



Global Process Management System

Process Description: MO_IN_Corporate Social Responsibility	
Process: MO_IN_RMC.2.PY.1	
Owned By: Finance	Version: RMC-2.PY.1.0
Approval Date: 01-04-2015	Review Date: 31-03-2017
Written By: Manoranjan Saha	Approved By: Wouter Pool

HILTI INDIA PRIVATE LIMITED

Policy on Corporate Social Responsibility

1) PREAMBLE

Corporate Social Responsibility (CSR) is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Policy on Corporate Social Responsibility is mandatory as per regulation and guidelines of Companies Act 2013. CSR is defined within a frame work of Corporate Philosophy which factors the needs of the community and the regions in which corporate entity functions. Therefore, it is the core corporate responsibility of Hilti India Private Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

Hilti India Private Limited (HILTI) recognizes to contributes for betterment of the societies in which it operates, and therefore an effective practice is required giving due consideration to the interests of its stakeholders including shareholders, customers, employees, suppliers, business partners, local communities and others. The company endeavors to make CSR a key business process for sustainable development.

2) INTRODUCTION

The Registered Office as well as the Corporate Office of the Company is situated at New Delhi and also operate from other cities of India. The beneficiaries of CSR should be those staying around the area of operations of Hilti India. Moreover, HILTI's CSR policy should be integrated with the business plan so that environment and social concerned are well addressed along with growth in business.

In the aforesaid backdrop, policy on Corporate Social Responsibility of HILTI is broadly framed taking into account the following measures: -

- a) Welfare measures for the community at large so as to ensure the poorer section of the Society derive the maximum benefits.
- b) Contribution to the society at large by way of social and cultural development, imparting education, training and social awareness especially with regard to the economically backward class for their development.
- c) Protection and safeguard of environment and maintaining ecological balance.



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3) OBJECTIVE

The main objective of CSR policy is to lay down guidelines for HILTI to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Govt. in enhancing welfare measures of the society based on the immediate short term and long term and environmental consequences of their activities.

4) AREAS TO BE COVERED

HILTI shall execute CSR activities in the areas of operations of Hilti India. HILTI may approve specific cases of projects in different locations throughout India.

5) SCOPE

The below is a list of activities under Corporate Social Responsibility of the Company which is illustrative and not exhaustive. The Corporate Social Responsibility Committee / Board of Directors may also consider CSR activities which are outside the above scope and not falling in this list.

(i) Eradicating extreme hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water:

- Health care by organizing camps and providing health check-up & medicine for workers/labors at construction sites or any other location.
- Organizing Blood donation camps for the benefits of community at large.
- Diabetics detection & Hypertension Camps
- Senior Citizen Health Care camps/activities at old aged homes or any other location
- Provisions for aids and appliances to the differently-able persons
- Child and Mother care activities
- Diet and Nutrition activities
- To supplement the different programme of Local/State Authorities.
- Sulabh Souchalaya
- Water supply during summer for workers/labors/other poor persons

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently-abled and livelihood enhancement projects:

- Conservation and renovation of school buildings and classrooms.
- Awareness programs on girl education.

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- Special attention on education, training and rehabilitation of mentally & physically challenged children/persons.
- Adult literacy especially amongst those belonging to BPL.
- Provide fees for a period of one year or more to the poor and meritorious, preferably girl students of the school in the operational area of the Company to enable them to get uninterrupted education.
- Academic education for poorer sections of the society.

(iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centre and such other facilities:

- Organizing training programme for women on tailoring Embroidery designs, Home Foods/Fast Foods, Pickles, Painting and Interior Decoration and other Vocational Courses.
- Enabling access to or improving the delivery of public health systems.
- Slum re-development or EWS housing.

