

CSR POLICY

1. PURPOSE OF POLICY

HHPE CSR policy document is aimed at providing guidelines for effectively structuring CSR initiatives undertaken by the company, adhering to the New Company’s Act 2013.

2. MISSION STATEMENT OF THE CSR POLICY

HHPE strives to contribute to solve social issues through sustainable CSR initiatives. By recognizing, identifying and prioritizing social issues, HHPE aims to implement well-planned local CSR initiatives through collaboration with employees, consultation and communication with various stakeholders.

3. FRAMEWORK

HHPE CSR Policy then outlines the Framework for ensuring that CSR spends are within the boundaries laid down by the Mission Statement of the Policy and the Law by laying down decision criteria’s required to be met by every CSR initiative, the overall CSR expenditure limits and the authority delegations for approving the same.

4. DECISION CRITERIA’S FOR APPROVING CSR INITIATIVES

HHPE will emphasize, focus, select and plan CSR initiatives in accordance with new Company’s Act, 2013 (11 activities outlined in Schedule VII) by referring to the following selection criteria:

1. The CSR initiatives must adhere to the New Company’s Act 2013 covering activities specified under schedule VII thereof.
2. The CSR initiatives must emphasize Mission, Values and Vision of Hitachi Group Identity. The CSR Initiatives should be sustainable and capable of evaluation at different phases of execution.
3. Mechanism for measuring the impact of CSR initiative must be well defined. Identifiable differences between pre and post implementation of the initiative must be examined.
4. CSR initiatives should also take into consideration, social values which can be shared and jointly implemented through collaboration and extension with Hitachi group companies in India.
5. Relevance to Company’s theme of Social Innovation business should also be considered.

5. OVERALL CSR EXPENDITURE LIMIT & APPROVAL PROCESS

- The total amount of CSR spent on all initiatives during any financial year should be at least 2% of the average net profits (as defined in the Companies Act, 2013) but not exceeding 5% during the 3 immediately preceding financial years.
- The CSR Committee of HHPE is empowered by the Board of Directors to approve any CSR initiatives under this policy, as long as they adhere to the criteria’s and the expenditure limits as listed out in this policy.
- CSR expenditure exceeding 5% of the average net profits must be presented before the Board of Directors for seeking necessary approvals.
- The CSR Committee may give preference to the local area and areas around it where HHPE operates for spending the amount earmarked
- The CSR Committee shall be empowered to approve qualified CSR expenditure on post facto basis which shall be subject to the approval of the Board of Directors.
- The CSR Committee should keep the Board of Directors updated and informed about such CSR initiatives at frequent intervals.

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6. ACTIVITIES UNDER SCHEDULE VII OF NEW COMPANY’S ACT 2013

1. Eradicating Hunger, Poverty and Malnutrition, Promoting preventive Healthcare and sanitation and making available safe drinking water.
2. Promoting Education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
3. Promoting Gender equality, empowering women, setting up homes and hostels for Women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
4. Ensuring Environment Sustainability, Ecological Balance, Protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.
5. 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 arts and handicrafts.
6. Measures for the benefit of Armed Forces Veterans, war widows and their dependents;
7. Training to promote Rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. Contributing 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
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. Rural Development Projects
11. Slum Area Development

7. INTERPRETATIONS & AMENDMENTS

In case of any conflict in interpretation of this policy, the decision of the management shall be final. Management also reserves the right to interpret, modify or discontinue this policy in future at its own discretion.

Human Resources

Effective date: 23/01/2015

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