



## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Policy:**

HUL is committed to operate and grow its business in a socially responsible way. Our vision is to grow our business whilst reducing the environmental impact of our operations and increasing our positive social impact.

This policy outlines our Corporate Social Responsibility agenda. Our aim is to achieve responsible growth and we will inspire to bring this to life by encouraging people to take small everyday actions that will add up to make a big difference. We have embraced Unilever Sustainable Living Plan (USLP) (Link -- <http://www.hul.co.in/sustainable-living/> ) which contributes to activities listed in the Schedule VII of Section 135 of the Companies Act, 2013. The USLP has three global goals namely help more than a billion people take action to improve their health and wellbeing, reduce the environmental footprint of our products and enhance the livelihoods of people as we grow our business. Additionally, considering India as a water scarce region and the water availability is expected to go down further, HUL has identified water as a key area of intervention. We will focus in this area by creating capacities in conserving water through significant investments in partnership with relevant stakeholders with the objective of water conservation.

Corporate Social Responsibility (CSR) Principles: HUL's CSR Policy is supported by the following principles:

1. We are committed to conducting our operations with integrity and respect, in the interest of our stakeholders, and in line with our Code of Business Principles.
2. We believe growth and environmental sustainability need not be conflicting. Our business model is designed to deliver sustainable growth. The inputs to the model are our brands, our people and our operations. The outputs to the model are sustained growth, lower environmental impact and positive social impact. The differentiator in our business model is our USLP and the goal of sustainable living.
3. We collaborate and engage with different stakeholders including Governments, NGOs, IGOs, Suppliers, Farmers, and Distributors to tackle the challenges faced by the society.

In accordance with Section 135(5) of the Companies Act, 2013 (the Act), HUL is committed to spend at least 2% of its average net profits made during the three immediately preceding financial years in some of the identified activities that are listed in Schedule VII (as amended) to the Act. This will include the spends through activities undertaken by Hindustan Unilever Foundation (HUF), our not for profit subsidiary Company, aimed at building capacities to conserve water and to further community development initiatives.

Governance mechanism: We follow structured governance procedures to monitor CSR activities. Our CSR Policy is governed by the Board of Directors of the Company. The Board has constituted a CSR Committee comprising of an Independent Chair and a majority of Independent Directors to monitor the Policy and the programmes from time to time.

The activities described in Annexure A appended hereto are covered under Schedule VII (as amended) of the Act that lists down permitted activities that constitute such activities. These activities undertaken by the Company are not expected to lead to any additional surplus beyond what would accrue to the Company in the course of normal operations.

The Policy issued pursuant to the Corporate Social Responsibility Policy Rules, 2013 has been recommended by the CSR Committee of the Board and adopted by the Board of Directors. It can be downloaded from our corporate website – [www.hul.co.in](http://www.hul.co.in)

Our current CSR activities with their execution modalities and implementation schedules is appended below as **Annexure A**. The Company may take up other CSR activities as may be appropriate.

**Annexure A**

Sr. no.	HUL initiative	Schedule VII activity	Execution details	Target and timeline
1	Project Shakti	Employment enhancing vocation skills for women/livelihood enhancement projects and empowering women	<p>Project Shakti is an initiative to financially empower rural women and create livelihood opportunities for them. Through this project, the Company endeavors to enhance livelihoods of rural women. Around 70% of Shakti Ammas are working in low Human Development Index (HDI &lt; 0.51) districts.</p> <p>We contact and appoint rural women as Shakti Entrepreneurs (SE), commonly referred as 'Shakti Ammas'. SE is educated and trained by the rural promoter about the Company products and their utility in day to day life in maintaining health and hygiene. After being trained about the products she receives stocks from our rural distributor at a discount below the price at which the</p>	We will increase the number of Shakti Entrepreneurs that we recruit, train and employ from 45,000 in 2010 to 75,000 in 2015.