(iv) Reducing Child mortality and improving maternal health

(v) Combating Human immunodeficiency Virus, acquired immune deficiency syndrome, malaria and other diseases

(vi) Ensuring environmental sustainability, ecological balance, agroforestry, conservation of natural resources and maintaining quality of soil, air and water:

- Green belt Development.
- Forestation, Social Forestry, Check Dams, Park.
- Plantation of saplings producing fruit.
- Renewable energy projects.
- Development of infrastructural facilities for Solar Lights.

(vii) Employment enhancing vocational skills

(viii) Social Business Projects

(ix) Contribution 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;

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- (x) **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) IMPLEMENTATION

a) The investment in CSR shall be project based and for every project time framed periodic mile stones shall be finalized at the outset.

b) Project activities identified under CSR are to be implemented by specialized Agencies and or by employees of the Company. Specialized Agencies could be made to work singly or with other agencies.

c) Such specialized agencies would include:

- i) Registered Trust; or
- ii) Registered Society; or
- iii) A Company established under Section 8 of the Companies Act 2013; or
- iv) Agencies having established track record of three years in undertaking specified projects/programs.

- Voluntary Agencies (NGOs)
- Institutes/Academic Organizations.
- Trusts, Mission etc.
- Government, Semi Government and autonomous Organizations.
- Mahila Mondal / Samitis and the like
- Contracted agencies for civil works
- Professional Consultancy Organization etc.

7) IMPLEMENTATION COMMITTEE FOR CSR PROPOSALS

An Implementation Committee (IC) having following members would be constituted at Head Office for identification and implementation of activities which involve the followings:-

- a. Finance Manager
- b. Finance Controller
- c. Company Secretary



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d. Human Resource Director

This Committee shall identify and implement activities involving the followings:-

- (i) To decide the priority of activities to be undertaken under CSR.
- (ii) To interact with the CSR Implementing agencies (wherever appointed) for determining the activities to be undertaken.
- (iii) Based on the activities to be undertaken, the committee will recommended the quantum of Budget for the year.
- (iv) To monitor and review the progress of activities undertaken/completed and proper documentation of the completed projects.

The IC will also examine the proposal / requests submitted by CSR implementing agencies (wherever appointed) for Grant of donation/Financial Assistance/ Sponsorship etc. and also to submit its recommendation before the CSR committee. This Implementation Committee shall after identifying the projects & budget, recommend it to CSR Committee for its approval.

8) SOURCE OF FUNDS

As per Companies Act 2013 guideline on CSR, the fund for the CSR shall be allocated based on 2% of the Average net profits of the company for last three financial years.

9) APPROVAL OF CSR PROPOSALS

The Corporate Social Responsibility Committee (CSRC) will examine & approve the proposals received from the Implementation Committee and decide allocation of funds at various heads / activities / projects.

The CSR Project shall be fixed for each financial year. This fund will not lapse. It will be transferred to CSR fund which will accumulate.

10) MONITORING

a) The impact made by CSR activities should be quantified to the best possible extent with reference to objective created before the start of any project.

b) The CSR Committee shall prepare the Annual Report on CSR Activities.

c) In each quarter, Board of Directors of the Company shall review the implementation of CSR.

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d) Meticulous documentation relating to CSR approaches, implementation, programs, expenditures, procurement etc. should be prepared.

11) REFLECTION OF CSR ACTIVITIES

- i) The CSR activities will be reflected in the Annual Report and Accounts of the Company under Social Overhead (CSR). Proper records should be maintained for the activities taken up, agencies involved etc.
- ii) The IC will inspect all sites and reflect the same in their report for information, record and further action.
- iii) Photographs of all activities wherever applicable should be taken and copy of photograph along with soft copy should be sent to Chairman of CSR Committee.

12) CONCLUSION

The above guidelines would form the framework within which the CSR activities would be undertaken. Every Area should have specific activities to adopt mostly in their close vicinity of the projects.

The CSR Committee will review the Policy from time to time based on changing needs and aspirations of the target beneficiaries and make suitable modifications, as may be necessary