

Annexures

ANNEXURE - A: BUSINESS RESPONSIBILITY REPORT

[Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1. **Corporate Identity Number (CIN)** : L36999KA1999PLC025195
2. **Name of the Company** : United Breweries Limited
3. **Registered Address** : "UB Tower", UB City,
#24, Vittal Mallya Road,
Bengaluru - 560 001.
4. **Website** : www.unitedbreweries.com
5. **Email id** : ubinvestor@ubmail.com
6. **Financial Year reported** : April 1, 2018 – March 31, 2019 (or "FY19")

7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

United Breweries Limited ("UBL"/the "Company") is engaged in manufacture and supply of beer governed by State Excise laws of respective State Governments which regulates manufacturing, bottling and supply of beer and also manufacture and supply of non-alcoholic beverages.

Manufacture of Beer

- National Industrial Classification : Class – 11031
- Indian Trade Classification : Code – 22030000

Manufacture of Non-alcoholic beverages

- National Industrial Classification : Class – 11049
- Indian Trade Classification : Code – 22029100

8. **Three key products/services that the Company manufactures/provides (as in balance sheet):**

UBL is engaged in manufacture and sale of beer, licensing of brands for beer and packaged drinking water and also manufactures and supplies non-alcoholic beverages.

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

- i. **Number of International Locations** : The Company has licensed its Brands for manufacture and supply of beer at 4 International locations viz., United Kingdom, Australia, New Zealand and Nepal.
- ii. **Number of National Locations** : The Company operates through 21 owned manufacturing units and 10 contract manufacturing units. Business activities are also carried out from Registered cum Corporate Office at Bengaluru and from Regional Sales Offices located at various places in India.

10. **Markets served by the Company – Local / State / National / International:**

UBL's brands are available across India and also in about 52 countries worldwide.

Section B: Financial Details of the Company

1. **Paid-up capital (INR)** : 264.41 million
2. **Total turnover (INR)** : 1,41,368 million
3. **Total profit after taxes (INR)** : 5,628 million
4. **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**
UBL spent Rs.107.40 Million on CSR activities during the FY19, which constitutes 1.90% of its profit after tax (PAT).
5. **List of activities in which expenditure in 4 above has been incurred:**
The major areas in which the above expenditure has been incurred inter-alia includes Primary Health, Primary Education, Water Conservation & Providing Safe Drinking Water and Conducting Workshop on Responsible Consumption of Alcohol for truck drivers.

Section C: Other Details

1. **Does the Company have any Subsidiary Company / Companies?**
The Company has one (1) Subsidiary company, viz. Maltex Malsters Limited.
2. **Do the Subsidiary Company / Companies participate in the Business Responsibility Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).**
UBL encourages its Subsidiary Company viz., Maltex Malsters Limited, to adopt its policies and practices and actively participates in the initiatives of the Company.
3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the Business Responsibility initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**
About 30%, of the transporters of the Company have been engaged through "Don't Drink and Drive" workshop for truck drivers at its breweries. The suppliers, distributors or any other entities do not participate in the Business Responsibility initiatives of the Company.

Section D: Business Responsibility Information

1. **Details of Directors responsible for Business Responsibility:**
 - a) **Details of the Director/s responsible for implementation of the Business Responsibility policy:**

| Name | DIN Number | Designation |
|------------------------|------------|-------------------|
| Mr. Shekhar Ramamurthy | 00504801 | Managing Director |

- b) **Details of the Business Responsibility head:**

| Sl. No. | Particulars | Details |
|---------|------------------|------------------------|
| 1. | DIN Number | 00504801 |
| 2. | Name | Mr. Shekhar Ramamurthy |
| 3. | Designation | Managing Director |
| 4. | Telephone Number | 080-4565 5002 |
| 5. | E-mail ID | shr@ubmail.com |

2. Principle-wise (as per NVGs) Business Responsibility Policy / policies:

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs are as under:

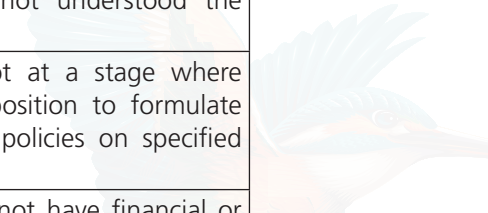
| | |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------|
| P1 | Business should conduct and govern themselves with Ethics, Transparency and Accountability. |
| P2 | Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle. |
| P3 | Businesses should promote the wellbeing of all employees. |
| P4 | Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized. |
| P5 | Business should respect and promote human rights. |
| P6 | Business should respect, protect and make efforts to restore the environment. |
| P7 | Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner. |
| P8 | Businesses should support inclusive growth and equitable development. |
| P9 | Businesses should engage with and provide value to their customers and consumers in a responsible manner. |

