

**Corporate Social Responsibility Policy****Effective Date: 1<sup>st</sup> June, 2020****Policy No. : CSR – 01****Version 1.1**

<b>Prepared by</b>	<b>Reviewed by</b>	<b>Approved by</b>	<b>Approved by</b>	<b>Approved by</b>
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<b>Policy Owner – EA &amp; CSR</b>				

**Skoda Auto Volkswagen India Private Ltd.'s CSR Policy****1. CSR Vision Statement**

- i. Skoda Auto Volkswagen India Pvt. Ltd. [SAVWIPL] shall work towards protection of the environment and to the development of humanity and society in line with Skoda Brand and Volkswagen's Group philosophies.
- ii. Undertake programs that enhance the quality of life, provide unique and enriching opportunities that connect diverse groups that in long term result in sustainable partnership in shaping the communities in which SAVWIPL employees live and work.

## 2. CSR Focus Areas

The Policy recognizes that Corporate Social Responsibility is not merely compliance; it is a commitment to support initiatives that measurably improve the lives of underprivileged by one or more of the following focus areas as notified under Section 135 read with Schedule VII of the Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014:

SAVWIPL has identified ( 1) Healthcare, (2) Environment protection and conservation, (3) People development, and (4) Road safety as broad focus areas for its CSR projects.

Projects in these focus areas will seek to address the needs of the socially and economically under-served in society and aim to empower them for a better quality of life; contribute to nation-building by empowering the youth through education and skill development programs; endeavor to alleviate the challenges of environmental degradation and road traffic injuries.

Some of the specific interventions in each of the focus areas would be as follows:

<b>Focus areas</b>	<b>Interventions</b>
Healthcare	<ol style="list-style-type: none"><li>I. Enabling access to healthcare for those who do not have access to a doctor or primary/sub -healthcare centre</li><li>II. Providing financial support for specific health conditions in association with a healthcare institution</li></ol>
Environment protection and conservation	<ol style="list-style-type: none"><li>I. Enabling rain water harvesting in villages and other areas that face water shortages</li><li>II. Promoting afforestation and restoration of degraded forests (wetland and dryland forests)</li><li>III. Promoting use of renewable energy</li><li>IV. Supporting cleanliness drives</li></ol>
People Development	<ol style="list-style-type: none"><li>I. Promoting higher education of youth through scholarships</li></ol>

	<ul style="list-style-type: none"> <li>II. Partnering Industrial Training Institutes to equip youth for jobs in contemporary industrial settings</li> <li>III. Providing industry exposure through internships and mentoring programs for the youth</li> <li>IV. Enabling conducive learning spaces through upgradation of infrastructure in schools and other institutions of learning</li> <li>V. Any other suitable intervention that can harness the potential of young people, including the differently-abled.</li> </ul>
Road Safety	<ul style="list-style-type: none"> <li>I. Spreading awareness about road rules, regulations and road use behavior, focusing particularly on vulnerable road users, like school children and youth</li> <li>II. Supporting research based solutions deployment for reducing road traffic injuries and fatalities in selected corridors</li> </ul>

**3. Annual spends / Allocation of Funds**

The Company would spend not less than 2% of the average Net Profits of the Company made during the three immediately preceding financial years.

**4. Composition of the CSR Committee.**

The CSR Committee will consist of three members.

The Committee will meet as required, to discuss and review CSR activities and Policy. A quorum of two members is required to be present for the proceedings to take place. Such other meetings of the Committee can be convened as and when deemed appropriate. The Committee members may attend the meeting physically or via such audio visual means as permitted under the Companies Act, 2013, and rules framed thereunder. The Company Secretary shall act as Secretary to the Committee.

The CSR Committee comprises the following members of the Board:

<b>Name</b>	<b>Designation &amp; Department</b>
Mr. Gurpratap Boparai	Managing Director
Mr. Martin Mahlke	Executive Director (Finance & ITP ) and CFO
Mr. Jan Frydrych	Executive Director (HR & Admn)

The Committee will call Special invitees from different SAVWIPL departments for consultation on different aspects of SAVWIPL's CSR engagements. Special invitees to CSR Committee currently include:

- Mr. Pankaj Gupta, Honorary Secretary and VP, External Affairs & CSR
- Mr. Sanjay Khare, Vice President-Safety
- Mr. Mojmir Hajek, Executive Director-Technical
- Mr. Kausik Basu, Head -Accounts & Taxation

## **5. Monitoring of CSR engagements**

The CSR Committee will meet every quarter to review progress on projects implemented, monitor finances, consider project proposals, and identify projects to be recommended to the Board. The Committee may also advise on additional areas of intervention that comply with schedule VII of Companies Act, 2013 from time to time.

Appropriate documentation and amendments of the CSR Policy, reports on execution of projects by CSR Partner(s) and expenditures will be undertaken on a regular basis and same will be available to the Board of Directors of the Company. The CSR Committee and persons /entities authorised by it, will conduct due diligence checks on the current projects/partners on a quarterly basis and report anomalies, if any, immediately. Based on analysis of projects, the CSR Committee will carry out roadmap planning for allocation of budget and selection of projects.

## **6. Reporting Framework**

The CSR Committee will review the CSR activities of the Company and will provide progress update to the Board of Directors every three months/such other intervals as deemed fit. The Company will report, in the prescribed format as set out herein as Annexure, the details of CSR initiatives and activities of the Company in the Directors' Report and on the website of the Company, as required under the regulations. The reporting framework for CSR activities shall be in accordance with the format prescribed in the Companies (Corporate Social Responsibility Policy), Rules 2014, vide notification No. GSR 129 (E) dated 27<sup>th</sup> February 2014.

The surplus arising out of CSR projects or programs or activities shall not form part of the business profits of Skoda Auto Volkswagen India Pvt. Ltd.

## **7. Amendments to the Policy**

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Companies Act, 2013 on the subject as may be issued by relevant statutory authorities, from time to time.

## **8. List of CSR projects**

List of CSR projects, implementation mode and schedule for each financial year is given in the Annexure to this Policy.

The CSR Policy shall continue to be in force until amended by the Board in a meeting of the Board of Directors in future.

End of policy.