



Business Responsibility Report

Emami Ltd.

Section A: General Information about the Company

1. **Corporate Identity Number (CIN):** L63993WB1983PLC036030
2. **Name of Company:** Emami Limited
3. **Registered Address:** Emami Tower,
687, Anandapur, E.M. Bypass,
Kolkata 700107, West Bengal
4. **Website:** www.emamilttd.in
5. **Email ID:** contact@emamigroup.com
6. **Financial Year Reported:** 2017-18
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):** Emami is a Fast-Moving Consumer Goods (FMCG) company and operates in niche consumer and healthcare product categories like Cooling Oils, Balms, Antiseptic cream, Fairness creams for men and ayurvedic Hair and Scalp Care Oils. The principle products of the Company with Industrial Activity code are:

Sl.	Product	Industrial Activity Code
1.	Navratna Oil	30049011
2.	Zandu and Mentho Plus Balm	30049011
3.	BoroPlus Antiseptic Cream	30049011
4.	Fair and Handsome Cream	33049910
5.	Kesh King Oil	30049011

8. List Key products / services that the Company manufactures/ provides:

- i. Navratna Oil
- ii. Zandu and Mentho Plus Balm
- iii. BoroPlus Antiseptic Cream
- iv. Fair and Handsome Cream
- v. Kesh King Ayurvedic Hair & Scalp Medicinal Oil

9. Total number of locations where business activity is undertaken by the Company:

- i. Number of International Locations (Details of major 5) - Emami operates through 9 overseas subsidiaries and has presence in 60+ countries with a manufacturing unit in Bangladesh as well. Major geographies where Emami operates in are:
 - a. South Asian Association for Regional Cooperation (SAARC)
 - b. Middle East, North Africa and Pakistan (MENAP),

- c. South East Asia and Australia (SEAA)
- d. CIS and Eastern Europe (CISEE)
- e. Africa

- ii. Number of National Locations: Emami carries out its operations through its Head Office in Kolkata, 4 regional offices, 8 manufacturing units, and 27 depots across India.

10. Markets Served by the Company: Indian market, export and operations in International geographies as above.

Section B: Financial Details of the Company

- | | |
|---|--------------|
| 1. Paid Up Capital (INR): | 22.69 crore |
| 2. Total Turnover (INR): | ₹2,541 crore |
| 3. Total Profit after Taxes (INR) | ₹307 crore |
| 4. Total spending on CSR as a percentage of Profit After Tax | 3.1% |
| 5. List of activities in which expenditure in point 4 above has been incurred | |
| a. Promoting Education and Enhancing Vocational Skills | |
| b. Promoting Healthcare Water and Sanitation | |
| c. Social Upliftment Programmes | |

Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies? : Yes.

2. Do the Subsidiary Company / Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(ies):

Emami has subsidiaries in foreign countries as under:

- i. Emami Bangladesh Ltd.
- ii. Emami International FZE
- iii. Emami Overseas FZE (Step down subsidiary of Emami International FZE)
- iv. Pharmaderm Company SAE (Step down subsidiary of Emami Overseas FZE)
- v. Fravin PTY Ltd (Step down subsidiary of Emami International FZE)
- vi. Diamond Bio-Tech Laboratories PTY Ltd. (Step down subsidiary of Fravin PTY Ltd.)
- vii. Greenlab Organics Ltd. (Step down subsidiary of Fravin PTY Ltd.)
- viii. Abache PTY Ltd. (Step down subsidiary of Fravin PTY Ltd.)

ix. Emami Indo Lanka Pvt. Ltd.

The Business Responsibility policies of the subsidiaries are in line with the Company's requirements.

3. Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities (Less than 30%, 30-60%, more than 60%).

