



Corporate Social Responsibility (CSR) Policy

1. Policy Statement:

At CEAT, we believe that Corporate Social Responsibility (CSR) is an integral part of our Company's ethos and one of our core business tenets.

As a responsible business corporation, the Company takes pride in implementing effective CSR initiatives to address critical societal needs, both in the communities we operate in and in society at large. Our CSR initiatives are therefore, also aligned with the Sustainable Development Goals (SDGs)* established by the United Nations. We also encourage our employees to volunteer and participate in our CSR outreach to build a culture of social responsibility and give them an opportunity to give back to the communities they live with to become responsible citizens.

2. CSR Purpose & Vision:

Our purpose is to support communities to lead purposeful, healthy & dignified lives, thereby driving "holistic empowerment" and overall well-being of the community. Our vision is to bring about a long term sustainable change in the lives of less privileged through implementation of initiatives that have a clear societal impact.

3. CSR Philosophy and Approach:

The Company proposes to create social impact through 'hands on' execution of the social initiatives, directly and / or through partnerships with individuals, institutions, NGOs and local Government bodies in a PPP model for the purposes of accessing expertise/enhancing resources and for support in project implementation. We will also strive to contribute towards the SDGs established by the UN, and play our part as a responsible Indian & Global corporation.

*The Sustainable Development Goals (SDGs) are a collection of 17 interrelated global goals set out by the [United Nations](#). The goals were developed to replace the [Millennium Development Goals](#) (MDGs) which ended in 2015.

For more info : <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>

4. CSR Objectives:

The Company may carry out any one or more of the CSR activities, notified under the Section 135 of the Companies Act, 2013 from time to time, inter-alia the following:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
- viii. Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the central government;
- x. Rural development projects; and
- xi. Slum area development.

The above list is illustrative and not exhaustive. The CSR Committee is authorised to also consider CSR activities which are not included in the list.

5. CSR Strategy & Initiatives:

In 2014, the Company engaged Tata Institute of Social Sciences (TISS) to identify social needs and gaps in and around the geographies it operates. As recommended by TISS

in its report, the Company, for achieving its CSR objectives, will work in broadly four focus/thrust areas which it believes demonstrates its philosophy & values:

Eye Health Care

Purpose: Develop eye healthcare awareness among communities and stakeholders and reduce incidence of avoidable blindness.

- India has the world's largest blind population (about 25% of the world's blind people live in India) and nearly 80% of the cases would have been preventable with suitable & timely eye care interventions.
 - Our flagship program Netranjali is an Eye health care program that focuses on eye care awareness and screening to significantly reduce the incidence of preventable blindness.

Education

Purpose: Support the transformation of the education system in India to achieve its goals of increasing equity and employability among children and support teachers and schools to develop high quality learning spaces.

- Over 65% of children in India study in government run public schooling systems that have low accountability and inadequate infrastructure. Our interventions aim to work with the government run schools to provide those systems support to build accountability and pride.
 - One of our programs, Pehlay Akshar – Training works with teachers to help them create safe learning classrooms where they appreciate, motivate and engage young learners to actively participate and learn.
- School Enrolment rates in India have seen a sharp rise in the last few decades with the government providing schools in nearly all habitations across the country. However, drop outs rates continue to be very high and employability remains extremely low for those who exit the education system at various levels from schools to colleges.
 - Our program, Pehlay Akshar – Schooling works closely with schools and youth to increase employability skills. Many of these skills include a deeper initiation into communication skills, language skills and other 21st century skills* that provide better opportunities for young people to be more employable.

* The term 21st century skills refers to a broad set of knowledge, skills, work habits, and character traits that are believed to be critically important to success in today's world, particularly in collegiate programs and contemporary careers and workplaces. Generally speaking, 21st century skills can be applied in all academic subject areas, and in all educational, career, and civic settings throughout a student's life. (Source: <http://edglossary.org/21st-century-skills/>)

Women Empowerment

Purpose: Empower women by supporting them to develop a gender equitable society, where women have equal opportunities and rights to engage, participate and contribute to national development.

- In the UN's HDR (Human Development Report), 2015 Gender Inequality ranking, India received a low ranking of 125 among 188 countries. This index takes into account 5 critical indicators – maternal mortality ratio, adolescent birth rate, share of seats in parliament, population with at least secondary education and the labour force participation.
- Economic Empowerment for women allows women increased respect, participation and ability to contribute to an equal society. It offers more long term benefits for their families and increased opportunities for young girls in their community to exercise their rights.
 - Our programs, Swayam and Sanjeevani, support women from less privileged sections of society to acquire technical and soft skills to take up jobs in the transport and healthcare industries.

Community Development

Purpose: Holistic Development of communities around our Plant locations and stakeholders at large to lead purposeful, healthy and dignified lives.