(a) Details of Compliance (Reply in Y/N)

| Sl. No. | Questions | Business Ethics | Product Sustainability | Employees' Wellbeing | Stakeholders' Interest | Human Rights | Environment Protection | Policy Advocacy | Inclusive Growth | Customer Relations |
|---------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|----------------------|------------------------|--------------|------------------------|-----------------|------------------|--------------------|
| | | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| 1. | Do you have a policy / policies for... | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | | The Company has framed various policies which inter-alia cover all the aspects of NVGs in one section or another. | | | | | | | | |
| 2. | Has the policy been formulated in consultation with the relevant Stakeholders? | Policies have been formulated keeping in view the interest of all Stakeholders though a few Stakeholders may have not been directly involved in Policy formulation. | | | | | | | | |
| 3. | Does the policy conform to any national/ international standards? If yes, specify? | Yes. Policies conform to all the applicable laws and National and International Standards in letter and spirit. Certain breweries of the Company are in conformance of international standards and have been accredited with various certifications like ISO 9001:2008 (Quality Management System); ISO 14001:2004 (Environmental Management System); ISO 22000:2005 (Food Safety Management System); OHSAS 18001:2007 (Occupational Health Safety Assessment System). The brands of the Company have been bestowed with various quality awards. | | | | | | | | |
| 4. | Has the policy been approved by the Board? If yes, has it been signed by MD/ Owner/ CEO/ appropriate Board of Directors? | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| | | Yes. All the policies are approved by the Board. The MD/CEO and/or the Company Secretary authenticates the policies approved by the Board. | | | | | | | | |
| 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 | Y |
| | | The Board has framed various Committees whose role includes formulation and implementation of policies within their terms of reference. Certain Internal Committees are also in place to look after the respective responsibility area. | | | | | | | | |

| | | | | | | | | | | |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---|---|---|---|---|---|---|
| 6. | Indicate the link for the policy to be viewed online? | Policies covering certain Stakeholders can be viewed on Company's Website www.unitedbreweries.com/investors . Other internal policies are restricted and can be viewed by employees only on Company's Intranet portal https://sampark.ublnet.in/Pages/HRPolicies . | | | | | | | | |
| 7. | Has the policy been formally communicated to all relevant internal and external Stakeholders? | Policies have been communicated to key internal Stakeholders of the Company. It is an on-going process whereby the Stakeholders are informed about the Company's policies. | | | | | | | | |
| 8. | Does the Company have in-house structure to implement the policy / policies? | Y | 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? | Yes. The Company has formed Internal Committees' viz., Whistle Blower Management Committee (WBMC), Internal Complaints Committee etc. to address stakeholders' grievances within their terms of reference. Also the Stakeholders Relationship Committee of the Board addresses shareholders' grievances. | | | | | | | | |
| 10. | Has the Company carried out Independent audit/evaluation of the working of this policy by an internal or external agency? | Yes. Policies are reviewed from time to time by the Management, Internal and External Auditors as well as consultants in respective areas. Whistle Blowing portal is managed by an external agency. | | | | | | | | |

(b) If answer to the question at Sl. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

| Sl. No. | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---------|-----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| 1. | The Company has not understood the Principles |  <p>Not Applicable.</p> | | | | | | | | |
| 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 six months | | | | | | | | | |
| 5. | It is planned to be done within next one year | | | | | | | | | |
| 6. | Any other reason (please specify) | | | | | | | | | |

3. Governance related to Business Responsibility:

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

The Board of Directors of UBL assess various initiatives forming part of the Business Responsibility performance of the Company bi-annually. The CSR head and the MD meet regularly to oversee implementation of CSR projects/programmes/activities to be undertaken by the Company. The CSR Committee of the Board of Directors of the Company meets bi-annually to oversee the functioning of CSR activities and implementation of projects. Also, the Risk Management Committee meets twice a year to oversee the business responsibility and risks associated with the operations.

b) Does the Company publish a Business Responsibility or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

UBL publishes its Business Responsibility/CSR activities/performance in its quarterly in-house magazine/periodicals viz., 'Beer Update' and also publishes the same on the internal portal of the Company viz., <https://sampark.ublnet.in/>. CSR activities undertaken by UBL are also published in the official website of the Company viz., www.unitedbreweries.com. Details of the CSR initiatives undertaken by UBL in FY19 are provided in **Annexure-B** to the Directors' Report forming part of this Annual Report. Internal periodicals are available on the Intranet portal. UBL in the process of rolling out its first Sustainability Report in the current financial year which will be posted on the website of the Company.