The Business Responsibility policies are applicable to the management and all the employees of the Company and its subsidiaries. Emami Limited encourages adoption of BR initiatives by its Business Partners. Based on dialogue with the suppliers and distributors of the Company, currently less than 30% of other entities participate in the BR initiatives of the Company. The Business Responsibility policies are currently applicable to the management and all the employees of the Company

Section D: BR Information

1. Details of Director/ Directors responsible for BR

a. Details of Director/ Directors responsible for implementation of the BR policy/ policies:

- Name of the Director: Shri S.K. Goenka
- Designation: Managing Director
- DIN No: 00149916

b. Details of the BR head:

Sl.	Particulars	Details
1.	DIN No. (if applicable)	00149916
2.	Name	Shri S.K. Goenka
3.	Designation	Managing Director
4.	Telephone No.	033-66136624
5.	Email id	skgoenka@emamigroup.com

2. Principle wise (as per NGV's) BR Policy/ Policies (Reply in Y/N)

- Principle 1: Ethics, Transparency and Accountability [P1]
- Principle 2: Products Lifecycle Sustainability [P2]
- Principle 3: Employees' Well-being [P3]
- Principle 4: Stakeholder Engagement [P4]
- Principle 5: Human Rights [P5]
- Principle 6: Environment [P6]
- Principle 7: Policy Advocacy [P7]
- Principle 8: Inclusive Growth [P8]
- Principle 9: Customer Value [P9]

Sl.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1.	Do you have policy/policies for....?	Y	Y	Y	Y	Y	Y	Y	Y	
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes. The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs. The policies are based on the above guidelines								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Yes. The policies have been approved by the Managing Director								
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	
6.	Indicate the link for the policy to be viewed online?	Y	Y	Y	Y	Y	Y	Y	Y	
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	
8.	Does the Company have in-house structure to implement the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	

2a. If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl.	Questions	P	P	P	P	P	P	P	P	P
		1	2	3	4	5	6	7	8	9
1.	The Company has not understood the Principles									
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

Not Applicable

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The BR Head periodically assesses the BR performance of the Company.

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently is it published?

Emami Limited annually publishes its Business Responsibility Reports in its Annual Report. The Business Responsibility Reports can be accessed at: <http://www.emamilttd.in/investor-info/>

Section E: Principle wise performance

Principle 1:

Ethics, Transparency and Accountability

Emami Limited believes that integrity is a core value and forms the basis of the Company's organisation culture. It lays a strong emphasis on ethical corporate citizenship and establishment of good corporate culture. It has always believed in adhering to the best governance practices to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has always discouraged practices that are abusive, corrupt, or anti-competitive.

The Company further believes the concept of corporate governance founded upon the core values of transparency, empowerment, accountability, independent monitoring and environmental consciousness. The Company has always made timely financial and statutory disclosures to all the stakeholders. The Company has always given its best efforts to uphold and nurture these core values across all operational aspects.

These values and the commitment to ethical business practices are reflected in the following policies of

the Company: (a) Policy on Ethics, Transparency and Accountability and (b) Code of Conduct. These policies inspire the Company to set standards which not only meet the requirements of applicable legislations but go beyond in many areas of its functioning. The Company periodically cascades the principles embodied under these policies across the organisation.

The Code of Conduct lays out guidelines for employees on dealing with people in the organisation, relationships with suppliers and customers, legal compliance, avoidance of conflict of interest, transparency and auditability in all their actions, protection of confidential information etc. Further, the Company has a strong and effective Whistle-blower Policy which aims to deter and detect actual or suspected misconduct. It has been established to ensure that genuine concerns of misconduct/unlawful conduct, which an individual believes may be taking place within the organisation, are raised at an early stage in a responsible and confidential manner. This mechanism also provides for adequate safeguards against victimisation of employees who avail of the mechanism. Any employee may report such incident without fear to the Chairman of the Audit Committee

or alternatively may report to Head- Internal Audit. The Policy on Vigil Mechanism may be accessed on the Company's website at <http://www.emamiltd.in/investor-info/pdf/WhistleBlowerPolicyEmami.pdf>.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes /No. Does it extend to the Group/joint ventures/ suppliers/contractors/NGOs/ others?

