Budget

The total amount allocated (“**CSR Expenditure**”) for the expenditure on CSR activities for each financial year by CSR Committee shall include the following:

- (i) Two (2) per cent of the average net profits before tax of the Company made during the three (3) immediately preceding financial years, calculated as per Section 198 of the Companies Act, 2013;
- (ii) Any income arising there from;
- (iii) Any surplus arising out of CSR activities.

The surplus arising out of the CSR projects or programs or activities shall in no case form part of the business profits of the Company and the unspent amount shall be treated as per Section 135(5) of the Companies Act, 2013.

Administrative overheads shall not exceed 5% of the total CSR Expenditure. The CSR Committee would ensure to determine the quantum of the CSR Expenditure to be spent and allocated to various CSR activities to be undertaken in each financial year and take all necessary approvals from the Board of Directors, wherever required.

The Chief Financial Officer shall certify that the CSR Expenditure has been disbursed and utilized for the purposes and in the manner as approved by the Board.

In case any of the CSR activities to be undertaken are anticipated to be long term i.e. an ongoing project, then a detailed estimate on implementation schedule or milestones shall be submitted by the CSR Committee to the Board for its consideration.

7. Organization Mechanism

7.1 Composition of the CSR Committee:

The Corporate Social Responsibility Committee ('CSR Committee') shall consist of three or more Directors amongst whom at least one shall be an Independent Director.

The Company Secretary shall act as the Secretary to the Committee.

7.2 Roles and Responsibilities of the CSR Committee:

The responsibility of implementing and supervising this CSR Policy lies with the CSR Committee. The CSR Committee shall be responsible for:

- (i) formulating for approval by the Board, preparing the CSR policy and proposing revisions/ amendments as and when required; and
- (ii) proposing budget allocation for CSR programs for Board approval;
- (iii) identifying modalities of implementing the CSR programs; and
- (iv) monitoring the progress and impact of CSR programs on a regular basis.
- (v) formulating the CSR Annual Action Plan in pursuance of this Policy, which shall include focus areas for the year, the list of projects to be undertaken, manner of execution, Expenditure utilization, monitoring mechanism, etc.

The CSR Annual Action Plan so formulated may be altered at any time during the financial year by the Board, on the recommendation of the CSR Committee, based on reasonable justification to that effect.

The Company Secretary shall act as the Secretary to the Committee.

8. Implementation

The CSR Committee shall ensure that the CSR programs are implemented through one, few or all of the following methods:

- (i) directly by the company; and/or

- (ii) a registered trust or a registered society or a section 8 company established by GIL/holding/subsidiary/associate company; and/ or
- (iii) a section 8 company or a registered trust or a registered society, established by the Central Government or State Government; and/or
- (iv) any entity established under an Act of Parliament or a State legislature; and/or
- (v) through “Program Implementation Agencies” that are a registered trust or a registered society or a section 8 company provided that:
 - a) they have an established track record of 3 years in undertaking similar programs/projects; and
 - b) they have registration Certificates under Section 12A, Section 80G, etc. of the Income Tax Act, 1961, registration under FCRA (wherever mandatory) and other applicable registrations.
- (vi) in collaboration with other companies, in a manner that the CSR Committee is able to report separately on such projects/ programs; and/or
- (vii) or any other method as may be deemed appropriate from time to time or on a case to case basis.

The Company may engage international organisation(s) for designing, monitoring and evaluation of the CSR projects or activities as well as for capacity building of its personnel for CSR.

9. Review and Amendment of GIL CSR Policy

The CSR Policy may be amended by the CSR Committee, as and when required, only with the approval of the Board of Directors of the Company.

10. Regulatory Compliance

Any or all provisions of the CSR Policy would be subject to revision / amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time. The CSR Committee reserves the right to modify, add, or amend any of provisions of this Policy subject to approval of the Board.