

PCI PEST CONTROL PRIVATE LIMITED (“RENTOKIL PCI”)

CORPORATE SOCIAL RESPONSIBILITY

POLICY STATEMENT

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The Board of Directors (“Board”) of PCI Pest Control Private Limited (“the Company”) has framed this Corporate Social Responsibility Policy (“the CSR Policy”) in accordance with the Section 135, Schedule VII of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 notified on 22nd January, 2021 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof)

Preface:

PCI Pest Control Private Limited (hereinafter referred to as “Rentokil PCI”) touches the lives of unprivileged people across the country through our CSR activity. Everyone at Rentokil PCI, from service technicians out in the field to senior management in the boardroom, aims to demonstrate a commitment to corporate social responsibility and environmental pest control by putting our good practice guidelines into action on a daily basis.

Rentokil PCI has developed local CSR initiatives such as hygiene education delivered during health awareness sessions in schools across the country. This program has benefited thousands of people and demonstrates our passion for giving back to the communities in which we operate.

The Company has always believed in giving back to the society and recognizes its role and responsibility as a corporate citizen. The Company has social values ingrained into its culture and manner of working.

Vision

To have a sustainable CSR program that drives health, hygiene, safety and environmental awareness for the benefit of local communities. The Company believes in the philosophy of adopting sustainable business practices, beneficial to the various stakeholders including the society.

Mission

To facilitate expertise and materials in support of Rentokil PCI projects and program initiatives which drive positive CSR impact throughout India.

Rentokil PCI demonstrates care for the community through its focus on education & skill development, health & wellness and environmental sustainability. Rentokil PCI may include other activities as laid down in Schedule VII of the Companies Act, 2013.

Objective of the Policy

- To set guiding principles for carrying out Corporate Social Responsibility (“CSR”) activities by or on behalf of the Company;
- To set up a process of execution, implementation and monitoring of the CSR activities to be undertaken by or on behalf of the Company;
- To engender a sense of empathy amongst the employees of the Company to give back to the society for the greater good.
- To demonstrate commitment to the common good through responsible business practices and good governance.
- To set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

DEFINITIONS

- Act means Companies Act, 2013, as amended and modified from time to time
- Board means Board of Directors of the Company.
- Company means PCI Pest Control Private Limited.
- Corporate Social Responsibility (CSR) means and includes but is not limited to:
 - i. Projects or programs relating to activities specified in Schedule VII to the Companies Act, 2013; or
 - ii. Projects or programs relating to activities undertaken by the Board of Directors of the Company in pursuance of the recommendation of the CSR Committee and approved by the Board as per this policy.
- CSR Committee means Corporate Social Responsibility Committee constituted by the Board pursuant to section 135 of the Companies Act, 2013.
- $\frac{3}{4}$ CSR Activities shall mean activity which is specified as per Schedule VII of the Companies Act, 2013. CSR Policy means CSR Policy of The Company.
- CSR Rules means the Companies (Corporate Social Responsibility) Rules, 2014, as amended and modified from time to time;
- Employees means Employees of the Company;
- Funding shall mean the disbursements that are to be made to an Organization pursuant to this CSR Policy, with the prior approval of the CSR Committee and the Board in accordance with the Act and Rules;
- Net Profit means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Companies Act, 2013, but shall not include the followings, namely:-
 - i. Any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise, and
 - ii. Any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Companies Act, 2013. Words and expressions used in this policy and not defined herein but defined under the Companies Act, 2013 shall have the same meanings respectively assigned to them.
- CSR expenditure shall include all expenditure recommended by the CSR Committee and approved by the Board and in the absence of the CSR Committee, the expenditure approved by the Board in pursuance of the compliance with requirements of Section 135 read with Schedule VII of the Companies Act, 2013 including but not limited to contributions to CSR made by the Company directly or activities which may be implemented and / or executed by the Company through a Registered Public Trust or a Registered Society or a Section 8 Companies, i.e., with the Agencies established / registered to carry on the CSR activities as defined under the Act.
- “Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme. Administrative overheads shall not exceed five percent of total CSR expenditure of the company for the financial year.