All individuals working in the Company are subject of the Company's policies on Ethics, Transparency and Accountability along with the Code of Conduct. The Code is applicable in line with the local requirements prevailing in the country of operation so far as the subsidiaries are concerned. Business Partners of the Company are encouraged to follow the code.

2. How many stakeholder complaints received in the past financial year and what percentage was satisfactorily resolved by the Management?

Stakeholder	Complaints Received during FY18	Complaints Resolved during FY18	Complaints Resolved (%)
Investors' Complaints	14	14	100%
Consumers' Complaints	273	273	100%
Total	287	287	100%

**Principle 2:
Products Lifecycle Sustainability**

Since its inception, Emami has been innovating and launching brands meeting multiple consumer needs, spanning across various income groups, from young to old and everyone in - between. The Company is passionate about creating best in class and affordable brands in health and personal care markets.

Emami has harnessed the potential of Ayurveda and modern science to improve lives. Emami relentlessly strives to introduce next generation, eco-friendly technologies and foster differentiation through the utilisation of people-centric technologies that win the hearts of consumers.

Even while selecting its suppliers the company undertakes a stringent assessment so as to assess the sustainability standards followed by the entities. Besides conducting vendor audits the company tries to provide them with expertise to make them more responsible towards Safety, Health and Environmental aspects.

Emami has always strived to raise the consumer's awareness of their rights through education, product labelling, appropriate and helpful marketing communication, full details of contents and composition and promotion of safe usage and disposal of their products and services. Emami undertakes multi-centre clinical trials to ensure that Emami's products do not have an untoward impact on users.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- i. Navratna Cool Oils
- ii. BoroPlus Antiseptic Cream
- iii. Zandu & Mentho Plus Balms

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

Emami has undertaken special efforts in the area of Sustainable Development. The Company has designed technologies to enable resource efficient, sustainable manufacturing processes and technologies required to produce our products. The Company has proactively looked at opportunities in green solutions as well as organic product designs. Following initiatives were undertaken in FY18 -

- i. To reduce power consumption, the company conducted the following initiatives-
 - a. Installed dedicated 33 kV lines in 2 manufacturing units producing ~60% of the goods to minimize fossil fuel usage.
 - b. Installed high speed packing machines resulting in lower power use per ton. The company further installed small boilers in parallel with regular boilers to take care of peak load to optimize fossil fuel consumption.

- c. Set up dedicated Air Handling set-up of HVAC system for separate areas to facilitate optimization of power consumption.
 - d. Initiated using energy from renewable sources by using Windmills.
 - e. Upgraded to energy efficient lights i.e. LED's in manufacturing units.
 - f. The company also plans to initiate an Energy Optimization Cell from FY 2018-19 to complete Energy Mapping in phased manner which will help in development of an Energy Reduction Plan for FY 2019-20.
- ii. Replaced HSD Fuel Boiler with Briquette Fuel Boiler and steam condensate recovery system resulting in reduced fuel and steam consumption.
 - iii. Installed new technologies to reduce water consumption and treated effluent discharge. Further, the company also initiated reuse of ETP treated water for toilet and gardening purpose.
 - iv. Implemented Condensate recovery system reducing the RO water consumption.
 - v. Initiated various projects to reduce the usage of packing materials by adopting paper tray technology, foil modification, PVC film modification, container modification and GSM reduction in laminates & card boards.
- 3. Does the Company have procedures in place for sustainable sourcing (including transportation)?**

Emami has a dedicated Bio Resource Department which in turn supports the procurement team to directly/ indirectly connect with farmers who cultivate ayurvedic medicinal herbs ensuring constant supply from sustainable sources.

While selecting and introducing any business partner the company ensures due diligence to understand whether the selected partner is conscious of its social obligations. Further, Emami has established

an effective inter-department communication mechanism enabling the purchases department to act according to production and sales forecasts for the forthcoming quarters to ensure optimum raw material procurement. The Company strives to reduce the weight and volume of the materials that it uses for packaging and supports initiatives to use recycled materials. Emami strongly discourages the use of forced labour and child labour at its business associates' premises.

