



CORPORATE SOCIAL RESPONSIBILITY POLICY

A handwritten signature in blue ink that reads "G Shrinagesh".

Approved by CEO: Gaurav Shrinagesh

A handwritten signature in blue ink that reads "Aditi".

Approved by Sr. VP People & Innovation: Aditi Kumar

A handwritten signature in black ink that reads "Sanjiv Gupta".

Approved by COO: Sanjiv Gupta

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Introduction

Penguin Random House India Private Limited (“**Penguin India**” or “**the Company**”) is a part of the worldwide publishing house, Penguin Random House, the world’s largest trade book publisher, dedicated to its mission of nourishing a universal passion for reading by connecting authors and their writing with readers everywhere.

With nearly 250 independent imprints and brands on five continents, Penguin Random House comprises adult and children’s fiction and nonfiction print and digital trade book publishing businesses in more than 20 countries worldwide, including the U.S., U.K., Canada, Australia, New Zealand, China, India, South Africa, Spain, Mexico, Argentina, Colombia, Chile, Peru, Portugal, and Uruguay. With over 15,000 new titles, and close to 800 million print, audio and eBooks sold annually, Penguin Random House’s publishing lists include more than 60 Nobel Prize laureates and hundreds of the world’s most widely read authors.

The Corporate Social Responsibility (‘**CSR**’) has been an integral part of the way the Company has been doing its business. The Company is committed towards social causes and their development.

This policy, which encompasses the company’s philosophy for contributing to the society as a corporate citizen, lays down the guidelines and mechanism for undertaking socially useful programs for the welfare and sustainable development of the community at large. These commitments reflect our values and our dedication to publishing our books responsibly and minimizing our environmental impact.

Applicability

The policy is applicable to PRH India.

Objectives

This CSR policy intends to:-

- Strive for sustainable economic development that positively impact the society at large with minimal resource footprint.
- Embrace responsibility for the Company’s actions and encourage a positive impact through its CSR activities.

Focus Areas

In accordance with the Companies Act, 2013, the CSR activities that may be undertaken by the Company under this Policy shall be the following: -

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation (including contribution to the Swach Bharat Kosh 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 Clean Ganga 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 art 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
- (xi) slum-area development
- (xii) disaster management, including relief, rehabilitation and reconstruction activities.

Company may also undertake such other activities as may be permitted under the Companies Act, 2013 and any amendment(s) thereof from time to time.

In accordance with the requirement under the Companies Act, 2013, the Company's CSR activities, amongst others, will focus on:-

PROMOTING EDUCATION/JOY OF READING - providing early childhood care and education for all round development, including physical, social, emotional, cognitive and language development, and to build a habit of reading among children and adults with the aim to uplift the indigent communities. We would like to back book donation drives and give everyone equal access to books

ENVIRONMENT & SUSTAINABILITY : constantly improving to reduce the environmental impact of our own operations, e.g ensuring sustainable sourcing and printing on environment-friendly paper compliant with Forest Stewardship Council (FSC) standards and making improvements to our company's infrastructure and energy-saving capacity year on year.

DISASTER RELIEF: supporting humanitarian aid campaigns during the time of pandemic and natural disasters where the company may opt to contribute to related relief efforts and funds

An in depth impact study for all the projects undertaken shall be conducted to assess the progress and impact

Notwithstanding the above, the following activities would not qualify as CSR activities :

- (i) activities benefitting 'employees' of PRH, as defined in clause (k) of section 2 of the Code on Wages, 2019;
- (ii) activities undertaken in pursuance of normal course of business of PRH;
- (iii) One-off events such as marathons/ awards/ charitable contribution/advertisement/sponsorship of television programs, etc.;
- (iv) Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (v) any activity undertaken outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India; and
- (vii) activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services.

Undertaking CSR Activities

Penguin Random House India will undertake CSR activities, as approved by the CSR Committee, either on its own, or through a registered trust or registered society or through a company registered under Section 8 of the Companies Act, 2013, whether established by the Company, a subsidiary of the Company, an Associate Company or the Company or by a third party.

