

## **MITSUBISHI HEAVY INDUSTRIES INDIA PRIVATE LIMITED**

### **CORPORATE SOCIAL RESPONSIBILITY POLICY**

#### **PHILOSOPHY AND VISION**

Mitsubishi Heavy Industries India Private Limited (MHI-India) is a wholly owned subsidiary of Mitsubishi Heavy Industries, Japan (MHI-Japan) and being a responsible Company, recognizing that business enterprises are economic organs of society and draw on societal resources. MHI-India believes in inclusive growth to facilitate creation of value-based and empowered society through continuous and purposeful engagement of society around.

MHI-India has agreed with and adopted the philosophy, vision and Corporate Social Responsibility (CSR) Action Guidelines of the Parent Company, MHI- Japan. In accordance with MHI-Japan's CSR, sustainable development and creating value for the stakeholders are the missions that will drive MHI-India to realize its corporate responsibility vision which will be built on three strategic pillars of the corporate responsibility framework – 'Close Ties with the Earth', 'Close ties with the Society' and a 'Bridge to the next generation'.

#### **OBJECTIVE**

With an endeavor to achieve our vision and fulfill our commitment to be a socially responsible corporate citizen within the corporate responsibility framework of the Parent Company, MHI-India's CSR policy has been formulated with the following objectives:

- To lay down guidelines to embed CSR as a business process for development of the society.
- To undertake projects/programs which will enhance the quality of life and economic well-being of the communities in accordance with Schedule VII of the Companies Act, 2013 ("Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules") as amended.

#### **APPLICABILITY**

The Corporate Social Responsibility (CSR) Policy of MHI-India has been framed and made applicable in accordance with section 135 of the Act read with the Rules.

The Policy shall apply to the CSR Committee and all CSR projects/programs undertaken by the Company in accordance with Schedule VII of the Act.

The Company would implement the CSR programs through Company personnel and partnerships with expert agencies, NGOs and Government. In cases where the implementation is through external implementing agencies, the Company would monitor the implementation.

### **CSR COMMITTEE**

CSR Committee of the Board has been formed as per the applicable provisions of the Act and shall be responsible for the implementation/monitoring and review of this policy and various projects/activities undertaken under the policy. The CSR Committee shall submit periodical reports to the Board of Directors.

### **CSR ACTIVITIES/PROJECTS/PROGRAMMES**

MHI-India may undertake CSR activities through a registered trust or a registered society or a company established by the Company or subsidiary or associate company under section 8 of the Act or through such other trusts, NGOs, registered societies etc. which have an established track record of three years of undertaking such projects/programs.

MHI-India may collaborate with other companies for undertaking the CSR projects/programs subject to fulfilment of separate reporting requirements as prescribed in the Rules.

The CSR activities shall not include any activity undertaken by MHI-India in pursuance of the normal course of business of a Company.

The scope of CSR activities of MHI-India will cover the following key thrust areas but not limited to the same and may extend to other specific projects/programs as permitted under the law from time to time:

<b>S. No.</b>	<b>Key Thrust Areas</b>	<b>Few Illustrative Activities/initiatives/programs</b>
1.	<b>CLOSE TIE WITH THE EARTH</b>  Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;	<ul style="list-style-type: none"> <li>a. Solid waste management</li> <li>b. Sanitation and personal hygiene</li> <li>c. Afforestation</li> <li>d. Rain Water harvesting</li> <li>e. Harnessing science and technology</li> <li>f. create high level of environmental awareness among society at large in all areas of business.</li> <li>g. Renewal energy projects</li> <li>h. Contribution to clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga</li> </ul>
2.	<b>CLOSE TIE WITH SOCIETY</b>  Improving living conditions (Eradicating hunger, Poverty, Malnutrition, etc.	<ul style="list-style-type: none"> <li>a. Soil and water conservation</li> <li>b. Enhancement of crop productivity and crop diversification</li> <li>c. Livestock Management</li> </ul>

	<p>Promoting Gender equality, Women empowerment, etc.</p> <p>Protection of National Heritage, art and culture, etc.</p> <p>Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.</p> <p>Rural Development Projects</p>	<p>d. Linkage with the existing government scheme/program.</p> <p>e. Improvement of the infrastructure of Primary Health Centre</p> <p>f. Trauma Care service</p> <p>g. Mobile Health Unit</p> <p>h. Disaster Relief</p> <p>i. Contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation”</p> <p>a. Skill building (vocational skills and employment)</p> <p>b. Economic empowerment</p> <p>c. Facilitating linkage for destitute and widow</p> <p>a. Donation to IIM-Ahmedabad for conservation of building and renovation of class room</p>
3.	<p><b>BRIDGE TO THE NEXT GENERATION</b></p> <p>Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;</p>	<p>a. Improving the infrastructure of local schools</p> <p>b. Training of teachers</p> <p>c. Complimenting mid-day meal program.</p> <p>d. Remedial classes for children with slow learning</p> <p>e. Plant operation and maintenance</p> <p>f. Technical know-how and do-how</p> <p>g. Donation to IIM-Ahmedabad for conservation of building and renovation of class room</p>
4.	<p>Contribution/Financial Assistance</p>	<p>a. Contribution to 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;</p> <p>b. contributions or funds provided to technology incubators located within academic institutions which are approved by the Central government</p>

For the specific CSR activities undertaken by MHI-India in a particular financial year, please refer the related link.

## **CSR SPEND/ SOURCES OF FUNDING**

MHI-India shall endeavor to spend at least 2% of the average net profit during the preceding 3 financial years on CSR activities as enumerated above. The CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of the CSR Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of the Schedule VII of the Act.

The amount to be spent on CSR activities shall be calculated in accordance with the provisions of the Act and Rules made thereunder.

Any surplus arising out of CSR projects, programs or activities shall not form part of the business profit of the Company.

## **EXECUTION, MONITORING & REPORTING**

The CSR Committee shall:

1. Prepare and propose the CSR plan with the execution modalities and implementation schedules to the Board.
2. Periodically appraise the Board on the status of the CSR plan.
3. Institute a transparent monitoring mechanism for implementation of the CSR projects, programs or activities undertaken by the Company.

To fulfill the above responsibilities, the CSR Committee would be equipped with necessary resources. The CSR team shall be setup to ensure effective implementation of the CSR activities. The team would submit status reports of the projects/programs to the CSR Committee on a periodic basis.

## **DISCLOSURE**

All disclosures, display and reporting requirement related to CSR shall be made in accordance with the provisions of the Act and Rules made thereunder.

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