- 4. Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Emami has tied up with various Government organisations, institutions and self-help groups to ensure direct collaboration with farmers and collectors to engage in a sustainable business model which would be a "win-win" equation for all. Small scale farmers from tribal regions are the major raw material suppliers for Ayurvedic herbs. Local and small farmers from various states like Uttarakhand, Himachal Pradesh, Madhya Pradesh, Chattisgarh, West Bengal, Orissa, Sikkim, Tamil Nadu etc are engaged in contractual cultivation of herbs like Kutaki, Tagar, Kapur Kachari, Sarpagandha, Tejpatta, Kauncha etc by imparting requisite knowledge and training. The company is also working towards plantation of herbs like Ashoka, Arjuna and Baheda in these regions.

Emami Limited has conducted 11 capability building programs wherein more than 400 farmers had participated. The company has also facilitated registration of more than 100 farmers under State Government Cultivation Programmes and distributed planting materials to more than 9 lac farmers. Besides, this Emami also indirectly in promotes "Mentha" farming, encouraging many farmers and small scale industries in the process.

Following are the organizations with which Emami has collaborated for Sustainable procurement/ cultivation/ research of rare ayurvedic herbs-

Organisation	Initiatives
Uttarakhand Forest Development Cooperation	Sustainable Procurement of medicinal plants and raw materials
Herbal Research & Development Institute , Mandal – Gopeshwar Chamoli, Uttarakhand	Distribution of planting material to farmers and facilitating registration of farmers
Institute of Bio-Resources and Sustainable Development, Manipur	Jointly funded project for cultivation and capacity development of farmers in Sikkim
GB Pant Institute of Himalayan Environment and Sustainable Development	Research and cultivation of 4 prominent medicinal plants in Himachal Pradesh (joint collaboration with Bennet University)
IBSD, Manipur	MoU for procurement of cultivated Swertia from Sikkim
CSIR – National Chemical Laboratory, Pune	High density cultivation of Saffron under DBT funded project.
Gram Mooligai Company Ltd., Jabalpur, Madhya Pradesh	Sustainable Forestry of Dhawai Phool, Mahua flowers, Harad, Baheda, Amla and Arjun
ILSP Rookkund Co-operative Federation, Ghat-Chamoli, Uttarakhand	Cultivation of Kutaki herbs
Various Self Help groups	Sustainable forestry and cultivation of various herbs like Tejpatta, Tagar, Kutaki, Kapur Kachri, Arjun, Harad, Baheda, Amla, Kouncha, Jatamansi, Daru Haldi, Vijasar, Kapur etc.
Zandu Foundation for Healthcare, Gujarat	Sustainable cultivation of Kouncha and other herbs

5. Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

The Company has always strived to reduce waste associated with its products. Initiatives like using light-weight materials, optimising structural and material design and eliminating unnecessary packaging, have resulted in effective management of packaging waste.

**Principle 3:
Employees' Well-being**

Emami as an organisation drives excellence in business by facilitating development of organizational capability and building a talent pool which thrives on exceeding growth aspirations. The organization believes in continual focus on improvement and development of its internal talent.

Emami provides equal employment opportunities to all irrespective of their caste, creed, gender, race, religion, disability or sexual orientation. The Company respects the right of employees to freedom of association, participation, and collective bargaining and provides access to appropriate grievance Redressal mechanisms.

Emami is committed to provide a work environment which ensures that every woman employee is treated with dignity, respect and equality. There is zero tolerance towards sexual harassment and any act of sexual harassment invites serious disciplinary action. The Company has established a policy against Sexual

Harassment for its employees. The policy allows any employee to freely report any such act and prompt action will be taken thereon. The Policy lays down severe punishment for any such act. During the year, an initiative through digital platform was also taken to sensitize employees on the act and its importance and consequences.

Emami has strengthened its performance-driven orientation through robust competence mapping, gap identification, training and development. In FY18 the HR team conducted nearly 350 training programs covering nearly 6,700 man days.