Section E: Principle-wise performance

Principle 1:

Business should conduct and govern themselves with Ethics, Transparency and Accountability.

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?

Yes. The Company has a Code of Business conduct and Ethics (the Code) approved by the Board of Directors. The policy is applicable to all Board Members and employees of the Company and affirmation on compliance of the Code/Policy is taken from them. The Code also provides for obligations of the employees with respect to non-disclosure of confidential information, accounting and payment practices, accurate financial disclosures, etc. The Code is available on the Company's website. The Code would extend to other Stakeholders shortly and in our engagement checkpoints with our supplier consider adherence to ethical practices. Adequate measures have been taken to educate employees and suppliers on the Company's expectations on ethical conduct. Further, policy for avoidance of interest and prohibition of insider trading have been articulated and adopted to ensure transparency through timely and adequate disclosures.

The Company has also adopted a Gifts & Entertainment Policy which provides guidelines for dealing with gifts or entertainment. All employees and Directors of the Company are covered under the Policy and it also extends to other stakeholders viz., vendors, contractors, suppliers, etc.

The Company also has a Whistle Blower Policy to promote responsible and secure whistleblowing at workplace. It aims to protect employees who raise any concern about any misconduct or potential violations of the Code of Conduct within the Company.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

In the FY19, sixteen (16) Investors' complaints and 804 consumer complaints were received which have been resolved satisfactorily. Details of consumer complaints are given in reply to Principle 9 of this report.

Principle 2:

Businesses should provide goods and services that are safe and contribute sustainability throughout their life cycle.

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

Not Applicable.

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

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain.

Not Applicable.

ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Not Applicable.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably?

Yes. Sustainability is deeply ingrained in ethos of your Company and it has always been the endeavour to develop and deliver good quality products that are inherently safe to consume and have minimal impact on the environment. UBL believes in not just undertaking usage of materials that reduce the carbon footprint and are through an sustainable mechanism, but also has long-term engagement with its suppliers that commit to social responsibility and international standards. The Company has procedures and policy in place for selecting vendors who supply in a sustainable manner. The entire source of thermal energy of all breweries is from agri-waste and the primary packaging of its products, both glass bottles and aluminium cans are recyclable. Primary packaging constitutes almost 60% of all input cost and power and fuel constitutes about 6% of cost.

Your Company has strategically designed its distribution network in order to serve its customers in the least possible time and minimize transportation cost. Your Company sources majority of its transport requirements from local vendors at all locations. These initiatives on one hand benefits in terms of time and cost of transportation and on the other hand contributes towards environment protection through reduction in fuel consumption and resultant carbon emission. Supplier and transporter meets are held on a periodical basis where UBL's management engages and encourages them to undertake sustainable practices across supply chain.

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 the capacity and capability of local and small vendors?

Towards its endeavour of inclusive growth, the Company procures goods and services like miscellaneous engineering spares, lubricants, packaging materials, transportation, housekeeping, contract labours and the like from communities located in the vicinity of the breweries of the Company. Suppliers are key partners in developing responsible sourced supply chains of Raw Materials. Various steps have been taken for creating awareness and to ensure timely and regular supply of quality materials and services.

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.

Yes. Measures for Waste minimization are undertaken by UBL at all its Breweries. The Company follows 3R's principles i.e. 'Reduce', 'Recycle' and 'Recover' to be environmentally sustainable. UBL is committed to adopt best-in-class practices to reduce wastages during conversion of raw materials to finished goods. Waste generated during the operations is disposed/recycled in compliance with the applicable environmental laws. Trade effluent is treated in compliance with the applicable environmental laws and is recycled back into ancillary applications or discharged within the brewery for landscaping/gardening/ horticulture-development purposes to reduce the fresh water consumption. The Company's breweries recycle around 11% of the treated waste water into the ancillary applications.

The Company reuses patented glass bottles for bottling Beer. About 70% of the bottles are reused thereby protecting environment. Broken glass cullet are sent back to glass manufacturers. All the aluminium cans used for beer, are recycled by scrap dealers directly back into Aluminium manufacturing companies. Paper scrap largely find its way to the paper mills.

"Spent Yeast", a process waste, is treated, dried and sold as poultry feed. Spent grain from the brewing process is used as cattle feed. Your Company is constantly working towards adopting the best standards in environment. All of UBL's breweries comply with all environment norms.

Principle 3:

Businesses should promote the wellbeing of all employees.

1. Please indicate the Total number of employees:

The total number of permanent employees as on March 31, 2019 (excluding temporary/contractual/casual basis) is 3042.