CSR Committee

The CSR Committee consists of three Directors as its members. The Board may increase or decrease the membership in the Committee or change the composition of the Committee entirely at their discretion, after taking into consideration the statutory requirement of minimum 2 Directors as its members.

The following Directors form a part of our CSR Committee:

1. Mr. Joshua Anil Rao – Chairman of the Committee and Director
2. Mr. David John Lewis – Managing Director
3. Mr. Paul John Cochrane – Director

Committee Responsibility

The Committee shall be responsible for:

- Approving the CSR policy of the Company as may be recommended by the CSR Committee, subject to necessary changes and amendments as the Board may deem fit from time to time.
- Ensuring that in each financial year the Company spends such amounts for CSR activities as may be stipulated in the Act, as amended from time to time (presently 2% of the average net profits of the Company made during the three immediately preceding financial years).
- Ensuring that the activities as are included in the CSR Policy are undertaken by the Company.

Exclusions of CSR Activities

The following activities shall not form part of the CSR activities of the Company : -

1. The activities undertaken in pursuance of normal course of business of the Company: Provided that if the Company is engaged in research and development activity of new vaccine, drugs and medical devices in its normal course of business, it may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22, 2022-23 subject to the conditions that-
 - i. such research and development activities shall be carried out in collaboration with any of the institutes or organisations mentioned in item (ix) of Schedule VII to the Act; and
 - ii. details of such activity shall be disclosed separately in the Annual report on CSR included in the Board's Report;
2. Any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
3. Contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
4. Any activity benefiting employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019) and their families;
5. Any activity 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.

Ongoing Project

Ongoing Project means a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board based on reasonable justification.

IMPLEMENTATION

The company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per its CSR policy as well as for capacity building of their own personnel for CSR.

The company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with these rules.

The Board of a company shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

DIRECT CHARITABLE DONATIONS

We occasionally make direct charitable donations to organisations which support our CSR principles and need financial support for specific projects that they have planned. Such requests would be evaluated in line with our CSR aims and objectives and are considered by the CSR Committee for approval.

Surplus arising out of CSR

Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy of the Company and Annual Action Plan of the Company. If the surplus cannot be utilized it shall be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year i.e., on or before 30th September.

Excess CSR Fund

Where the company spends an amount in excess of requirement provided under the Act such excess amount may be set off against the requirement to spend up to immediately succeeding three financial years subject to the conditions that -

- The excess amount available for set off shall not include the surplus arising out of the CSR activities, if any; and
- the Board shall pass a resolution to that effect

Treatment of Unspent CSR Obligation

If the Company fails to spend the CSR obligation amount, relating to CSR programs or projects or activities other than ongoing project then such unspent amount shall be transferred to a Fund specified in Schedule VII of the Act, within a period of 6 months of the expiry of the financial year i. e. on or before 30th September.

If the Company fails to spend the CSR obligation amount, pursuant to an ongoing project, then such amount remaining unspent shall be transferred by the Company within a period of 30 days from the end of the financial year i.e. on or before 30th April to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the "Unspent Corporate Social Responsibility Account" and such amount shall be spent by the Company in pursuance of its obligation towards the CSR Policy within a period of 3 financial years from the date of such transfer. If the Company fails to spend the amount it shall transfer it to a Schedule VII of the Act, within a period of 30 days from the date of completion of the 3rd financial year i.e., on or before 30th April after completion of 3 Financial Years.

MONITORING

The CSR activities undertaken by the Company either directly or through an implementing agency shall be periodically monitored. While monitoring, the Company shall ensure the Implementing Agency or the vendor, follow ethical practices and endeavour to ensure all payments made to the Implementing Agency or the vendor to be milestone based. The Monitoring process adopted by the Company may include obtaining of reports of different kind, self-declaration, On-site visit, etc.

The impact assessment shall be conducted for eligible CSR projects or programs as mentioned under the Act.

ANNUAL ACTION PLAN

All the guiding principles as required to be followed for implementing and monitoring the CSR Activities shall also be followed while formulating the Annual Action Plan. The Annual Action plan shall be simple, action oriented, measurable, and relevant and time bound.

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR Policy, which shall include the following, namely:-

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.