The safety and health of employees is extremely important to the Company. Emami believes in giving its employees ample opportunities to perform as employee well-being is imperative to achieve a profitable growth. Ensuring diversity, preventing discrimination, safety and health are part of Emami's policy on Employees' well-being. Further, a Term Insurance Policy for all the employees under the corporate coverage was also arranged. The Company

contributes to the medical insurance of its employees and also organises health check-ups and camps for employees as well as their family members. Emami is deeply committed to safety of its Employees at workplace. It regularly organises mock fire drills and Fire Safety training classes at all its locations. Emami's commitment towards safety of its employees can be reflected in the awards won by the Company's manufacturing units for employee safety and health.

For the first time, the company participated in an employee survey conducted by Great Place to Work® Institute, India. This assessment helped the organization in two significant ways. Firstly, based on this assessment, the company gained the option to access actionable insights & recommendations. Secondly, based on this assessment, Great Place To Work® Institute has considered the company's application towards its annual Best Workplaces List - the world's largest and most respected study of workplace excellence and people management practices.

By participating in this assessment, the company has been able to benchmark employee perceptions of its workplace environment with selected benchmarks from our industry and elsewhere. An action planning workshop is also planned to drive the action areas by the senior leadership team which would enable the

company to build a positive people oriented culture which would help it to embark into the journey of making Emami a great place to work.

Team capability intervention was one of the significant areas that was scaled up in FY18. The detailed discussion with the functional heads on the need and the objective behind the gap were taken place for the first time. The programmes/workshops were executed with a strong drive on "Action Planning" and follow through.

1. **Please indicate the total number of employees.** - 3,292 permanent employees
2. **Please indicate the Total number of employees hired on temporary/ contractual/ casual basis** – 1943
3. **Please indicate the number of permanent women employees:** 416
4. **Please indicate the Number of permanent employees with disabilities.** NIL
5. **Do you have an employee association that is recognised by management?** 8 Employee associations are recognised by the management
6. **What percentage of your permanent employees is members of this recognised employee association?** 23.1%

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year

Category	No. of complaints filed during the FY	No. of complaints pending as on end of FY
Child labour/forced labour/involuntary labour	Nil	Nil
Sexual harassment	Nil	Nil
Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety and skill up-gradation training in the last year?

Particulars	%
Permanent Employees	42%
Permanent Women Employees	56%
Casual/ Temporary/ Contractual Employees	97%
Employees with disabilities	NA

**Principle 4:
Stakeholder Engagement**

Emami recognises employees, business associates (network of suppliers, stockists and dealers), customers, shareholders/investors and communities surrounding our operations and regulatory authorities as key stakeholders. The Company continues its engagement with them through various mechanisms such as consultations with local communities, supplier/vendor meets, customer/employee satisfaction surveys, investor forums, etc.

The Company's website, www.emamiltd.in, contains comprehensive information for the stakeholders about the Company. The Company also has designated and exclusive email-id for investor services – investors@emamigroup.com.

The Company also promptly intimates the Stock Exchanges about all price-sensitive information or such other matters which in its opinion are material and of relevance to the stakeholders of the Company.

1. Has the Company mapped its internal and external stakeholders? Yes/No

Yes.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

Underprivileged communities around the Company's business locations are identified by Emami as disadvantaged, vulnerable and marginalised stakeholders. The needs and priorities of such stakeholders are identified by Emami. The Company continuously engages with all such stakeholders to serve these needs accordingly.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.

The Company provides healthcare facilities to the underprivileged in and around its business premises. Emami conducts community development initiatives and disaster management initiatives across its factory locations. Emami also conducts drinking water and sanitation programme in schools, provides scholarships to deserving students, computer training programmes, beautician training programmes, stitching and tailoring programmes to the underprivileged across its business locations.

**Principle 5:
Human Rights**

Emami respects and promotes human rights for all individuals. The Company's commitment to human rights and fair treatment is set in its Policy on Human Rights. The policy provides to conduct the operations with honesty, integrity and openness with respect for human rights and interests of employees.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Company follows its policy on Human Rights which are applicable to all employees in

the Company. For its subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation. The Company encourages its Business Partners to follow the policy. Emami discourages dealing with any supplier/contractor if it is in violation of human rights also prohibits the use of forced or compulsory labour at all manufacturing units /with business associates.

