



HermanMiller

# Policy on Corporate Social Responsibility

Effective Date: April 1, 2021

## **Herman Miller India**

## Introduction

Herman Miller Furniture (India) Private Limited (“Herman Miller India” / “Company”) is a subsidiary of Herman Miller Inc., USA (“Herman Miller”). Herman Miller has been a frontrunner in designing exclusive office furniture for over 100 years. Although Corporate Social Responsibility (“CSR”) has gained significance in the present times it has always been one of Herman Miller’s core values. At a global level Herman Miller is committed to spending a portion of corporate profits on CSR activities every year across the globe. This funding is channeled through a foundation called Herman Miller Cares which has its own Board. We apply an exceptional approach in creating furniture designs, the same approach is applied towards eliminating the problems that inflict our society and environment where we live and work.

## Our Vision

Our CSR vision is to create shared value and contribute towards social and economic betterment. We strive to create a work atmosphere where all our employees’ attitudes and actions are channeled to Create a Better World around us.

## Our Purpose

The central approach of our CSR policy is to contribute systematically towards social issues. Our purpose is to make meaningful impact in the quality of children’s nutrition, basic human needs, education and environment with special focus on those living in vulnerable circumstances by supporting initiatives aimed at creating improved conditions for such communities.

## Mission of Policy

The primary mission of our policy is to inspire the next generation to do great things by becoming civil citizens and stewards of humanity. Our giving is concentrated in four key

areas and our grant making criteria is focused on youth and children served, levels of employee engagement and sustainable community impact.

## **Constitution of CSR Committee**

The Board of Directors of Company has constituted a Corporate Social Responsibility Committee (the “CSR Committee”) in line with Section 135 of the Companies Act, 2013 (the “Act”).

## **Scope of CSR committee**

CSR Committee is responsible to formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company in areas specified in Schedule VII of the Act, reviewing the Policy, implementation of projects or programs or activities, recommending the amount of expenditure to be incurred, monitoring the CSR policy and its implementation from time to time.

## **Execution of CSR Policy**

The activities undertaken by the Company as part of its CSR Policy shall be approved by the CSR Committee. Company may choose to make the contribution either directly or through a registered trust or society having a track record of at least three years in undertaking similar projects or programs or activities. The CSR Committee will monitor the projects or programs or activities undertaken by these organizations and the funds utilized towards the achievement of objectives and report to the Board.

## **CSR Projects, programs or activities**

The CSR projects, programs or activities undertaken by the Company are in line with Section 135 and Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “CSR Rules”). The Company will give the preference to the local area and areas around where it operates, for spending the amount earmarked for CSR activities.

**Focus areas:****Improvement of health**

The CSR Committee identifies the projects/programs/activities to be undertaken in order to improve the health of children in our neighboring communities with an emphasis on nutrition and physical activity. This will include making nutritious food more accessible and adopting a multi-disciplinary approach towards improving the overall health lifestyle of children who need it most in their formative years.

Health improvement of youth and children is one of our foremost objectives under basic human needs because we believe that healthy communities play an important role in the growth of economy. Some of our goals are mentioned below:-

1. Herman Miller India will collaborate with organizations supporting causes for health and nutrition for underprivileged youth and children living in orphanages.
2. Undertake school health program for schools in Bangalore to carry out health services in association with health care agencies and impart basic hygiene and health education.
3. Sensitization programs for youth focusing on raising awareness on drug abuse and long term gains of healthy lifestyle.

**Essential Human Needs**

To undertake programs and support organizations that will help towards eradicating or filling the gaps on homelessness affecting youth and children. The welfare of children has always been our primary importance and it is our continuous endeavor to work towards adopting measures which can lessen the problems of communities that are socially excluded.

Some of our goals towards achieving this target are:-

1. Join hands with NGOs undertaking slum reduction programs for building houses for the homeless people living in the local area where Company operates.
2. Support through funding and voluntary engagement in programs for building affordable houses for the city's homeless.

## **Provision of Education**

To provide Education, both primary and secondary to youth through our socially inclusive programs and activities. This project, we believe, has the greatest potential to provide opportunity to youth to eradicate hunger and poverty in the long run.

Our goals are:-

1. Expanding educational opportunities for specific low income students by sponsoring higher secondary school fees, provision of free text books and rewarding merit scholarships.
2. Undertake improvement of basic infrastructure of schools, direct and indirect funding for providing the education.

## **Sustainability of Environment**

All our activities whether business or otherwise are directed towards making the environment sustainable. The activities undertaken will be directed towards organising environment sustainability programs, environment risk prevention programs by collaborating with local environmental agencies. All projects pertaining to environment shall be directed towards instilling a sense of sustainable environment amongst the employees, youth and local communities.

Our concentration focusses on developing employee engagement programs towards programs pertaining to effective waste disposal, clean drinking water, planting saplings at selected areas.

## **CSR Budget and funding**

The budget for CSR will be recommended by the CSR Committee to the Board annually according to the provisions laid down in Section 135 of the Companies Act 2013 and CSR Rules. The administrative overheads not to exceed 5% of total CSR expenditure of the Company for the financial year relating to the general management and administration of

CSR functions in the Company. Where the Company spends an amount in excess of requirement provided under Section 135(5) of the Act, such excess amount may be set off against the requirement to spend under Section 135(5) up to immediate succeeding three financial years subject to certain conditions specified under Section 135 and CSR Amendment Rules 2021. The surplus arising out of the CSR activities will not be considered as a part of the business profits of the Company and shall be ploughed back into the same project, or shall be transferred to the Unspent CSR Account and it should be spent in pursuance of this CSR policy and annual action plan of the Company, or the Company may transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

### **Monitoring of CSR activities**

The CSR Committee of the Company will receive and review all the CSR progress reports on an annual basis. Implementation of this policy will be monitored and reviewed periodically by CSR Committee. The monitoring process will cover both programme and financial reviews.

The Committee will also obtain feedback from various beneficiaries of CSR Projects /activities / programmes undertaken by the Company to measure their benefits. The funds to be disbursed shall be utilised for the purposes and in the manner as approved by the Board. The Finance Controller or the person responsible for financial management shall issue a certificate to the Board every year certifying that the funds disbursed are utilised for the purpose and in the manner as approved by the Board.

### **Guiding principles for formulation of annual action plan:**

The CSR annual action plan shall include the following :-

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programmes;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

### **Amendments to the CSR Policy:**

The Board of Directors of the Company is authorized to revise/modify/amend this CSR Policy from time to time, as the Board may think fit, based on the recommendations of the CSR Committee.

### **Disclosure of CSR Policy**

The CSR Policy on being approved by the Board will be placed on the official website of the Company. The Company will disclose the CSR Policy, CSR projects /programs /activities undertaken along with the funds utilised in the Report of Board of Directors at the end of every financial year.