



thyssenkrupp Industrial Solutions (India) Private Limited

Uhde House, LBS Marg, Vikhroli (W), Mumbai 400 083, India

Business Unit Uhde

CORPORATE SOCIAL RESPONSIBILITY POLICY

JULY 2021

thyssenkrupp Industrial Solutions (India) Private Limited,

Registered Office: **Uhde House**, LBS Marg, Vikhroli (W), Mumbai 400 083, India

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Corporate Identity Number: U74200MH1977PTC020041 Income Tax PAN: AAACU1416H



thyssenkrupp Industrial Solutions (India) Private Limited

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| Reviewing Authority | Corporate Social Responsibility Committee of Directors of the Company |
| Approving Authority | Board of Directors of the Company |
| Original Issue Date | December 11, 2014 |
| Last Revision Date | December 01, 2017 |
| Current Revision Date | July 07, 2021 |
| Review Cycle | As recommended by the Board of Directors |

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1. Preamble :-

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 ('CSR Rules'), including any amendment thereof requires the Company to constitute a Corporate Social Responsibility ('CSR') Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profits made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, the Company has formulated and adopted this Corporate Social Responsibility Policy ('CSR Policy'). The said policy was first approved and adopted by the Board of Directors at its meeting held on December 11, 2014. Pursuant to changes in the applicable law, this Policy was amended by the Board of Directors of the Company at its meeting held on November 02, 2016 and December 01, 2017. Thereafter, pursuant to the amendments in CSR Rules in January 22, 2021, this Policy has once again been amended by the Board of Directors of the Company at its meeting held on July 07, 2021.

This amended Policy shall be effective from the Financial Year 2021-22.

2. Objective :-

To enable lives, living and livelihood by undertaking projects targeted at addressing socio-economic development of underprivileged sections of the society to create a sustainable impact.

3. CSR amount and expenditure:-

The Company shall endeavour to spend in every Financial year, atleast 2 % of the average net profits made during the three immediately preceding Financial Years on CSR activities in accordance with the provisions of Section 135 of the Companies Act, 2013 and the rules made thereunder. Administrative overheads on CSR activities shall not exceed 5% of the CSR expenditure.

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4. Approach and Guiding Principles for selection of CSR projects:-

This Corporate Social Responsibility Policy (“CSR Policy”) of thyssenkrupp Industrial Solutions (India) Private Limited (“the Company”) aims to promote United Nations sustainable development goals considering the mandate of the Companies Act 2013 and Rules made thereunder and as approved by the CSR Committee.

The Company would undertake all projects in accordance with the activities specified in Schedule VII of the Companies Act. The Company would focus on the following fields of activities to create sustainable impact considering the available budget.

- 4.1 Promoting health care, sanitation and availability of safe drinking water.
- 4.2 Promoting education and employment enhancing vocation skills and livelihood enhancement projects.
- 4.3 Eradication of hunger, poverty and malnutrition.
- 4.4 Promoting gender equality, empowerment of women, homes and hostels for women and orphans and measures for reducing inequalities.
- 4.5 Ensuring environmental sustainability.
- 4.6 Undertaking rural development projects

The Company will not fund any CSR activities undertaken outside India or in pursuance of its normal course of business. The Company may also undertake CSR activities jointly with its Group Companies and/or other Companies where such collaborative approach has clearly defined roles and responsibilities for each participating Company.

5. Guiding principles for implementation of CSR activities :-

- 5.1 The Company shall undertake various projects in the respective fields as specified above. The Company will seek support from NGOs, voluntary organizations and employees to identify and implement such projects.

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- 5.2 The Company will undertake the projects through two routes –
- a) By direct execution of the projects for various eligible beneficiary institutions engaged in the fields of activities of Company's CSR Policy. In this case the Company would directly incur the expenses on these projects as per the donation agreement to be signed with the respective beneficiary institutions.
 - b) The Company would also execute select projects by partnering with the reputed NGOs having established track record in undertaking similar activities. The selection of NGOs would be based on proper due diligence. The Company would ensure end use monitoring of the utilization of funds by the NGOs for the identified projects. The Company would seek reports from the NGOs and make field visits to evaluate the impact of the projects. Such NGOs should have valid CSR registration number granted by the Ministry of Corporate Affairs (MCA).

6. Role of CSR Committee :-

The Board of Directors of the Company have constituted a CSR Committee of the Directors.

6.1 The following persons are the present members of the CSR Committee.

Mr. R.K. Kamath

Mr. N. R. Chitre

Mr. R. J. Shah

6.2 The CSR Committee will play the following role in fulfilling the Company's CSR objectives.

- Formulate the CSR policy of the Company and recommend it to the Board, along with any amendments thereof in accordance with the Act and Rules.
- Formulate and recommend to the Board an annual action plan in pursuance of its CSR policy in accordance with the rules. The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee, based on reasonable justification to that effect.
- Recommend the amount of annual expenditure to be spent on CSR activities.
- Review and recommend to the Board certain CSR projects as Ongoing Projects in accordance with the CSR rules.

