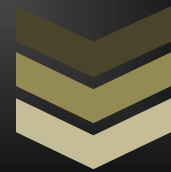




# CSR Policy for HPPPL Group of Companies



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## Structure

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## Introduction

The Corporate Social Responsibility (CSR) has been an integral part of the way we have been doing our business. The Company's CSR initiatives has played pivotal role in improving the lives of the communities and society at large and in & around our operations with an objective to energize, involve and enable them to realise their potential. This has also enabled us to fulfill our commitment to be a socially responsible corporate There is not only an increase in potential CSR spends but the focus shall now be on achieving more result on ground in a more strategic, systematic and thoughtful manner.

This policy, which encompasses the company's philosophy for contributing to the society as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large, is titled as the 'HPPPL CSR Policy'.

## Company Profile

Hindustan Powerprojects Pvt Ltd. (HPPPL), as group of companies, has various business verticals like Solar Power, Thermal Power, Hydro Power, Natural Resources and EPC, with its presence in India and abroad. It aims to cover all energy deficits in India by 2020, backed by a substantial investment of Rs 32,000 crores of investments. It also aims to fuel a change in the power sector domain by making power availability options broader, simpler and cost effective securing our clients multi dimensionally.

Hindustan Power has consistently been focusing on giving maximum returns to its stakeholders through corporate growth and social responsibility. The company is head quartered in New Delhi and has power generation assets in the states of Chhattisgarh, Gujarat, Tamil Nadu, Odisha, West Bengal, Madhya Pradesh, Punjab, Uttar Pradesh and Himachal Pradesh in India and in countries like Germany, Italy, US, UK and Japan.

Corporate Social Responsibility in Hindustan Power is geared towards enhancing the relationship the company has with its various stakeholders and provide best developmental opportunities. It's initiatives are geared towards addressing the needs and challenges of sustainable livelihoods, better health and education.

The journey from a new entrant in the energy sector to one of the leading companies in India in energy sector, was possible because of the positive change in the communities. Be the safety standards in our power generation plants, or upholding ethical governance practices, the organization has been maintaining the highest standards of environmental consciousness. Right from constituting a committee to guide and monitor its CSR programmes to evolving interventions in accordance to the needs of the respective local

communities, the Hindustan Power team has established itself as a partner to local communities in their sustained development.

### Company Vision

Transforming lives with affordable, reliable, clean energy and infrastructure.

### Mission

To be a globally admired infrastructure company – to create 7 GW by 2020.

### Policy Objective

- To integrate the CSR, other legislation and compliance in key business processes for sustainable development of the society.
- To enhance the commitment across levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while addressing stakeholders' expectations.
- To formulate developmental programmes aimed at enhancing quality of life and improving socio-economic profiles of project affected people and general populace.

### Policy scope

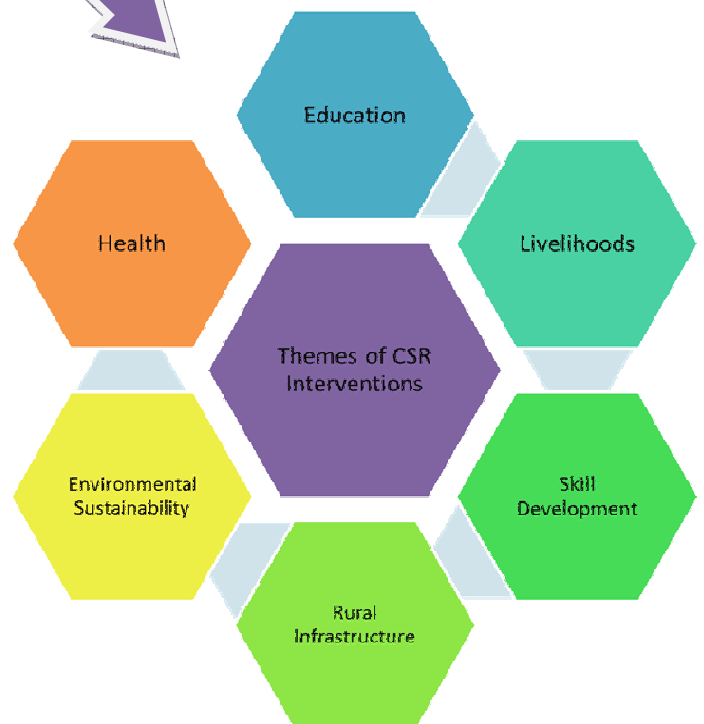
This policy shall be applicable to all companies falling under HPPPL group. It shall reinforce HPPPL as a responsible corporate citizen, within and outside the organization, committed towards developing corporate shared values, business ethics, recognizing interest of contiguous communities, corporate governance, safety, health and environment conservation.