2. How many stakeholder complaints pertaining to violation of Human Rights have been received in the past financial year and what percent was satisfactorily resolved by the management?

No complaint was received pertaining to human rights violation during the reporting period.

Principle 6: Environment Rights

The Company places highest corporate priority in ensuring and adhering to best procedures relating to environment protection. Emami sets high standards in the area of environmental responsibility – striving for performance that does not merely comply with regulations but reduces environmental impacts. Emami believes that it has a responsibility to take care of the planet and preserve its beauty, resources and strength for future generations. Emami has always strived to reduce and mitigate waste and is in the process of identifying new ways to reduce waste even further.

The company is committed to conduct commercial activities in such a manner, so as to prevent harm or damage to persons, property or environment. Safety, health and protection of the environment forms an integral part of planning and decision making and the operations are managed in an ethical way which strikes an appropriate and well-reasoned balance between economic, social and environmental needs.

The company is committed to responsibly utilise natural resources to minimise the environmental impact due to its activities by identifying, assessing and eliminating environmental risks. The company has a robust Safety, Health and Environment Management system in place for which requisite training is imparted to all employees.

1. Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company follows its policy on Environment Protection which is applicable to all its business places. For the subsidiaries, the policy is applicable in line with the local requirements prevailing in the country of operation. However, the same is not applicable to suppliers and contractors.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.

The company has started initiatives like installation of zero discharge ETP and a condensate recovery system. Further, four of Emami's manufacturing units have Zero Discharge effluent.

3. Does the Company identify and assess potential environmental risks? Y/N

Emami firmly believes in sustainable development which is reinforced by environmental management systems practiced across manufacturing units. Emami is consistently putting in efforts to improve the environment protection measures further.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

No

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Emami has designed technologies to enable resource efficient, sustainable manufacturing processes and technologies required to manufacture its products. The power consumption of the Company is negligible compared to its revenues. The efforts of the Company are aimed to minimise energy consumption in spite of the rapid increase in operations of the Company. The company has also initiated the use of windmills during the year as a means of generating renewable energy.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

In FY18, the emissions, solid waste and effluents generated were within the limits as prescribed by CPCB or SPCB.

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Nil

Principle 7: Policy Advocacy

Emami believes that a lot can be achieved if the Company works together with the Government, legislators, trade bodies and regulators to create positive social and environmental outcomes. Emami has always strived to create a positive impact in the business eco-system and communities by practicing pro-active advocacy not for securing certain benefits for industry, but for advocating certain best practices for the benefit of society at large. Emami engages with industry bodies and associations to influence public and regulatory policy in a responsible manner.

1. Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. Emami Limited is a member of several industrial and trade bodies namely:

- a. CII
- b. FICCI
- c. ASSOCHAM
- d. MCC Chamber of Commerce and Industry
- e. Bharat Chamber of Commerce
- f. Indian Chamber of Commerce
- g. The Advertising Standards Council of India

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Yes. Emami has not only taken initiatives for the advancement / improvement of public good but also advocated through the above organisations on Economic Reforms.

Principle 8: Inclusive Growth and Equitable Development

Emami has always believed to ensure protection of interests of all stakeholders of the Company in tandem with healthy growth of the Company. The Company has leveraged the ancient science of ayurveda to create brands to meet the health care needs of the consumers.

The Company has always contributed towards CSR activities even before it was mandated by the law. All the business places of the Company have initiated many programmes for the underprivileged. The Company provides healthcare facilities, conducts community development initiatives, disaster management initiatives, drinking water and sanitation programme in schools, provides scholarships to deserving students and imparts vocational development skills across all its business locations.

