

Bosch Limited

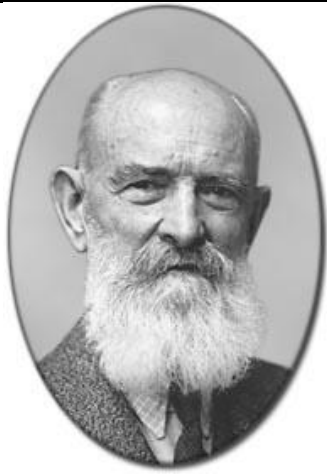
**Corporate Social Responsibility
(CSR) Policy**

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Contents

VISION	3
INSPIRATION	3
OBJECTIVE	3
SCOPE.....	3
CSR THRUST AREA	3
SELECTION OF CSR PROGRAMS.....	4
<i>Vocational Training</i>	4
<i>Health, Hygiene and Education</i>	4
<i>Neighbourhood Projects</i>	4
CSR GOVERNANCE ORGANISATION	4
<i>Board CSR Committee</i>	4
<i>Board of Directors</i>	5
<i>CSR Steering Committee</i>	5
ANNUAL ACTION PLAN.....	6
IMPLEMENTATION	6
MONITORING.....	7
REPORTING	7
REVISION HISTORY	8

1	VISION
1.1	<p>We are a global company with deep roots in India, providing innovative and beneficial solutions. We are the preferred partner for our customers.</p> <p>We strive for sustained economic success and leading market position. We, as motivated and dedicated associates, aim for excellence.</p> <p>We live the Bosch values and believe in our responsibility towards society.</p>
2	INSPIRATION
2.1	<p>Robert Bosch, our Founder, remains the predominant source of inspiration for meaningful and impactful Corporate Social Responsibility (CSR) at Bosch Limited (Bosch).</p> <p>Entrepreneur-par-excellence and distinguished philanthropist, Robert Bosch played a significant role in uplifting people and improving the social conditions of the day. He envisioned a company that generated social capital beyond products, services and profits.</p>
	<div style="display: flex; align-items: center;">  <div style="margin-left: 20px;"> <p style="font-size: 24px; font-weight: bold;">"Be Human and Respect Human Dignity"</p> <p style="font-style: italic; font-size: 18px;">Robert Bosch, 1920</p> </div> </div>
3	OBJECTIVE
3.1	<p>The CSR Thrust areas reinforce us as a community-conscious, socially responsible, and value-based organization, committed to making the world a better place to live in. All our CSR projects works towards the holistic development of the individual and society, as below:</p> <ul style="list-style-type: none"> ○ To facilitate an enabling environment for underprivileged children to access quality education and health care services.. ○ To enhance employability of the underprivileged youth through industry-relevant vocational trainings. ○ To engage in socially relevant local projects at Bosch Ltd locations (Bosch) for an impactful intervention.
4	SCOPE
4.1	<p>Activities/Projects/Programs of Bosch relating to Corporate Social Responsibility will be in line with the below mentioned thrust areas and other areas mentioned under Schedule VII of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time.</p>
5	CSR THRUST AREA
5.1	<p>To optimize impact of its CSR activities, Bosch will focus its support and CSR spends specific pre-determined causes and areas of interventions. Bosch will focus its CSR activities on</p> <p>(a) Vocational training focused on employable skills (b) Health, Hygiene and education (c) Neighbourhood projects as per the local needs identified by Bosch Plants / Offices.</p> <p><i>All these thrust areas are in alignment of Sustainable Development Goals defined by United Nations and Schedule VII of the Companies Act, 2013.</i></p>