Our Community Development initiatives focus on a multitude of interventions based on need and a continuous engagement with our communities to help them to improve their lives in the following areas:

- Equity and Opportunity – Provide multi-skill training and engagement with communities and young people to help develop more equal opportunities for all, including access and use of emerging digital technologies.
- Employability - Providing multi-skill training to women & youth leading to their economic empowerment via alternate livelihoods eg. Retail, Tailoring, Ready-made garment making, Beautician, Mobile repair, Motor rewinding etc.
- Water and Sanitation: Provision of drinking water and Rain Water Harvesting structures as well as building toilets and creating sanitation awareness in schools, communities, etc.
- Community Health: Health awareness sessions for women, adolescents & children; initiatives to reduce levels of malnutrition among children, etc.
- Community Mobilization: Work closely with the community to mobilize them to make them aware of their rights and support them to develop unique solutions to their own problems.

- Environment and Biodiversity: Engage with communities to build an awareness for biodiversity, undertake activities and projects to protect our environment and promote preservation of environment as a value.

6. CSR Governance & Implementation:

The Board of Directors of the Company has constituted a CSR Committee in accordance with the provisions of Section 135(1) and rules made thereunder, as amended from time to time. This Committee will be responsible for the following:

- a. Give strategic direction to the CSR initiatives
- b. Formulate and review annual plans and programs
- c. Recommend the amount of expenditure to be incurred on various activities
- d. Monitor and report to the Board the progress on various chosen projects

CEAT's CSR initiatives can be implemented directly and / or through the RPG Foundation or any other Foundations, Trusts, Not for profit organizations, private vendors with an appropriate track record, NGOs and local Government bodies in a PPP model for the purposes of accessing expertise/enhancing resources and for support in project implementation. We will also strive towards the SDGs established by the UN, and play our part as a responsible Indian & Global corporation. Such organizations will be registered organizations under the relevant laws eg. Income Tax Act.

Any surplus arising out of the CSR projects or programs shall not form the part of the business profits of the Company.

7. Monitoring of CSR Initiatives:

The CSR Committee will be responsible to monitor the CSR implementation of the CSR initiatives inter-alia through:

- a. Programme Planning
- b. Implementation plans and schedules
- c. Situational and other assessment tools
- d. Any other tools

8. Miscellaneous:

- a. The Committee may spend more than 2% of its average profit determined in accordance with the provisions of Section 135 of the Companies Act, 2013 and

Rules made thereunder, through the CSR initiative described herein, which may either be revenue or Capex. The Committee may, at its discretion, also recommend contribution to the Prime Minister Relief Fund.

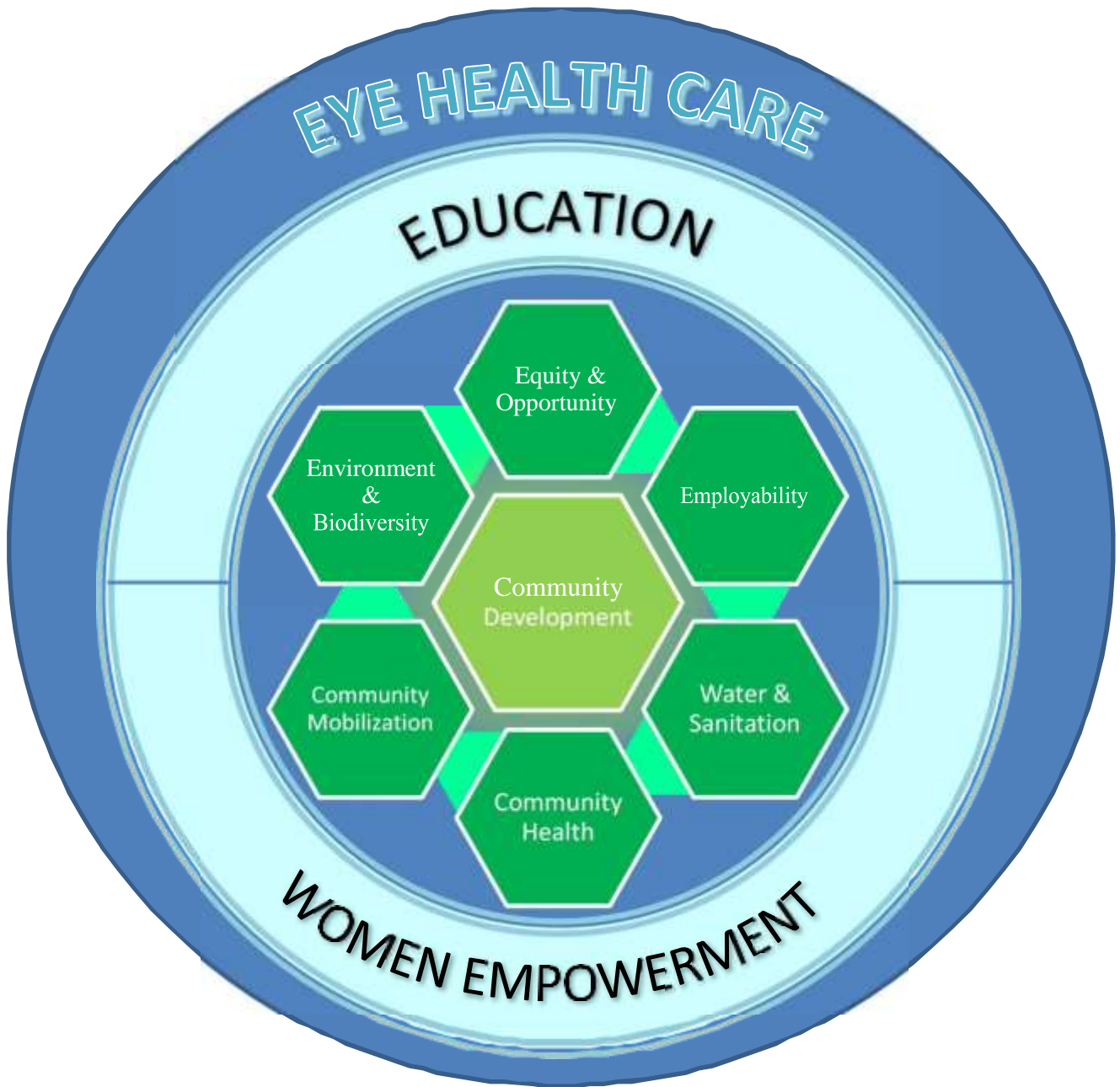
- b. Any project or programme benefiting only the employees of the Company or their families shall not be considered a CSR activity.
- c. The contribution, if any, made by the Company to RPG Foundation or other entities mentioned herein, the Committee shall ensure that such contribution are used for specified projects or programmes. The Committee shall also specify the monitoring and reporting mechanism for such projects or programmes.