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			<p>products are sold in the normal course.</p> <p>The Shakti Entrepreneur then sells these goods both directly to consumers (through home to home selling) and to retailers in the village.</p> <p>The Company has trained thousands of Shakti Ammas across the villages in a bid to develop an entrepreneurial mindset and make them financially independent and more empowered. A typical Shakti Amma earns around Rs. 1000/- per month through selling our products. A Shakti Amma in her village gains a social stature as she is associated with the reputed company in addition to being financially empowered.</p>	
2	Hand Washing Behaviour Change Programme	Promoting preventive healthcare and sanitation	More than 600,000 children in India do not reach the age of five due to infections like diarrhea and	<p>By 2015, we aim to change the hygiene behavior of 100 million people in India.</p> <p>This initiative will help</p>

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			<p>pneumonia.</p> <p>Independent research has shown that washing hands with soap at five critical times in a day can reduce the incidence of these infections significantly. Therefore inculcating behavior change amongst people is important. The experience shows that children are in the best position to bring in this change among their respective families. The Company conducts hand washing awareness programmes in anganwadis (pre-school centre) and schools. In 2013 we conducted pilot project in Thesgora village in the state of Madhya Pradesh where the incidence of diarrhea deaths was very high. With the intervention of the hand washing awareness programme the incidence of diarrhea was reduced from 36% to 5%.</p>	<p>reduce the incidence of life-threatening diseases like diarrhea and pneumonia which claim lives of over 600,000 children in India.</p>

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			<p>In partnership with Madhya Pradesh and Bihar Governments we ran pilot projects and conducted school contact programmes.</p> <p><b>Programmes Proposed:</b></p> <p>We will scale up the hand washing awareness programmes in Madhya Pradesh and Bihar in partnership with respective state governments and IGOs / NGOs in 2014. The modalities are being worked out.</p>	
3	Domex Toilet Academy (DTA)	Sanitation & promoting preventive healthcare	<p>The World Health Organisation and United Nations Children's Education Fund (UNICEF) estimate that there are more than 620 million people practicing open defecation due to lack of access to proper sanitation and 60% of all open defecations in the world are in India. DTA and eKutir Rural Management Services Private Limited, a</p>	<p>Half of the population in India does not have access to proper sanitation facilities. In many cases people do not use toilets for defecation. Therefore, it is important to create awareness about behavior change on improved sanitation.</p> <p>Over the next few years, the target is to build 20,000 – 25,000 toilets. In the long run and by</p>

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			<p>social enterprise identifies and trains local micro-entrepreneurs who help execute the project in their local communities by supplying and building toilets. DTA provides the seed capital to these entrepreneurs through eKutir to start up their activity, and also helps with initial operational costs for the execution of the project.</p> <p>The objective is to reduce the incidence of open defecation and improve proper sanitation thereby promoting preventive healthcare. DTA works with local self-help groups who educate people on the importance of proper sanitation and provide them access to micro-loans through micro-finance institutions to buy the toilets from the local micro-entrepreneur appointed by DTA.</p>	<p>2020, we will help large number of people to improve their hygiene habits in India.</p>

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4	Safe Drinking Water	Making available safe drinking water	The lack of safe drinking water is a major public health issue, particularly in developing countries where majority of diseases are waterborne. Pureit in-home water purifier provides water 'as safe as boiled water', without the need for electricity or running water. Pureit partners with NGOs across the country to make safe drinking water accessible to people.	We aim to make safe drinking water available and affordable to people from economically weaker sections of society in partnership with microfinance and NGO partners in India.
5	FAL Foundation	Promoting education, empowering women, employment enhancing vocation skills for women	The Foundation identifies academically exceptional girls from financially challenged backgrounds and offers scholarships to the candidates. To maintain integrity and fairness the selection is done by a panel of eminent personalities from diverse fields.	The Foundation is around a decade old. It is a long term endeavor of the Company to help exceptionally bright girls with scholarships granted through FAL Foundation. The target for granting scholarships in the financial year 2014-2015 is Rs. 1 crore to deserving students.
6	Sustainable Sourcing	Ensuring environmental sustainability, ecological balance,	An important part of our raw materials come from farms and decisions relating to such procurement can	We are committed to sourcing all our agricultural raw materials sustainably by 2020.