	<p><i>Apart from above-mentioned areas we are open to projects /programs mentioned under Schedule VII of the Companies Act, 2013 and the Rules made thereunder, as amended from time to time based on needs identified.</i></p> <p><i>We also contribute towards PM Cares Fund and such other funds prescribed in Schedule VII, as may be decided by the Board of Directors</i></p>
5.2	SELECTION OF CSR PROGRAMS
	The following CSR thrust areas of Bosch Limited are aimed to resolve specific social and community issues and enable the beneficiaries of these programs to secure a better tomorrow:
5.2.1	Vocational Training <i>Bosch's Response to India's Development and Growth through Employability Enhancement (BRIDGE)</i>
	Making the underprivileged youth employable, particularly those who have dropped out of the education system is the primary aim of this initiative. By imparting industry-relevant short-term skills to the underprivileged youth, the objective is to help this group to access suitable employment and thereby bringing them back into the mainstream. This program also will continue to develop 'a pool of trainers' to address the need of trained and motivated trainers to impart quality training.
5.2.2	Health, Hygiene and Education
	To support sustainable improvement in the areas of Health, Hygiene and Education with focus on children studying in Government schools.
	<i>Health Development Project:</i> This program is aimed at addressing health problems and improving basic health facilities to improve the Health of the community. This initiative includes conducting medical camps, follow-up treatment, providing medicines and surgeries.
	<i>Education:</i> This program is aimed at improving children's educational needs by providing support in imparting the quality education and women empowerment. The initiative supports for holistic development in education area including sports, science, computers, English, infrastructure etc.
5.2.3	Neighbourhood Projects
	The primary aim of this initiative is to engage with the local community in a socially meaningful manner to address local needs for a healthy neighbourhood. As an environment friendly and socially conscious company, Bosch will continue to support critical issues around the Bosch locations. This will be done by assessing the need and requirement of the neighborhood community, keeping in mind the long-lasting impact that it can create and the social value chain. Example: The scope of ongoing projects like Water purification (Reverse Osmosis Plants) and village development projects, etc.
6	CSR GOVERNANCE ORGANISATION
6.1	Board CSR Committee:
6.1.1	The Board CSR Committee is constituted by the Board of Directors comprising three or more directors and chaired by one of the Independent Directors.
6.1.2	The Committee is entrusted with the following responsibilities:
	<ul style="list-style-type: none"> ○ To formulate and recommend to the Board, a CSR Policy inter-alia indicating the CSR thrust areas and including guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan; ○ To recommend annual CSR budget and allocation between proposed projects. ○ To formulate and recommend to the Board, annual action plan in pursuance of the Company's CSR policy which shall include the following: <ul style="list-style-type: none"> (a) the list of CSR projects or programmes; (b) the manner of execution of such projects or programmes; (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes; (d) monitoring and reporting mechanism for the projects or programmes; and (e) details of need and impact assessment, if any, for the projects undertaken by the company; ○ To monitor the implementation of CSR programs / projects periodically. In case of ongoing project, monitor the implementation of the project with reference to the approved timelines and year-wise

	allocation and make modifications, if any, for smooth implementation of the project within the overall permissible time period. And forward quarterly progress reports to the Board of Directors.
	<ul style="list-style-type: none"> ○ Impact Assessment: Board CSR Committee ensure that impact assessment is carried out, through an independent agency, of CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study and the impact assessment reports are placed before the Board.
	<ul style="list-style-type: none"> ○ Provide compliance oversight and ensure adoption of best practices and standards.
	<ul style="list-style-type: none"> ○ To ensure transparency in reporting and communication with stakeholders on CSR projects and initiatives.
6.2	Board of Directors:
6.2.1	The Board of Directors is entrusted with the following responsibilities:
	<ul style="list-style-type: none"> ○ To approve CSR policy of the Company based on the recommendations of the Board CSR Committee.
	<ul style="list-style-type: none"> ○ To approve annual action plan based on the recommendations of the Board CSR Committee.
	<ul style="list-style-type: none"> ○ Ensure CSR activities are undertaken by the Company itself or through implementing agencies, eligible as per the prevailing provisions of the Companies Act. 2013 (the “Act”).
	<ul style="list-style-type: none"> ○ Approve overall CSR budget and allocation between proposed projects.
	<ul style="list-style-type: none"> ○ Ensure contribution towards CSR initiatives is equivalent of or in excess of the minimum CSR obligation stipulated in the provisions of the Act, as may be amended from time to time.
	<ul style="list-style-type: none"> ○ Ensure funds so disbursed have been utilised for the purposes and in the manner as approved by the Board of Directors.
	<ul style="list-style-type: none"> ○ Ensure unspent CSR amounts, if any unless it relates to any ongoing project, are transferred to a Fund specified for this purpose, within a period of six months of the expiry of the financial year.
	<ul style="list-style-type: none"> ○ Ensure that any surplus arising out of the CSR activities: <ul style="list-style-type: none"> (a) shall not form part of the business profit of a company; and (b) shall be ploughed back into the same project; or (c) shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company; or (d) transfer such surplus amount to a Fund specified for this purpose as per the Act, within a period of six months of the expiry of the financial year
	<ul style="list-style-type: none"> ○ Accord approval for setting-off excess CSR expenditure against the requirement for CSR spending up to immediate succeeding three financial years.
	<ul style="list-style-type: none"> ○ Ensure CSR amounts spent by the Company for creation or acquisition of a capital asset, shall be held by: <ul style="list-style-type: none"> (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or (b) beneficiaries of the said CSR project, in the form of self-help groups, collectives, entities; or (c) a public authority:
	<ul style="list-style-type: none"> ○ Ensure expenditure incurred on impact assessment in a financial year, does not exceed five percent of the total CSR expenditure for that financial year or fifty lakh rupees, whichever is less.
	<ul style="list-style-type: none"> ○ Ensure administrative overheads do not exceed five percent of total CSR expenditure of the company for the financial year;
	<ul style="list-style-type: none"> ○ Periodically review progress reports for implementation of CSR programs / projects, including on-going projects, forwarded by the Board CSR Committee.
	<ul style="list-style-type: none"> ○ Ensure disclosure of the composition of the CSR Committee, CSR Policy and Projects approved by the Board on Company’s website for public access.
6.3	CSR Steering Committee:
6.3.1	The CSR Steering Committee comprise of Department heads/senior members of the management of the Company.
6.3.2	The CSR Steering Committee shall be responsible for the following:
	<ul style="list-style-type: none"> ○ Identify/suggest CSR projects forming part of the annual action plan.

