

	<p>UL India Private Limited Corporate Social Responsibility Policy</p>	<p>Document Number: Issue #: 1 Issued Date: Effective Date: 02/01/2019</p>
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UL India Private Limited
Corporate Social Responsibility Policy

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1. BACKGROUND

The process of economic liberalization over the past decades has allowed greater integration of the corporate sector into India's growth story. With the passage of the Companies Act, 2013 ("**Companies Act**"), Corporate Social Responsibility ("**CSR**") has been formally introduced within the legal lexicon of corporate laws in India. The industry and stakeholders have responded positively to this development. India's corporate sector has played an important role in reaching out to various stakeholders to carry forward the CSR sustainability movement.

2. UL INDIA'S COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY (CSR), KNOWN AS SOCIAL SUSTAINABILITY

UL India Private Limited ("UL India") is part of UL Inc. ("UL"), a global independent safety science company with more than a century of expertise innovating safety solutions from the public adoption of electricity to new breakthroughs in sustainability, renewable energy and nanotechnology. At UL, we are committed to positively impacting our planet, its people and prosperity as we work for a safer, more secure and sustainable world.

UL is dedicated to helping shape a global culture of sustainability through our actions, services and offerings, which empower our customers, stakeholders and communities to realize a better world. Through transparency, communication and corporate citizenship, we aim to inform, influence and inspire others along our path toward a sustainable future. (**UL Sustainability Policy, Annexure C**).

UL's social sustainability efforts connect local and global issues directly to our mission of working for a safer world, offering opportunities for us to utilize our human capital to make a personal, positive and sustainable impact. Employee participation in volunteer service enhances our mission and deepens our connection to the communities where we work and live, to each other, and to our planet. (**UL Sustainability Policy, Annexure C**).

As a conscientious member of the Indian corporate community, UL India is committed to adhere to the CSR provisions as enumerated in Schedule VII of the Companies Act, 2013 (enclosed as **Annexure A** to this policy), and such other CSR activities as may be notified by Ministry of Corporate Affairs ("**MCA**") from time to time. UL India shall make every endeavor to implement CSR programs in the local areas where the company and its branches operates or on a national scale.

3. CONSTITUTION OF UL INDIA CSR COMMITTEE

The Board of Directors of UL India ("**Board**") has established a Corporate Social Responsibility Committee ("**CSR Committee**"). The following are the first members of the CSR Committee:

- Mr. Suresh Sugavanam;
- Mr. Prosenjit Roy;



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Any subsequent change in the constitution of the CSR committee shall be at the approval of the Board. The members of the CSR Committee shall appoint one amongst themselves as the chairman of the committee.

4. ROLES AND RESPONSIBILITIES:

1. To conduct CSR activities either singly or in collaboration with its holding company / subsidiary company / associate company or through a recognized third party implementing agency (registered trust or a registered society or a company set up under section 8 of the Companies Act) with proven track record.
2. To monitor the usage of CSR funds, through independent verification, to ensure compliance with any instructions given by the Board.
3. To allocate CSR funds each financial year in accordance with the CSR Rules, and not retain amounts for its own use or in its own accounts. For the avoidance of doubt, in the event that any budget surplus does arise out of any CSR program or remain after all expenditures of CSR funds have been completed in any financial year, such surplus shall not form part of the business profits of UL.
4. If in any financial year there is no spending from CSR funds, a reason for not spending the amount shall be reported in the Board's Report, and the said unspent amount transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.
5. To transfer any unspent amount of an ongoing project to a special account to be opened in any schedule bank to be called the Unspent Corporate Social Responsibility Account, within thirty days from the end of the financial year.
6. To spend the unspent amount of point 4 above within three financial years from the date of such transfer, failing which, the unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
7. To revise the CSR Policy so as to reflect any additional requirements of the Companies Act that may apply to such CSR program, and to provide the Board with a detailed report on all ethical, social, legal, economic and other issues to be considered in connection therewith.
8. To consult with UL India's accounting team to determine the amount of CSR funds that can be made available for expenditure for that financial year. **Note** - The CSR funds calculated in accordance with the CSR Rules for each year shall be equal to at least two per cent (2%) of the average net profits made by UL India during the immediately preceding three financial years. As reported on UL India's annual returns in each year, any dividend income received from another Indian company or any profits arising out of its offices, subsidiaries or affiliates located outside of India, should be excluded.



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9. UL India's Corporate Social Responsibility Committee abides by and upholds the UL Sustainability Policy (**Annexure C**), enacted by UL Inc.'s Corporate Sustainability Council, the governing body for global sustainability at UL.