2. Please indicate the Total number of employees hired on temporary/contractual/casual basis:

The total number of employees hired on temporary/contractual/casual basis as on March 31, 2019 is 5708.

3. Please indicate the Number of permanent women employees:

As on March 31, 2018, there were 129 permanent women employees.

4. Please indicate the Number of permanent employees with disabilities:

The number of permanent employees with disabilities as on March 31, 2019 is 24.

5. Do you have an employee association that is recognized by Management?

There are various workers' union/association in the breweries which are affiliated with recognised Trade Unions. Relations between the Management and workers' union/association are harmonious.

6. What percentage of your permanent employees is members of this recognised employee association?

Approximately 90% (total unionised permanent workmen/total permanent employees including workmen) of the total employees are members of recognised employees' unions/associations.

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.

| Sl. No. | Category | No. of complaints filed during the financial year | No. of complaints pending as on end of the financial year |
|---------|---------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------|
| 1. | Child labour / forced labour / involuntary labour | NIL | NIL |
| 2. | Sexual harassment | NIL | NIL |
| 3. | Discriminatory employment | NIL | NIL |

UBL has a policy for Prevention of Sexual Harassment which applies to all the employees at all its establishments. It ensures prevention and deterrence towards the commissioning of acts of sexual harassment and communicates procedures for their resolution, settlement or prosecution. Internal Complaint committees have been constituted at various locations in accordance with the requirements under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 which ensures implementation and compliance with the Law as well as the policy at workplace.

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

| Sl. No. | Category | Safety | Skill up-gradation |
|---------|----------------------------------------|--------|--------------------|
| 1. | Permanent Employees | 100% | 100% |
| 2. | Permanent Women Employees | 100% | 100% |
| 3. | Casual/Temporary/Contractual Employees | 100% | 100% |
| 4. | Employees with Disabilities | 100% | 100% |

Principle 4:

Business should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

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

Yes, as a result of regular and extensive stakeholder engagement over many years, the Company's business operations have evolved, balancing business priorities and responsibility towards economic, environmental and social sustainability. The Company builds thrust through productive relationships, fosters working partnerships and considers stakeholders both internal and external as integral to its business.

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

Yes. UBL has identified the disadvantaged, vulnerable and marginalized stakeholders.

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

The Company's initiatives include generation of employment for differently-abled people in local communities at its various Unit locations (breweries). All the CSR activities including Primary Health, Primary Education, Water Conservation & Safe Drinking Water and Don't Drink and Drive workshops for truck drivers are directed at the disadvantaged, vulnerable and marginalised communities. Safety training programs which are conducted for employees and workmen are also extended to contractual employees.

Principle 5:

Business should respect and promote human rights.

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?

It covers only the Company. UBL upholds human values in every interaction and complies with applicable laws in this regard. UBL treats all its stakeholders alike with respect and dignity. UBL has not received any complaints on human rights violations during the reporting period.

2. How many stakeholders' complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?

Other than those mentioned in reply to Principle 1 and Principle 9 of this Report, no complaints were received during the FY19.

Principle 6:

Business should respect, protect, and make efforts to restore the environment.

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

The Environment, Health and Safety (EHS) Policy of the Company is focused on nurturing and safeguarding the environment for sustainable business. Employees and other stakeholder groups such as contractors, suppliers and customers are engaged for their shared responsibilities towards environment protection. UBL gives high importance to compliance of environment laws of the country.

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

As a part of its initiative towards carbon footprint reduction, UBL has been focusing continuously on alternate methods for reducing energy consumption and protecting environment. UBL has taken two significant measures to reduce carbon footprint and global warming. Its entire steam requirement is sourced from agri-waste fuels by replacing coal/furnace oil. UBL has implemented energy generation through renewable energy sources viz., solar energy at 11 of its breweries; wind energy at 5 of its breweries and shall implement in all breweries in a phased manner. These steps contribute towards reduction in Global warming by way of reduction in equivalent carbon-di-oxide emissions. UBL uses recycled bottles for bottling of beer thereby protecting environment, reducing the carbon footprint in glass manufacture.

3. Does the Company identify and assess potential environmental risk? Yes/No

Yes. The Company has a mechanism to identify and assess potential environmental risks. Every brewery conducts impact study of various activities and identifies controllable/uncontrollable and normal/abnormal/emergency scenarios of the operations. Any deviations from laid-down policy and procedure are addressed by effective corrective action.

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.? If yes, please give hyperlink to web page etc.