1. Does the Company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

The Company undertakes the initiatives through the CSR committee of the Board as per the CSR policy of the Company. A brief outline of the policy for undertaking the CSR activities of the Company includes the following:

- Promoting Healthcare, water and sanitation programmes;
- Promoting education, enhancing vocational skills and livelihood enhancement projects;
- Rural development, social upliftment programmes and promotion of art and Culture.

These projects are in accordance with Schedule VII of the Companies Act, 2013

2. Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/government structures/any other organisation?

The aforesaid projects have been carried out by the Company directly and/or through implementing agencies. The details can be found in Annexure IV of the Directors Report.

3. Have you done any impact assessment of your initiative?

Yes, the CSR committee internally performs an impact assessment of its initiatives at the end of each year to understand the efficacy of the program in terms of delivery of desired benefits to the community and to gain insights for improving the design and delivery of future initiatives.

4. What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Sl.	CSR Project	Expenditure
1	Promotion of Education & Vocational Skills	₹7.08 cr
2	Providing Health-care, water & sanitation facilities	₹1.17 cr
3	Social Upliftment Programmes and others	₹1.37 cr
TOTAL		₹9.62 cr

Details of the same have been provided in Annexure IV of the Directors' Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

All the businesses locations of Emami continuously engage with communities surrounding their operations through focused meetings. This is done to gauge the needs, priorities and expectations of the local community. Initiatives are thus designed and delivered in a transparent manner in line with inputs from the community itself. This is done to ensure flow of benefits to communities even if the Company is unable to support the programme in the future. This ensures successful adoption by communities to the extent possible.

**Principle 9:
Customer Value**

Emami Limited is dedicated to delivering products that satisfy the unmet needs of the consumers. Emami's products are the result of understanding latent consumer needs, through path breaking technology by combining generations of practical experience with a continuous flow of new knowledge. An invigorating synergy of Ayurveda and modern science has been the backbone of Emami's innovative product pipeline to ensure sustainable growth over the years to come. Emami undertakes multi-centre clinical trials to ensure that Emami's products do not have an untoward impact on users.

Being involved in the business of personal care and healthcare, it is of paramount importance to align products with stringent qualitative and performance-related parameters. Emami has made prudent investments to benchmark its products with those that are the best in the industry. Well-defined SOPs and precise measurement procedures have helped identify bottlenecks and eliminate them, whereas benchmarking via a unified system has helped in

establishing documental reference. All products coming out of the Emami stable undergo quality checks at different levels (pre-process, in-process and post-process). Along with this, product stability studies are conducted on control samples on a routine basis to make sure that not even the smallest complaint goes unaddressed.

1. What percentage of customer complaints/ consumer cases are pending as on the end of financial year.

No consumer complaints are pending as on the end of financial year. As at the end of financial year, two consumer cases are pending before the Delhi State Commission.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/ No/ N.A./ Remarks (additional information)

Yes, over and above what is mandated by local laws like Bureau of Indian Standards Act and Drugs and Cosmetics Act, Emami displays product information on its packaging for the benefit of the consumer. The objective of providing this additional

information is to enhance the value consumers can derive from the product. Furthermore, safe and appropriate use is also thereby ensured. The additional information on the product label relates to various active ingredients contained in the product, their proven clinical benefits, consumer grievance redressal mechanisms, directions for use, safety, caution etc. and varies from product to product.

3. Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Two consumer cases are pending before the Delhi District Commission. A consumer complaint was filed with respect to an advertisement of the Company at the Delhi District Consumer Forum. The forum passed an order against the Company.

Challenging the said order, the Company has filed an appeal before the Delhi State Commission which has passed an order remanding the matter back to the District Commission. The second case is pending before the District Commission. In addition to the above one consumer dispute case is pending before the District Consumer Forum Jabalpur.

4. Did your Company carry out any consumer survey/ consumer satisfaction trends?

Emami's innovation strategy has been to develop breakthrough products for the emerging consumer needs and therefore the Company works towards delivering aspirational products. Consumer Research is at the heart of every product/ solution that we design. Our innovation process ensures that we validate the concept, product and its packaging with the consumers through its lifecycle with the consumers and also follow up with them for their satisfaction post launch.