### CSR Budget

The CSR Committee shall recommend the project wise annual budget expenditure to the Board for its consideration and approval. ***The surplus arising out of the CSR activities, if any, will not be considered as a part of the business profits of the company.***

## Thematic Interventions

*All CSR programmes shall be implemented through its own Trust/Foundation and institutions with similar objectives. The following shall be the focus areas of CSR activities of HPPPL and may extend to other specific projects/ programs as permitted under the law from time to time.*



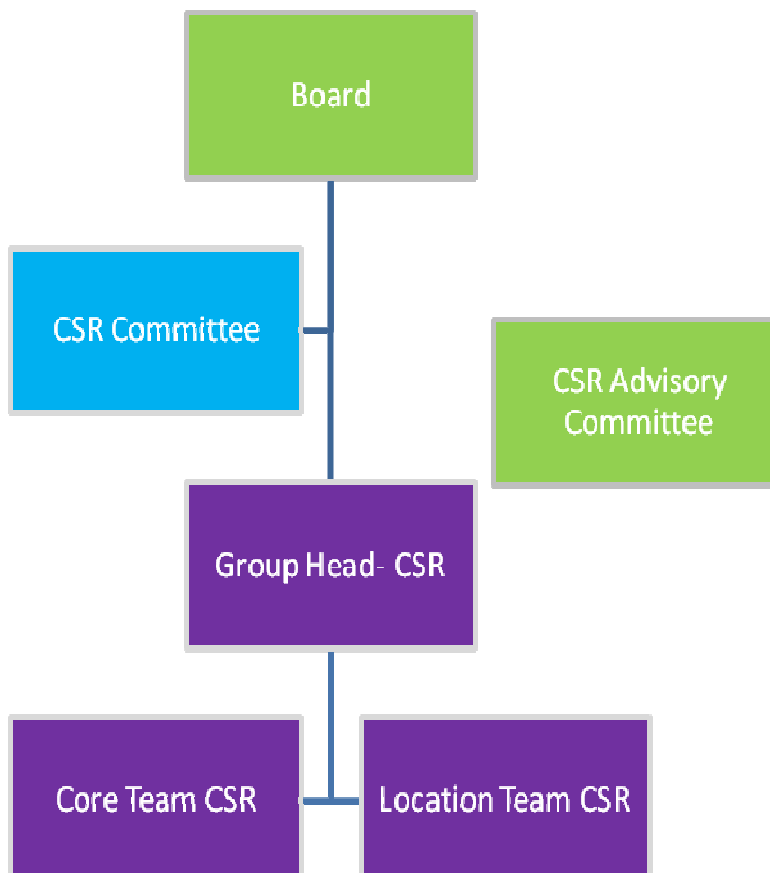
### Areas of operation

HPPPL shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities. It shall deploy funds for CSR activities towards the projects undertaken by it or any of its subsidiary(s) including projects in pipeline, provided however that Project SPVs wherein CSR spending has been mandated by law shall deploy funds towards their respective project(s).

### CSR Governance Structure

A good 'Corporate Governance' is integral to the processes and structure by which the business and the affairs of any company are directed and managed. Since governance is the process of decision-making and its implementation, we believe that management is only a trustee of the shareholders' capital.

HPPPL is committed to practices true Corporate Governance where transparency, integrity and accountability are hallmark of all its activities. As we believe that good governance is perhaps the single most important component for sustained development, we encourage a process driven approach to meet our Vision statement. The Board and CSR committee will be responsible for effective implementation of the CSR activities, however, the HPPPL may incorporate some additional mechanisms to make the CSR activities implementation robust. The following shall be the governing structure of the CSR:



### **Monitoring Mechanisms**

The CSR committee shall receive quarterly updates on all activities against the plans submitted and approved. A pan business CSR Advisory Committee shall be responsible for managing the tasks to be implemented and providing feedback to the implementing team. The Advisory Committee shall report to the Board Level CSR committee through appropriate representatives.

### **Reporting and Documentation**

Reporting will constitute an integral part of CSR as HPPPL remains committed to report on CSR activities. The objective of reporting is not only to update the stakeholders but also to receive their feedback and accordingly capture their suggestions/inputs into our future strategies. The reporting commitment will help us achieve enhance the business reputation and trust of all our stakeholders. It will create awareness on company's commitment on doing business in a socially responsible way. All CSR activities shall be documented annually which would include progress on each intervention against planned activities, Number of beneficiaries covered, good practices and beneficiaries' voices.

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