CSR Fund

- The CSR Committee shall recommend the project-wise annual budget expenditure to the Board of Directors for its consideration and approval. The Company shall ensure to spend in each financial year at least 2% of the average Net Profit made during the three immediately preceding financial years. The “average net profits” shall be calculated in accordance with the provisions of section 198 of the Companies Act 2013.
- The total CSR expenditure in one financial year on building CSR capabilities and other general and administrative overheads shall not exceed 5% of the total CSR Budget for that financial year.
- In case the Company is unable to spend the amount earmarked for the CSR activities in a financial year, the CSR Committee shall submit a report in writing to the Board of Directors of the Company specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors of the Company in their report to the shareholders of the Company
- The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company.
- Any excess expenditure i.e., beyond the prescribed CSR budget will be disclosed in the Board’s CSR Report and shall be made available for set off against the CSR requirement to spend in any of the three succeeding financial years.
- The CSR amount spent by PRH for creation or acquisition of a capital asset shall not be held by the company.

Composition of CSR Committee

The CSR Committee shall consist of **two or more directors**. Presently, the CSR Committee comprises of the following directors:-

S. No.	Name	Designation	Position in the Committee
1.	Gaurav Shrinagesh	CEO PRH India and SEA	Member (Chairman of CSR)
2.	Sanjiv Gupta	Chief Operating Officer – PRH India	Member

Any person who ceases to be a director on the Board of the Company shall automatically vacate his office as a member of the CSR Committee. Also, any new director shall become a member of the CSR Committee unless the number of directors on the Board increases beyond three. In case the number of directors on the Board increases beyond three, the Board of Directors shall decide on the composition of the CSR Committee.

Responsibilities of the CSR Committee

The responsibilities of the CSR Committee include:-

- Formulating and recommending to the Board of Directors the CSR Policy
- Identifying and recommending the CSR activities to be undertaken to the Board of Directors
- Recommending the amount to be spent for the CSR activities
- Undertaking all necessary steps to implement the CSR activities
- Monitoring the CSR activities from time to time :
- Conducting an in depth impact study to assess the impact for all the projects undertaken

CSR Governance Structure

As per the provisions of the Companies Act, 2013, the Company can undertake CSR activities either through a registered trust or a registered society.

The Board and the CSR committee will be responsible for the effective implementation of the CSR activities.

Penguin Random House India may incorporate some additional mechanisms to make the CSR activities implementation robust. For this, a CSR Advisor shall be appointed by the CSR Committee. Currently, Ms. Aditi Kumar, Senior Vice President People and Innovation is the CSR Advisor. The CSR Advisor will assist the CSR Committee and the Board in identifying the areas of CSR activities, programs and execution of initiatives as per the defined guidelines. The CSR Advisor will also assist the Board and the CSR Committee in reporting the progress of deployed initiatives and in making appropriate disclosures (internal / external) on a periodic basis.

Monitoring Mechanism

The CSR Committee shall monitor the status of each project and receive the quarterly updates on all activities against the plans submitted and approved. The CSR Committee shall be responsible for managing the tasks to be implemented and providing feedback to the Board of Directors.

Reporting and Documentation

Reporting will constitute an integral part of the CSR. The objective of reporting is not only to update the stakeholders but also to receive their feedback and accordingly capture their suggestions / inputs into our future strategies. The reporting commitment will help us achieve enhance the business reputation and trust of all our stakeholders. It will create awareness on Company's commitment on doing business in a socially responsible way. All CSR activities shall be documented annually which would include progress on each intervention against planned activities, number of beneficiaries covered, good practices and beneficiaries' voices.

Amendment to the CSR Policy

The Board of Directors on its own and/or on the recommendation of the CSR Committee can amend this CSR Policy as and when deemed fit. Any or all provisions of CSR Policy would be subject to revision/amendment in accordance with the regulations on the subject as may be issued from relevant statutory authorities, from time to time.

Effective Date

The policy has been updated with effect from 01 Oct 2021

Contact

For queries relating to the CSR policy, please write to us at:-

Via email

PRH_people@penguinrandomhouse.in

By mail

Penguin Random House India

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