

CORPORATE SOCIAL RESPONSIBILITY POLICY

Gestamp Automotive India Private Limited (GA IPL), was incorporated on 16th May, 2008 and having company registration number U28990PN2008FTC132030 with its registered office situated at E1, MIDC Industrial Area, Phase-III, Village: Nigoje Mhalunge, Pune, Maharashtra, India – 410501. The company is into manufacturing activities involving stamping press parts for automotive use for automobile industries. Company currently manufactures automotive press parts for the customer Volkswagen India Private Limited situated at Chakan MIDC, Pune, Maharashtra, India.

GA IPL is part and parcel of Gestamp Group, Spain. Gestamp group is a leading global automotive supplier active in the design, development and manufacture of metal components and assemblies for sale to original equipment manufacturers ('OEMs'), primarily for use in the production of light vehicles. In recent years Gestamp group has grown significantly, increasing its product portfolio and continuing its international expansion, which has transformed Gestamp group into a global automotive supplier. Gestamp Group has an extensive global footprint of around 104 production facilities in more than 20 countries over four continents, that supplies products globally to all of the 12 largest OEMs by production volume. Gestamp group is one of the very few truly global suppliers to OEMs in the product portfolio, which sets Gestamp apart from many of our competitors in the industry.

Gestamp group consists of companies located around the globe, with vision of becoming the most renowned automotive supplier and to adapt the business to create value for the customer, while maintaining its sustainable economic and social development.

As a global policy Gestamp companies are committed to the society and in Gestamp Group Companies Corporate Responsibility is treated as a strategic function, related to sustainability and competitiveness. The mission is, in the context of the corporate principles that defines the corporate culture, is to create long-term value for all stakeholders and for the society.

As a Group policy, Corporate Responsibility, as per New Companies Act, 2013 had been articulated in eight dimensions, to which GA IPL is also committed and want to make a positive contribution:

Definitions

Words and expressions used and not defined in these rules but defined in the Act shall have the same meanings respectively assigned to them in the Companies Act, 2013.

- (i) "Act" means Companies Act, 2013
- (ii) "Average Net Profit" means average net profit to be calculated as per Section 198 of Companies Act, 2013 for preceding three financial years. It shall have the same meaning as prescribed in Section 135 of the Act read with the relevant Rules.
- (iii) "Board" shall mean Board of Directors of GA IPL.
- (iv) "CSR activities" shall mean the projects or programs or activities undertaken / to be undertaken by GA IPL as prescribed in Clause 5.
- (v) "CSR Committee" shall mean a Committee duly constituted by the Board pursuant to provisions of Section 135 of the Act.
- (vi) "CSR Policy" shall mean Corporate Social Responsibility Policy of GA IPL that relates to the activities to be undertaken by the company as specified in Schedule 'VII to the Act and the expenditure thereon, excluding, activities undertaken in pursuance of normal course of business of GA IPL.

(vii) "Rules" means Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time.

Scope

The CSR Policy applies to the formulation, execution, monitoring, evaluation, and documentation of CSR activities in the target locations, in and around Company's plant and or outside as it may adopt to implement the CSR scope.

Aims and Objectives

As a responsible corporate entity, GAIPL will consistently strive for pursuing the sustainable development with focus on the following:-

- a. Economic Development and innovation
- b. Education and poverty
- c. People and society at large
- d. Health and Safety
- e. Environment
- f. The permissible items in schedule VII to the Act

Location / Geography of CSR activities

The CSR activities will be primarily taken up in the immediate vicinities of GAIPL's plant. Apart from immediate vicinity areas, CSR activities may also be taken up in urban, rural and tribal communities, wherein social engagement by GAIPL is warranted as per assessment of the specific need.

Undertaking of CSR activities

The CSR activities will be carried out either by GAIPL itself or through any other person / enterprise like Trust, Society or Section 8 Company which has established track record for last at least three years and or collaboration with other companies, as may be decided by the CSR Committee.

Implementation Mechanism

While identifying the CSR activities, GAIPL would consider the following broad parameters while selection of projects or programs:

Preference would be given to the local areas

CSR activities would be undertaken as project or program based rather than in the form of donation, so as to create GAIPL's social impact and visibility.

While implementing the identified projects or programs, time frames and milestones should be predefined.

CSR activities would be based on fundamentals of sustainable development

Planning and Co-ordination

The specific projects or programs will be identified and formulated based on need assessment surveys for identifying the specific areas of concern. Based on the survey, a detailed project or program report will be prepared by the Committee detailing the need for the specific project or program, time frame for implementation and budget.

GAIPL will prepare an annual plan for each year within the budgetary provisions and will be placed before the CSR Committee for recommendation to the Board for approval.

The target beneficiaries, the local authorities, professionals and institutions etc. involved in similar activities if need be, may be consulted/ associated in the process of planning and implementation of the CSR activities.

GAIPL may hire professionals on need basis wherever considered necessary to plan and implement various projects.

The focus of delivering services /benefits will be in line with the CSR activities mentioned in this document and as per programs, projects and schemes approved.

Budget for CSR activities

The CSR Committee shall, after the end of each financial year, recommend to the Board, the amount of expenditure to be incurred on the CSR activities.

The amount of such expenditure shall not be less than 2% of the Average Net Profits of GAIPL made during immediately preceding three financial years.

Monitoring process

GAIPL would be responsible for assessment, implementation, reporting and monitoring on the factual and financial progress of the CSR activities on a regular basis.

CSR Committee to form a team, comprising of such number of executives as may be required for implementation of CSR activities.

The implementation and progress of CSR activities shall be regularly monitored by GAIPL at desired intervals

The CSR Policy shall be monitored by the CSR Committee from time to time and at least once in six months.

On advice of CSR Committee, selected CSR activities may be taken up for evaluation through an outside agency.

Reporting

A Periodical report on activities / projects identified / implemented shall be submitted to CSR Committee.

Based on the monitoring reports collected from, the activities undertaken by GAIPL will be reported and will form part of the Board's Report of GAIPL. The details will be reported in the format prescribed by notification from time to time.

The Board of Directors of GAIPL will also be kept informed, from time to time, on the CSR activities undertaken by GAIPL.

General

Any amendment or modification to the CSR Policy shall be approved by the Board on the recommendation of CSR Committee.

The contents of this Policy shall be disclosed in the Board's report and same shall also be displayed on the website of the Company.

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