

### 1. Philosophy:

**Hyundai Motors India Limited (HMIL) commitment to CSR is rooted in the Hyundai Motor Company's newly adapted vision of "Progress for Humanity" as a way to confirm our determination to create more valuable time for all humanity.**

HYUNDAI MOTOR INDIA LIMITED ("HMIL") resonates to the global vision of HMC and its global commitment to foster sustainable future through global CSV initiative "**CONTINUE**" focussing on Earth, Mobility and Hope as core areas.

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 meaningful initiatives in **Creating Shared Value** (CSV).

The board CSR committee outlines, guide, reviews and monitor the CSR action plan, provides necessary guidance on regular basis on identification of community, key stakeholders, geographical coverage (focussing pan India coverage, aspirational districts, strategic regions of business, national interest and regions that needs critical support at times of calamity or disaster).

### 2. Purpose and Scope:

The objective of publishing this CSR policy document is to detail HMIL's Corporate Social Responsibility agenda, program implementation, governance, and monitoring & 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 by the Company and executed either directly or through Implementation Partner (HMIF or any other Trust/Society or Fund set up by the Central or State Government(s)).

### 3. Vision and Focus Areas:

The company reflects and aligns with the Global HMC vision of "Progress for Humanity" integrated with global CSV Initiative "CONTINUE" having focus on three core areas Earth, Mobility and Hope.

#### **Visionary Action "SEEDS OF GOODNESS"**

**HMI CSV Direction = SMART CSV (3S)**

**Social Innovated Solutions** leveraging Technology for India and evolving trends (thinking differently from others)

#### **SMART Solution**

- Waste -> Resource: EcoGram (waste-> Elect. ↑ & land fill ↓)
- Bare ground -> Value: Forest & Water (Biodiversity +Income)
- Mobility -> Solution : Troubleshooting (Education/Health)
- Women & Disability: Active inclusion/respect (specially abled/potential)

**Quantitative social goals (Strengthening Commitment)**

<b>SMART Chat</b>	<ul style="list-style-type: none"> <li>- Focused on sustainable goals (commitment) &amp; impact (outcomes)</li> <li>-&gt; Livelihood &amp; Income generation                             <ul style="list-style-type: none"> <li>o Establish simple and clear goals</li> <li>o Introduction to various efforts aimed at achieving goals</li> </ul> </li> </ul>
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**External Verification and Digitalization for authenticity and transparency**

<b>SMART Check</b>	<ul style="list-style-type: none"> <li>- Third party verification of key CSV initiatives</li> <li>- Third party certification of carbon footprint effectiveness</li> <li>- Digitalization to ensure transparency of HMI activities</li> <li>- Monitoring through the system (securing objectivity)</li> <li>- Consolidate, Communicate and Collaborate</li> </ul>
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In accordance with the requirements of the Companies Act, 2013, HMIL’s key CSR activities strategically focusses on achieving Sustainable Future Oriented Society through;

Core Areas	Activities	Direction
<b>Earth</b>	<b>Ecosystem Restoration</b>	
	<i>IONIQ Forest</i>	<i>Waste to Wealth</i>
<b>Mobility</b>	<b>Community Growth and Solutions – Health and Education</b>	
	<i>Healing Hands</i>	<i>Easy Roads</i>
<b>Hope</b>	<b>Inclusive and Sustainable Livelihoods</b>	
	<i>Art for Hope</i>	<i>Samarth</i>

**4. Approach and Target Communities:**

The company deploys development interventions through *Hyundai Motor India Foundation* and other not for profit organisation. The objective is to empower communities i.e. women, youth, children, collectives and likeminded institutions. The company will take additional effort to support disadvantages sections of the society.

The company will additionally undertake activities as deemed appropriately by its CSR board. The company shall ensure that any surplus arising out of the CSR projects does not form part of its business profit.

## 5. Composition of CSR Committee:

The composition of CSR Committee shall be decided by the Board from time to time under the provision of Section 135 of the Act.

## 6. Governance Mechanism:

The CSR Committee constituted in accordance with the requirements of the Act and the Rules there under is responsible for the governance of the CSR activities of the Company.










## RESPONSIBILITIES OF CSR COMMITTEE





- **Board Oversight:** Ensure the board of directors actively oversees CSR initiatives.
- **Policy Integration:** Integrate CSR policies into overall strategy & align social objectives. Formulate and 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
- **Stakeholder Engagement:** Engage with stakeholders to identify their concerns and incorporate them into CSR decision-making processes.
- **Transparency and Reporting:** Maintain transparency by regularly reporting CSR activities and impact to stakeholders. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance to the CSR policy. The committee shall review and recommend the manner of execution of the projects and modalities of utilization of funds.
- **Compliance and Risk Management:** Develop processes to ensure compliance with CSR regulations and manage associated risks. The committee shall monitor the CSR policy time to time
- **Performance measurement:** Establish key performance indicators (KPIs) to measure the effectiveness of CSR initiatives. The committee shall review impact assessment reports of the applicable projects in accordance with the Rules and ensure disclosure of the same
- Ensure continuous improvement through CSR Subcommittee. Hold regular meetings and have their decisions approved/ratified by the Board from time to time, Committees shall meet as often as necessary subject to the minimum number and frequency stipulated by the Board.
- 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

- External Standards and Certifications:** Consider adhering to the recognized CSR standards and obtaining certifications to enhance credibility. Ensure holistic approach that integrates social and environmental considerations into core of business operations.

