

Tesco Bengaluru Corporate Social Responsibility Policy

OBJECTIVES

This policy outlines the course of action for Tesco Bengaluru's Corporate Social Responsibility initiatives and employee volunteering effort.

APPLICABILITY

- The Policy shall apply to all CSR programs undertaken by Tesco Bengaluru
- This policy shall be applicable to Tesco Bengaluru including all employees including the contractors etc.
- Tesco Bengaluru's CSR policy has been developed in consonance with the Companies Act 2013 and in accordance with the CSR rules notified by the Ministry of Corporate Affairs, Government of India in 2014

FOCUS AREAS

Tesco Bengaluru's community initiatives focus on skills for young people, preventative healthcare and environment protection. All colleagues of Tesco Bengaluru shall be encouraged to volunteer themselves to support the CSR activities initiated by the Committee.

BUDGET AND GOVERNANCE :

The Total Contribution towards CSR shall at least, be equivalent to 2% of its last 3 years average net profits (corpus) or as may be decided by the Committee from time to time. The % (percentage) of individual contributions to each of the activities will be decided by the Committee in its meeting.

This CSR policy builds on the learning from and good practices of the Company's ongoing CSR activities.

CSR COMMITTEE:

Tesco Bengaluru shall constitute a CSR Committee for monitoring the CSR activities and ensuring compliance under this Policy.

ROLE OF THE COMMITTEE:

The Committee will be responsible for preparing a detailed plan of the CSR activities including decisions regarding the expenditure, the type of activities to be undertaken, roles and responsibilities of the concerned individuals, and a monitoring and reporting mechanism.

- The CSR Committee will also oversee fund management based on the CSR corpus and as per the government regulations.
- The Committee shall undertake the CSR activities directly and also through the help of CSR partners which need to have an established track record.
- The Committee will formulate and recommend a CSR policy to the Board.
- The Committee will conduct due diligence on CSR partners.

COMPLIANCE:

Compliance with this policy will be periodically monitored and reviewed by the CSR Committee of Tesco Bengaluru. Compliance will be reported to the Board of Tesco Bengaluru during its meetings.

MEMBERS OF THE CSR COMMITTEE:

The Committee shall consist of two Directors of the Company and one representative from each of the Business Units – Tesco Technology, People & Channel, Customer & Product, Property Services, People, Corporate Communications, and Finance as Members. The total number of members will be decided by the Committee. However, at all times the members shall be as prescribed by the Companies Act and the Rules or any other law that is applicable thereunder and its amendment from time to time

APPOINTMENT OF MEMBERS:

The Directors for the Committee will be nominated by the Board of Directors of the Company. The Director of each Business Unit of the Company may nominate a representative from their Business to be the member of the Committee.

REMOVAL OF MEMBERS:

The Member can be removed for any of the below reasons:

- By voluntary resignation
- By the Committee for failure to attend meetings
- By the Committee for termination from the employment of the Company
- For death
- Due to Retirement
- Any other reason the Directors deem fit

TERM OF OFFICE OF MEMBERS:

The Members shall hold office for a period of 24 months from the date of appointment. A member may be either reappointed after his tenure or a new member may be appointed in his/her place, by the CSR Committee.

MEETING OF THE COMMITTEE

The Committee shall meet at least 4 times in a year to discuss and decide on the activities that the Committee will pursue. If necessary, the CSR Committee may constitute a CSR Core Team to handle, implement and monitor the execution of projects and programs. This core team shall update the progress to the CSR Committee.

ROLES AND RESPONSIBILITIES OF THE MEMBER

- To attend the meetings of the Committee as prescribed
- To promote the success of the Committee for the benefit of Tesco Bengaluru
- To act in good faith
- To exercise independent judgment
- To act in the best financial interests of the beneficiaries
- To exercise reasonable care, skill, and diligence
- To avoid conflicts of interest
- Not to accept benefits from third parties
- To declare an interest in a proposed transaction or arrangement
- To determine the values to be promoted through the Committee
- To review committee goals
- Ensure communications both to and from Tesco Bengaluru and relevant stakeholders are effective
- Understand and take into account the interests of Tesco Bengaluru and relevant stakeholders

REMUNERATION FOR MEMBERS

The remuneration, if any, may be decided by the Committee.

EXPERT

The Committee may also decide to invite experts in the area of CSR to advise the Committee and be part of the committee for a period of up to two years.

AUDIT

There shall be an audit of the CSR Committee, the funds, and the activities once every year. The Internal auditors of Tesco Bengaluru shall carry out the annual Audit and issue a certificate of compliance. The same will be included in the Directors Report.

CONTRIBUTIONS

The Committee shall contribute towards the activities as required under the Companies Act 2013 and any other activity that it may decide from time to time including and not limited to the list below.

Activities relating to:

- eradicating extreme hunger and poverty;
- promotion of education;
- promoting gender equality and empowering women;
- reducing child mortality and improving maternal health;
- combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- ensuring environmental sustainability;
- employment enhancing vocational skills;
- social business projects;
- contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and the contribution towards CSR will be decided by the Committee from time to time. The % (percentage) of individual contributions to each of the activities will be tabled by Committee in its meetings.

ADMINISTRATION RESPONSIBILITIES

- Convening Committee meetings
- Circulating Agendas
- Recording Minutes
- Facilitating next steps
- Enabling in appointment and removal of members
- Coordinating with the Committee and the external agency if any
- Facilitating Empanelment of Experts
- All other admin functions related to the Committee
- Finance Member opening a new account to house the CSR Fund
- Facilitate payments
- Manage the Fund
- Prepare Statements of Account periodically and report to the Committee
- Enable auditors to audit
- Reporting to the Committee and the Board, the status of fund/finances
- All other finance functions relating to the Committee

COMMUNICATION RESPONSIBILITIES

- Outlining a communication strategy and plan for informing colleagues and stakeholders and the Social Welfare Organization/NGO (e.g., defined audiences, regular checkpoints, reporting etc.)
- Reviewing the community presentations and engagements from a communication perspective
- Sharing regular communications via internal and external channels on what people can expect from the engagements
- Update community report
- Hold the plan to follow-up and communicate the outcomes from every engagement
- Ensure that there is no media publicity for any event without the approval from the Committee and Corporate Communications Team.

FACTORS TO BE CONSIDERED FOR CONTRIBUTIONS

The CSR Committee needs to consider the following while deciding contributions to any organization/initiative: **Decision Criteria**

Checklist to consider while making CSR decisions

Close geographical proximity to the area of operation of the NGO partner or site of operation

Due diligence on the Volunteering partner on legal and ethical parameters

Alignment with business goals

Ensuring optimum volunteering opportunities for colleagues

Uses our scale for good / building capabilities and expertise

ORGANISATION CHART OF THE CSR COMMITTEE