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- Submit to the Board an Annual Report on CSR activities specifying the status of CSR projects and contributions made by the Company.
- The CSR Committee shall do all such acts, deeds, things and matters as are necessary to ensure compliance with the applicable statutory provisions relating to CSR and the CSR Policy as amended from time to time.

The composition of the CSR Committee and its CSR Policy are available on the Website of the Company.

7. CSR Implementation Team

The Company has constituted an internal CSR Steering Committee consisting of CEO & MD, CFO & ED and Head of HR & Admn. (Steering Committee).

The overall execution of the Policy and day to day administration will be the responsibility of the CSR Operations Committee (CSR Operations Committee) consisting of nominated employees of the Company. The CSR Operations Committee shall seek participation of employees as volunteers during implementation of projects. The Company through the CSR Operations Committee also utilises CSR activities to create engaging opportunities for employees to be part of such noble cause and thus deepening the awareness about social responsibilities of every citizen towards larger social goals.

The Steering Committee shall provide the guidance to the Operations Committee and shall oversee the implementation of CSR projects to ensure that CSR activities of the Company are in alignment with this Policy. The Steering Committee shall nominate adequate number of employees for effective implementation of the CSR Policy.

8. Annual Action Plan:-

The CSR Operations Committee shall formulate an Annual Action Plan for each Financial Year and recommend the same to the CSR Committee and the Board for its approval.

The Annual Action Plan shall include the following:

- List of CSR projects to be implemented in the Financial Year;
- Manner of execution of CSR projects;
- Details of the needs for the projects undertaken by the Company;
- Timelines for implementation of the projects;

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- Budget for each project;
- Monitoring and reporting mechanism;
- Modalities for utilization of funds.

The CSR Operations Committee shall provide the status of compliance of the Annual Action Plan to the CSR Committee and the Board of Directors on yearly basis. This plan may be modified by the CSR Committee as may be required.

9. Procedure for implementation the CSR projects :-

The following procedure will be adhered to while implementing CSR projects and funding CSR activities:

- Execution of Donation Agreements / grant letters with all partnering NGOs / beneficiary institutions. These would detail the needs, the project proposal, responsibilities of the partners / beneficiary institutions, time schedule, manner of communication and monitoring mechanism of project outcomes. The proposal from the NGO should specify the budget and the specific activities for which the budget is required.
- The CSR contributions for a project would be either for a single financial year or for multi years for multi-year projects, depending on the need of the project and expected outcomes.
- The disbursement of the contribution amount by the Company to the partnering NGOs shall be made only if those NGOs have unique CSR registrations granted by the MCA and requisite approvals / registrations under the Income Tax Act or other applicable laws.

10. Monitoring and evaluating criteria for partnering NGOs:-

10.1 Indicative list of aspects to be considered while engaging the partnering NGOs / beneficiary institutions:

- a) Memorandum / Articles of Association or any other Constitution document;
- b) Registration Certificate under the applicable law;
- c) Registration under CSR Rules;
- d) Registration and approvals under Income Tax Act;
- e) Annual Report with audited financial statements for minimum 2 years.

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10.2 The Company shall receive the following information from the partnering NGOs:

Quarterly or half yearly progress report depending upon the size and nature of the project;

10.3 To ensure proper utilization of the CSR contribution, the Company will adopt the following monitoring mechanism which shall depend upon the size of the contribution and the partnering NGOs:

- a) Periodic field visits by the CSR Operations Committee/CSR Volunteers;
- b) Sample third party audit of the projects and/or externally certified fund utilization report submitted by the partnering NGOs;

11. Impact Assessment:-

The company shall through independent competent agencies undertake impact assessment for eligible CSR projects as may be prescribed under the CSR Rules. The CSR committee may also require an impact assessment of other CSR projects as may be considered appropriate in its own discretion. The CSR Committee shall decide the periodicity for undertaking such impact assessment in accordance with the CSR Rules.

In cases where a CSR Project is implemented jointly with Group companies or any other company, the manner of execution and modalities for sharing of costs and conducting impact assessment of such projects shall be determined by the CSR Committee.

12. Reporting :-

The CSR Committee shall report to the Board of Directors, the status of CSR projects undertaken by the Company in the Annexure to the Directors' Report. The minutes of the CSR Committee Meeting shall be placed before the Board at the next meeting of the Board

The Chief Financial Officer of the Company shall certify the utilization of funds disbursed for CSR projects for each financial year.

Mr. R.K.Kamath

(CEO & Managing Director & Chairman of CSR Committee)