The Company has undertaken several initiatives on energy efficiency and renewable energy. All breweries use agro-waste fuel in boilers which is energy efficient. Solar/wind energy is also being used in several breweries. Details of measures taken in conservation of energy are mentioned in **Annexure-D** to the Directors' Report forming part of the Annual Report. Baseline study conducted for thermal energy consumption across all the breweries and the baseline study carried out for power consumption at Aurangabad brewery resulted in several initiatives getting horizontally replicated across all the breweries.

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

Yes. The emissions/waste generated at all the breweries are within the permissible limits prescribed by Central Pollution Control Board/State Pollution Control Board (CPCB/SPCB) during FY19. Abnormalities were regulated to be within limits when noticed.

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

There are no show causes/legal notices received from CPCB/SPCB which are pending to be resolved as of end of FY19.

Principle 7:

Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. Is your Company a member of any trade and chambers or association? If yes, name only those major ones that your business deals with.

Yes. UBL is a member of All India Brewers' Association (AIBA) which voices concerns of the beer industry with the Government, media and other sectors of society. It is also a member of Federation of Karnataka Chambers of Commerce & Industry, Bengaluru.

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? 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. The Company engages with government, regulatory authorities and relevant public bodies for the development of public policies in keeping with the Company's work in Society, sustainability and compliance commitments. These includes Food Regulations, Environment, among others. The All India Brewers' Association (AIBA) plays an important role in representing the beer industry for various policy advocacy in consultation with the trade and industry chambers and other Government departments while framing guidelines, rules etc.

The Company has adopted a policy on consumption of Alcoholic Beverages which advocates responsible use of alcoholic beverages. The Policy also articulates Company's views on usage of alcoholic beverages and express its intolerance to alcohol abuse which may cause an unfavourable environment to the organization.

Principle 8:

Business should support inclusive growth and equitable development.

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

The Company has implemented programmes on its CSR initiatives focussing largely on Primary Health, Primary Education, Water Conservation & Providing Safe Drinking Water and Don't Drink and Drive workshop for its truck drivers under its Responsible Consumption of Alcohol programme. Brief particulars of the CSR initiatives undertaken by UBL in FY19 are provided in the main section of this Annual Report.

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

CSR projects are undertaken through in-house team in collaboration with NGOs around various breweries of UBL. Such projects are aligned with UBL's initiative towards creating inclusive growth and for welfare of communities residing in the vicinity.

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

Field visit, and regular reporting are used as tools to ensure effective implementation of the projects. Indicators have been developed to enable effective impact assessment in the future. Goodera's tech platform is being used to track the programs through M&E indicators. As part of the Sustainability reporting exercise, CSR initiatives were reviewed, and stakeholder meetings were conducted by KPMG India. Regular feedback is taken from the beneficiaries and other stakeholders for continuous improvement in implementation of CSR initiatives. The Company's brewery at Rajasthan has received "Bhama Shah" Award for its exemplary contribution in the field of education for the fourth consecutive year. The company received the SKOCH order of Merit for qualifying among top CSR projects in India for Ecological Restoration of Water Commons and Natural Resource Management. The company's water conservation programme was also awarded with ET Now CSR Leadership Award for 2018.

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

The Company's contribution towards community development projects i.e., Primary Health, Primary Education, Water Conservation & Providing Safe Drinking Water, "Don't Drink and Drive" workshops for truck drivers under its Responsible Consumption of Alcohol programme during FY19 was Rs. 107.40 million. Details of the CSR initiatives undertaken by UBL in FY19 are provided in **Annexure-B** to the Directors' Report forming part of this Annual Report.

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

Yes. Community participation and ownership are essential components of UBL's CSR initiatives. Participatory approach is followed during project planning and implementation and all relevant stakeholders are encouraged to participate actively. Community is consulted before initiating any programme and needs assessment surveys form the basis for each project. The community monitors the project work till its completion and thereafter the Panchayat takes complete responsibility for the smooth operations of the project.

Principle 9:

Business should engage with and provide value to their customers and consumers in a responsible manner.

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

There are no customer complaints which were received during the FY19. Out of a total of 35 consumer cases, 4 have been resolved during the FY19. 89% of the total consumer cases are pending.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes. Additional information about the product is displayed on the labels, over and above what is mandated.

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 of end of financial year? If so, provide details thereof, in about 50 words or so.

No cases have been filed against the Company by any Stakeholder for any unfair trade practices or irresponsible advertising during the last five years. During FY19, the Competition Commission of India has registered a suo-moto case bearing no. 06/2017 against the Company which is pending.

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

Yes. UBL organizes awareness events periodically to redress grievances and to assess consumer trend, choice and consumer satisfaction survey.