9. Reporting and Communications:

- a. The CSR Policy shall be displayed at the Company's web site for information of all the stakeholders.
- b. A report on details of CSR activities such as CSR projects and activities, programme locations, progress, budget and actual spends of the CSR projects etc. shall be included in the Company's Annual Report. This report shall follow the format if any prescribed under the provisions of the Companies Act, 2013.

APPENDIX 1

CEAT CSR Strategy



Impact

Tier 1 (Inside circle) – Community Development projects - at the CEAT plants' Local Community

Tier 2 (Outside circles) – Eye Health Care, Education and Women Empowerment – in Society at large

APPENDIX 2

CSR Projects & Goals

We aim to ensure the sustainable development of the Company and society at large through social interventions which will in turn help CEAT earn social trust through its business operations and through activities that will transcend its business and make broader social contributions.

Some of our planned programs are developed on the basis of an extensive baseline Needs Assessment Study done by Tata Institute of Social Sciences (TISS), CSR Hub, amongst our various stakeholders at different locations. The Company will work closely with its implementation partner, RPG Foundation to execute these programs or others to achieve a long term sustainable impact.

Our planned programs interventions

Netranjali – Eye Health Care goals

- Promote eye health care and reduce vision and eye health related disparities through various community interventions...from promotive and preventive to finally rehabilitative/ curative.
- Improve the eye health and lives of people with vision loss by preventing complications & disabilities by early stage detection & intervention.
- Eye care interventions across life stages from children to senior citizens.

Pehlay Akshar – Schooling – Education goals

- Help in achieving equity and employability among school children.
- Impart English fluency, both spoken and reading, to children enabling them for future employability.
- Strengthen government run public schooling systems to build accountability and pride.

Pehlay Akshar – Training – Education goals

- Transform public education through a training and coaching program for teachers to help them develop “Magic classrooms” where all children feel secure and are encouraged to learn and participate.

Sanjeevani – Women Empowerment goals

- Provide specialized health care training to less privileged women to become patient care assistants, bed care assistants and other para-professionals in the healthcare system.

Swayam – Women Empowerment goals

- Empower women through driving skills to provide them employment opportunities to spur a powerful social change in the transport sector.

Community Development Projects and goals:

Saksham

- Enabling unemployed youth, school dropouts, etc. to be economically self-sustained via provision of vocational technical training.
- Capacity building of ITIs to increase employability options for students.
- Providing multi-skill training to women and youth leading to their economic empowerment via alternate livelihoods eg. Tailoring, entrepreneurial skills etc.

Jeevan

- Carrying out water based intervention in the rural communities thereby reducing water borne diseases & improvement of overall health.
- Reduce level of malnutrition amongst young children.
- Health awareness drives amongst women, adolescents & children.

Any other need based interventions that promote the quality of life in our communities

Our Implementation Partnerships

RPG Foundation is a Public Charitable Trust registered under the Bombay Public Trust Act 1950, to function as a centralized body for implementing CSR activities of the various group companies of the RPG Group of Companies.

RPG Foundation will work as our core implementation partner for CEAT and will create cross-company/NGO synergies to encourage exchange of CSR ideas, best practices and learning.

The Company also encourages building other partnerships as required with Government Organizations (GOs), Non-Government organizations (NGOs), CSRs of various companies and Private entities like Municipal Corporation of Greater Mumbai (MCGM), other local government bodies, etc. to build a sustainable impact and reach out to a large and varied section of the society.

Version	Approval Date	Approved by	Effective Date
2	July 20, 2018	Board of Directors	July 20, 2018