### ANNEXURE A

Linkage between Hyundai Motor India Limited Corporate Social Responsibility Focus Areas, Schedule VII and Sustainable Development Goals (SDGs).

Schedule VII Activities List Section 135 of Companies Act, 2013 Mapped as per the latest Amendment of January, 2021	Hyundai Motor India Limited Focus Areas			Sustainable Development Goals
	Earth	Mobility	Hope	Mapping with 17 SDGs
1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health and sanitation including contribution to the Swatch Bharat Kosh set-up by the Central Government for the promotion of 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 centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.				
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.				
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. 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				
9. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government and Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs)]				 
10. Rural development projects				
11. Slum area development				
12. Disaster management, including relief, rehabilitation and reconstruction activities.				

## Annexure B

### Guiding Principles for CSR

In 2009, the Ministry of Corporate Affairs (MCA), Government of India issued the 'Voluntary Guidelines on Corporate Social Responsibility' as a precursor towards mainstreaming the concept of business responsibility. In June 2011, the United Nations Human Rights Council (UNHRC) adopted the United Nations Guiding Principles on Business and Human Rights (UNGPs) which India has endorsed. Accordingly, MCA released a set of new guidelines in 2011 titled as National Voluntary Guidelines on the Social, Environmental and Economic Responsibilities of Business (NVGs). These guidelines expected to provide guidance to businesses on what constitutes responsible business conduct.

With the enactment of the Companies Act, 2013, CSR became a norm in India and embarked as one of the world's experiments in the field of CSR. In fact, India is the first country to have a mandatory CSR spending law in the world. CSR has activated a system of co-governance. The welfare areas, which hitherto were the exclusive domain of government, are now being shouldered by the corporates. Society's governance is no longer a monolith under the government but is under a new tripartite governing arrangement mediating the relationships amongst the state, corporates and the civil society.

Hyundai Motor India Foundation [HMIF] an implementing arm of HMIL formed in the year 2006 with the purpose of giving back to the society and initiate corporate social responsibility (CSR) activities in the areas of community development, healthcare, educational and vocational training, environment, road safety, art, science technology etc. The HMIF CSR projects/programmes are aligned to the global vision "Progress for Humanity" and the three focus areas - Earth, Mobility and Hope.

**HMC Vision:** HMIL CSR initiatives are guided by global brand vision of Progress for Humanity. Creating Shared Values align our CSR projects with scaling social impacts and building a sustainable ecosystem.

Further, Hyundai Motor Company's direction of global CSR program 'Continue' drives our commitment to sustainable future.

- **Creating Shared Value:** With changing times, we have aligned our CSR activities to needs of our stakeholders including customers, community, employees, government and anyone who is associated with us directly or indirectly. Our CSR initiatives are focused towards creating an environment, which fosters prosperity and wellbeing of people through its initiatives in Creating Shared Value. Earth, Mobility and Hope are three pillars under which CSV initiatives are implemented.
- **Selection of Project:** Projects are designed based on the feasibility study, recommendations from the past research and assessments, Board directions, regional requests aligned to CSV themes and flagships in the areas of Healthcare, Environment, Education, Employability & Employment, Inclusivity (Financial, Digital, Diversity)

- **Annual Action Plan:** The CSR committee formulates and recommends to the board, CSR action plan that aligns to the global CSV initiative CONTINUE. The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.
- **Monitoring of CSR Project:** HMIL ensures 3-tier system of Monitoring and review of the programmes. Internal monitoring team ensures desired outputs and outcome of the programme and updates the CSR committee and board. In case of on-going project – CSV team shall monitor the implementation of the project with reference to the approved timelines and yearly allocation.
- **Mode of Implementation:** HMIL will implement/undertakes CSR projects through an NGO or organizations/institutions as recommended in Section 135 of the act.
- **Employee Volunteering:** HMIL is committed to provide volunteering opportunities to its employees and their families. This will help in strengthening, connect with local communities and address social challenges.
- **CSR Spending:** The company shall endeavor to achieve the objectives of CSR Policy and allocate every year:
  - Minimum 2% of its average net profits made during the three immediately preceding financial years
  - Any income or surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the company and the same shall be ploughed back for use in CSR activities
  - All the expenditure relating to CSR shall be pre-approved by the CSR Committee.
  - The CFO shall monitor the utilization of funds for the purposes set forth and certify to this effect.
  - Unspent CSR amount, if any shall be transferred to separate account in accordance with the applicable CSR Rules from time to time.

### **Annexure C**

#### **CSR Reporting and Disclosure**

- As per rule 8(1) of the Companies (CSR Policy) Rules, 2014, HMIL's Board Report pertaining to any financial year, shall include an annual report on CSR containing particulars specified in Annexure I or Annexure II of the said rules, as applicable.
- As per rule 9, the Board of Directors of the company shall disclose the following on their website; (i) Composition of the CSR Committee; (ii) CSR Policy; (iii) Projects approved by the Board; and (iv) Impact Assessment Report.
- Any other documents or information as may be required under the act from time to time.

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