

1.0 INTRODUCTION

HYUNDAI MOTOR INDIA LIMITED (“HMIL”) is a firm believer in giving back to the society and creating an environment which will foster prosperity and wellbeing of people through its initiatives in **Creating Shared Value**. It has been a long standing commitment of HMIL towards CSR, touching the lives of economically/socially challenged and also contributing towards Road Safety, Health, Education, Women Empowerment, and Art & Culture.

With this in mind, HMIL set up a public trust - Hyundai Motor India Foundation [HMIF] in the year 2006 to carry out Corporate Social Responsibility (CSR) activities in a sustainable manner. Hyundai Motor India Foundation was built on the core values of changing lives in the shortest possible time.

HMIL also partners with other Non-Government Organisations (NGOs) to carry out healthcare and education projects in different parts of India.

2.0 PURPOSE AND SCOPE OF THE POLICY

The objective of publishing this CSR policy document is to detail HMIL’s Corporate Social Responsibility agenda, program implementation and their governance, monitoring and reporting.

This Policy has been framed in accordance with Section 135, Schedule VII of the Companies Act, 2013 (the “Act”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Companies (Corporate Social Responsibility Policy) Amendment Rules 2021 (“the Rules”)

The Policy shall apply to all CSR programs/activities undertaken/sponsored by the Company and executed either directly or through HMIF or any other Trust/Society or Implementation Partner or Fund set up by the Central or State Government(s).

3.0 FOCUS AREAS

In accordance with the requirements of the Companies Act, 2013, HMIL’s CSR activities will focus on

- **Skill development and sustainable livelihoods**

Enabling India’s youth to gain skills that can provide employment opportunities is key to realizing the potential of India’s demographic divide and driving inclusive growth. Improving employability of the youth from lower-income sections of society is hence an important focus area.

- **Health care**

The challenges faced in healthcare in India are many and HMIL will be focusing on providing access to affordable healthcare for the poor; creating awareness on health issues & making available basic medical facilities in the remote villages of India

- **Education**

HMIL aims to promote employment enhancing Vocational skills, especially for the youth, through livelihood enhancement projects.

The Company, both directly and through HMIF, will continue to work with various bodies including State Governments and other not-for-profit organizations for holistic development of the children.

- **Road Safety**

HMIL will promote Road Safety among people through various activities for creating awareness on road safety, training of drivers and working with traffic department in regulating traffic in major cities of India.

- **Promoting art and culture**

HMIL will provide forums for promoting and developing traditional arts and handicrafts and work with artisans from under privileged sections of society to showcase their talent through exhibitions, shows etc.

HMIL will also work on showcasing of young artists and different art forms, by organizing workshops, panel discussions, and other programs to foster creative learning across cultural fields.

- **Community Development**

HMIL will foster development in the local villages by providing livelihood opportunities, sanitation and drinking water facilities and general upkeep of schools and community health centers.

HMIL being a firm believer in gender equality will work towards empowering women particularly in the rural areas to develop their skill sets which will provide them with a means of livelihood. HMIL will help in setting up Self Help Groups (SHGs) to enable them to become economically independent.

- **Environmental sustainability**

Promoting Environmental sustainability through sustainable mobility(EV), ecological balance and conservation of natural resources and maintaining quality of soil, air and water through various initiatives such as resource conservation, renewable energy and energy efficiency.

- **Support for Technology Incubators and Public Funded Universities**

HMIL aims at promoting and supporting technology and innovations by contributing to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and;

HMIL will also continue to support by way of contribution to public funded Universities and such other Universities and Institutions as may be notified by the Government from time to time, by way of notifications/circulars/ amendments, which are engaged in conducting research in science, technology, engineering and medicine and aimed at promoting Sustainable Development Goals (SDGs).

- **Other areas**

HMIL will continue to provide support to specific needs such as during natural disasters through financial as well as logistical support. HMIL will also contribute to the Prime Minister's National Relief Fund including Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government or the State Governments for socio-economic development and relief.

4.0 CSR COMMITTEE

The CSR Committee constituted in accordance with the requirements of the Act and the Rules thereunder will be responsible for the governance of the CSR activities of the Company.

5.0 RESPONSIBILITIES OF CSR COMMITTEE

- Formulate & recommend the CSR Policy to the Board of Directors and review the same from time to time in accordance with the extant laws relating to CSR
- Formulate the CSR action plan with budget for the year, classification of projects as Ongoing and others and to obtain approval of the Board of Directors
- Implement the activities either through HMIF or any other Implementation Partner or directly through the CSR team of HMIL
- Create a transparent monitoring mechanism of CSR initiatives.
- Review Impact Assessment Reports on the projects in accordance with the Rules
- Hold regular meetings and have their decisions approved/ratified by the Board from time to time
- Submit periodic reports to the Board for the activities undertaken.
- Initiate action on treatment of Unspent CSR Funds at the close of every financial year

6.0 CSR BUDGET

The Board of Directors shall ensure that in each financial year, the Company spends at least 2% of the average net profits of the Company during the immediate three preceding financial years on CSR activities

CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR Activities approved by the Board of Directors on the recommendation of the CSR Committee which fall within the purview of Schedule-VII of the Act and the relevant Rules and not any other expenditure.

The surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company.

The contents of this CSR Policy shall be disclosed in the Directors 'Report as prescribed in the Act, which shall be displayed on the Company's website.

7.0 ONBOARDING OF IMPLEMENTATION PARTNER

- The Company shall conduct requisite due diligence before onboarding any implementing partner for administration/implementation of CSR Projects.
- Such diligence shall include but not limited to ascertaining their track record of community service, governance, and management standards and financial accountability among other parameters.
- The Company shall enter into Memorandum of Understanding (MoU) or other binding agreements with the Implementing Partners, setting out the terms and conditions relating to the implementation of the CSR Project(s), as deemed appropriate.

- In case of adverse findings or non-compliance with any requirements that may be imposed by the Company, the Company without any recourse reserves its right to stop or withhold disbursement of CSR funds to the implementing partner(s).

8.0 MONITORING MECHANISM

The Company shall establish in place an effective mechanism to inter alia ensure the following:

- Objectives are developed in line with the CSR Policy of the Company which will have a positive impact on the society.
- Targets, Milestones and other measurable parameters will be developed for all the projects.
- A progressive monitoring and reporting framework aligned to the requirements of the Act and Rules
- Monitoring framework may include site visits by members of the CSR Committee and officers of the company, enhanced due diligence of the implementing partner or CSR projects and such other actions as may be deemed appropriate by the company.

9.0 REPORTING FRAMEWORK

- The details of the CSR Projects undertaken by the Company during the Financial Year, the status of its implementation, the impact thereof on targeted participants, the details of funds allocated and amounts which remained unspent as at the end of every financial year shall be submitted to the CSR Committee for their review and noting.
- A third party Impact assessment will be done for the projects as per the provisions the Act and the Rules framed thereunder, as amended, from time to time.
- The Company will disclose the details of the CSR Projects undertaken by it during the financial year in the CSR Report which forms part of the Annual Report, in accordance with the provisions of the Act and the Rules framed thereunder, as amended, from time to time.

10.0 REVIEW OF CSR POLICY

- The CSR Policy should be reviewed at least annually or pursuant to any amendments to CSR law or any reason deemed appropriate by the law.
- The Amendments to the CSR Policy has been reviewed and approved by the CSR Committee and the Board of Directors of the Company at their meeting(s) held on **23rd March 2021** and the new Policy will come into effect from the above said date.

ANNEXURE

The illustrative list of activities that will be undertaken by the Company in each Focus Area is given below. This list is not exhaustive and the Company will undertake projects or activities in line with the Act and Rules as amended from time to time

FOCUS AREA	BRIEF DESCRIPTION OF ACTIVITIES
SKILL DEVELOPMENT	The Company may undertake one or more of the following activities directly or in collaboration with implementation agencies and/or NGOs <ul style="list-style-type: none"> ▪ Hyundai Academy of Technical Skills – setting up of a state of art training facility for providing vocational skills ▪ Saksham - Skill development and Employment Generation in different sectors ▪ Upgrade infrastructure, provide industry exposure and hands on training to the students of Industrial Training Institutes to make the students future ready
HEALTHCARE	<ul style="list-style-type: none"> ▪ Providing access to quality primary healthcare through Telemedicine clinics and Mobile Medical Units in various rural areas across India. ▪ Creating awareness on health and hygiene by partnering with NGOs and government agencies
EDUCATION	<ul style="list-style-type: none"> ▪ Holistic development of students through different interventions. ▪ Donation of benches and desks
ROAD SAFETY	“Safe Move” – one of the key pillars of the CSR activities of HMIL has the following activities in its fold <ul style="list-style-type: none"> ▪ Promoting the best practices of road and traffic safety habits among children, adults through different interventions in RWAs, Schools and other public spaces. ▪ Work with City Police Authorities to improve road safety through need based interventions.

PROMOTING ART AND CULTURE	<ul style="list-style-type: none">▪ Promote young artists with limited resources by providing them a platform to showcase, sustain and evolve their art practices▪ In partnership with communities and local governments to sponsor arts and art exhibits by rural artisans on social causes
COMMUNITY DEVELOPMENT	<ul style="list-style-type: none">▪ Train communities on local self-development and provide seed capital for setting up poultries, dairies, self- help groups for carrying on trade▪ Provide sanitation facilities and clean drinking water
TECHNOLOGY DEVELOPMENT	<ul style="list-style-type: none">▪ Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and▪ Contribution to public funded universities
ENVIRONMENT SUSTAINABILITY	<ul style="list-style-type: none">▪ Ensuring environmental sustainability, ecological balance and protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water promoting sustainable mobility(EV).