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		protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining of quality of soil, air and water.	have profound implications on climate change and farmers' livelihoods.  In 2012, we entered into a public-private partnership with the Maharashtra Government for sustainable sourcing of tomatoes locally. For this project, the Government of Maharashtra in 2013 registered over 1600 farmers who grow tomatoes on over 2000 acres.	
7	Water Conservation Projects	Improving environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining of quality of soil, air and water.	Estimates tell us that by 2030, the supply of water in India will be half its demand. To understand and partake in meeting this challenge, we set up the Hindustan Unilever Foundation in 2010. It is a not for profit company that anchors various community development initiatives of Hindustan Unilever Limited. Hindustan Unilever Foundation supports national priorities for socio-	By March 2016, our partnerships and collective actions would make available a cumulative water potential of 100 billion liters in over 500 villages and habitations across India.

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			economic development, through its Water for Public Good programme. Each of our projects also complies with the requirements of the National Voluntary Guidelines and the Companies Act, 2013.	
8	Relief Funds	Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.	HUL has always been at the forefront in responding to its call for national duty and has contributed generous amounts for upliftment of community hit by natural disasters. It has done this through contribution to Government relief funds	Driven by occurrence of event.
9	Prabhat	Rural development projects	'Prabhat' (Dawn) is a program which focuses on communities around our factories. The areas of intervention are Health & Hygiene,	The project aims to create a positive social impact in the lives of 1 million people.

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			<p>raising livelihoods and conserving water. The Water Conservation initiative is led by Hindustan Unilever Foundation, a wholly owned subsidiary of HUL which looks at improving the water security in selected regions. The Livelihood programme aims to empower today's youth by providing them with employable skills thereby enhancing their livelihoods. HUL is collaborating with NGOs to implement the project.</p>	
10	Happy Homes: Asha Daan & Ankur	Setting up homes and hostels for women and orphans	<ul style="list-style-type: none"> <li>Asha Daan: The initiative began in 1976, when HUL supported Mother Teresa and the Missionaries of Charity to set up Asha Daan, a home in Mumbai for abandoned, challenged children, the HIV-positive and the destitute. Asha Daan has been set up on a 72,500-</li> </ul>	Ongoing and long term charitable activity. To provide shelter to the underprivileged members of the society; these include abandoned, challenged children, the HIV-positive and the destitute. While HUL funds the annual maintenance of the premises, the Missionaries of Charity look after the inmates.

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			<p>square feet plot belonging to HUL, in the heart of Mumbai city. Since the inception of Asha Daan in 1976, HUL has been looking after the maintenance of the premises. At any point of time, HUL takes care of over 400 infants, destitute men and women and HIV-positive patients at Asha Daan.</p> <ul style="list-style-type: none"> <li>• Ankur: Ankur is a centre for special education for otherwise challenged children at the Doom Dooma in Assam. It was set up in 1993 by HUL's Plantations Division at Doom Dooma. Ankur provides educational, vocational and recreational activities to specially-abled children.</li> </ul>	
11	Sanjivani	Promoting preventive healthcare	HUL runs a free mobile medical service camp -- Sanjivani -- near its Doom Dooma Factory in	Ongoing and long term preventive healthcare activity. Our aspiration is to provide healthcare in far and remote areas

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			<p>Assam. The aim is to provide free mobile medical facility in the interior villages of Assam. There are two mobile vans dedicated to the project, each vehicle has one male and one female doctor, two nurses, a medical attendant (helper) and a driver. The vans are equipped with basic kits such as diagnostic kit, blood pressure measuring unit, medicines and a mobile stretcher. The Sanjivani team has provided medical assistance to nearly 2.5 lakh patients since its inception in 2003 and covered more than four thousand camps till July 2013.</p>	<p>where basic medical facility is not available through our mobile medical service camps and thereby help a large number of the population over a period of time.</p>