5. GOVERNANCE:

1. To hold CSR committee meeting at least once a year.
2. To recommend the Board on the CSR activities to be undertaken during the financial year and the amount of CSR spending allocated.
3. The Board shall review such recommendation and determine the suitability and appropriateness thereof in its sole discretion.
4. The Board shall approve a formal recommendation of the CSR Committee within 30 days of receipt of the recommendation. Such approved recommendations shall be kept in the books and records of the Company.
5. To add or remove any member of the committee subject to prior approval of the Board.
6. To maintain the quorum of minimum 2 (two) members to hold a committee meeting.
7. To make any changes to the policy subject to approval of the Board.
8. To record the minutes of the CSR committee meeting and obtain Chairman's signature thereon, within 30 (thirty) days of the holding the committee meeting.
9. The CSR Policy shall at all times be subject to the approval of the Board and UL's Corporate Sustainability Council, and shall display the CSR Policy and the UL Sustainability Policy on UL India's website.

6. ANNUAL REPORT:

For every financial year, UL India shall prepare an annual report on the CSR activities in the format set forth in **Annexure B** hereto. Such report shall include, at a minimum: (i) a brief outline of the CSR Policy; (ii) the composition of the CSR Committee; (iii) the average net profit of UL India for the three immediately preceding financial years; and (iv) the CSR funds available for such financial year, calculated in accordance with the CSR Rules. If UL India has been unable to spend the entire CSR funds on CSR activities or CSR programs as envisaged under the Companies Act or CSR Rules, the report shall specify the reasons therefore.



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ANNEXURE A

EXTRACT OF SCHEDULE VII OF COMPANIES ACT, 2013

The Companies Act specifies that the requirements of the CSR Rules may be fulfilled through implementing programs or projects, or making contributions to certain third parties, focused on:

- (i) eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh (“**Clean India Fund**”) set-up by the Central Government for the promotion of 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 including contribution to the Ganga Clean Fund set up by the Central Government for rejuvenation of river Ganga;
- (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 arts and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents;
- (vii) training to promote rural sports, nationally recognized 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 Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled 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.

Explanation.— For the purposes of this item, the term ‘slum area’ shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.



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ANNEXURE B

FORMAT FOR THE ANNUAL REPORT ON UL INDIA CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

1. A brief overview of CSR activities proposed to be undertaken. UL India's CSR Policy shall be attached to the Board's Report.
2. The composition of the CSR Committee.
3. Average net profit of UL India for last three financial years
4. Prescribed CSR Expenditure (two per cent of the amount in item 3 above)
5. Details of funds spent on CSR activities during the financial year.
 - a. Total amount to be spent for the financial year;
 - b. Amount unspent, if any;
 - c. Manner in which the funds were spent during the financial year as detailed below.

Sr. No.	CSR Project or Activity Identified.	Sector in which the CSR Activity is covered	Projects or programs: 1. Local area or other 2. The State and district where the CSR Activity was undertaken	Budget for CSR Activity	Amount actually spent on CSR Activity 1. Direct expenditure 2. Overhead	Cumulative expenditure on CSR Activity during the reporting period	Total amount spent (either directly or through an implementing agency*)
1.							
2.							
	Total						

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ANNEXURE C

UL SUSTAINABILITY POLICY

At UL, we are committed to positively impacting our planet, its people and prosperity as we work for a safer, more secure and sustainable world.

We are dedicated to helping shape a global culture of sustainability by our actions, services and offerings, which empower our customers, stakeholders and communities to realize a better world. Through transparency, communication and corporate citizenship, we aim to inform, influence and inspire others along our path toward a sustainable future.

UL supports the United Nations Sustainable Development Goals (SDGs) and the Ten Principles of the United Nations Global Compact. We commit to optimizing our human, financial and brand capital to implement the sustainable strategies required to achieve these goals and principles.

People:

UL is committed to creating a safe, inclusive and respectful environment where our employees thrive. We strive to make our employees feel valued by offering fulfilling, mission-driven work, professional advancement and ongoing training and educational opportunities.

UL's social sustainability efforts connect local and global issues directly to our mission of working for a safer world, offering opportunities for us to utilize our human capital to make a personal, positive and sustainable impact. Employee participation in volunteer service enhances our mission and deepens our connection to the communities where we work and live, to each other, and to our planet.

The safety, security and sustainability of people is at the core of our business. Therefore, we expect our suppliers to practice responsible sourcing, foster safe work environments, exhibit transparency and ensure the secure distribution of goods.

Planet:

UL is committed to setting significant science-based targets to reduce our carbon footprint, preserve natural resources, and minimize our environmental impact.

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We are dedicated to improving environmental sustainability throughout our operations by discovering and implementing sustainable efficiencies and innovations. To demonstrate transparency and evaluate our progress, we will continuously measure and report on our efforts to conserve water, improve our energy efficiency, and reduce waste.

Our services and offerings enable our customers and stakeholders to develop the evolved, sustainable and responsible product and system solutions that will help ensure a safer, healthier planet.

Prosperity:

UL has been working for a safer world for more than a century. As we continue to innovate and expand, we empower ourselves alongside our customers, peers and partners to secure a thriving and abundant future for all.

Prioritizing sustainability requires the leadership, commitment and support of our councils, board members, and every UL employee in every role.

We trust our colleagues to enthusiastically embrace this policy and enact our mission of a safer, more secure and sustainable world.