	<ul style="list-style-type: none"> ○ Define scope, target beneficiaries and key performance indicators of the outcome / impact of the projects.
	<ul style="list-style-type: none"> ○ Recommend annual CSR Budget and allocation between proposed projects.
	<ul style="list-style-type: none"> ○ Formulation of annual action plan for being approved by the Board CSR Committee and Board of Directors.
	<ul style="list-style-type: none"> ○ Define and facilitate processes for selection of suitable organizations to partner with BOSCH for implementing CSR programs.
	<ul style="list-style-type: none"> ○ Monitor progress of CSR projects against project completion and implementation timelines agreed at the time of contracting / execution of Memorandum of Understanding (MOU).
	<ul style="list-style-type: none"> ○ Review progress reports of approved Projects for being placed before Board CSR Committee and Board of Directors.
	<ul style="list-style-type: none"> ○ Provide oversight and guidance for conduct of quarterly/yearly review of implementing agencies to ensure project delivery as per agreed outcomes.
	<ul style="list-style-type: none"> ○ Obtain/furnish project-specific utilization certificate for CSR programmes/projects annually.
	<ul style="list-style-type: none"> ○ Define and facilitate processes for selection of suitable organizations to partner with BOSCH for carrying out impact assessments.
	<ul style="list-style-type: none"> ○ Provide required inputs for preparation of annual report on CSR and other reporting requirements.
7	ANNUAL ACTION PLAN
7.1	<p>CSR projects/programmes identified in the Annual Action Plan shall be:</p> <ul style="list-style-type: none"> (a) aligned with Company's principles; (b) based on need assessment. (c) located in the geographical proximity of the Bosch locations (Offices/Plants). (d) related to thrust areas identified for CSR in Bosch. (e) based on organisational capability.
7.2	<p>CSR projects/ programmes envisaged in the Annual Action Plan shall be prioritized in the following order:</p> <ul style="list-style-type: none"> (a) Ongoing Projects. (b) Existing Projects requiring to be scaled up. (c) New Projects based on the ranking of social impact it is likely to create.
7.3	<p>All activities will be undertaken in project mode with defined objectives and deliverables, clarity on target beneficiaries, implementation plans with schedule of timeline, implementation partners agreed prior to commencement of activities</p>
7.4	<p>The annual action plan shall provide for:</p> <ul style="list-style-type: none"> (a) Modalities of execution of the CSR projects/programs i.e. either directly or through implementing agencies; (b) quarterly assessment of utilisation of funds; (c) monitoring and reporting mechanisms; and (d) timelines for submission of utilization progress reports.
7.5	<p>The Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on reasonable justification to that effect.</p>
8	IMPLEMENTATION
8.1	<p>Bosch will undertake CSR activities/initiatives which are closely linked to the defined objectives.</p>
8.2	<p>CSR activities/initiatives shall be broad-based and undertaken through the Company directly or through implementing agencies; Entities, which have registered itself with the Central Government and obtained CSR Registration number, such as:</p>

	<p>(a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or</p> <p>(b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or</p> <p>(c) any entity established under an Act of Parliament or a State legislature; or</p> <p>(d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.</p>
8.3	<p>In case, a CSR project/programme is proposed to be undertaken through an implementing agency, the following shall be ensured:</p> <p>(a) statutory eligibility of the implementing Agency</p> <p>(b) Track record of 3 years or more in undertaking similar programs or projects</p> <p>(c) Implementing agency is of good repute.</p>
8.4	<p>Due-diligence using one or more appropriate tools (Examples are KT analysis, matrix or RAG analysis) shall be carried out by CSR Department/Cross-functional department in consultation with relevant functions prior to entering into any partnership with implementation partner in consultation with the company's legal department. Feedback collected from stakeholders from past projects and other companies that have partnered with the same CSR partner.</p>
8.5	<p>The CSR steering committee will put up to the Board CSR committee appropriate details of proposed projects including implementation modalities, implementing agency details, expected outcome, stakeholder involvement and budgetary details for approval. On approval of the CSR committee and the Board of Directors, the Steering Committee shall oversee the project roll out and monitor implementation.</p>
9	MONITORING
9.1	<p>The CSR steering committee will develop a monitoring mechanism to ensure effective implementation of the project activities approved by the Board CSR committee. The CSR steering committee will be responsible to monitor these projects periodically. Monitoring would include visits to the respective project site, first-hand reports, analyzing the project reports received from the implementing partners and providing quarterly status update. Quarterly evaluation of the approved projects will be conducted by the member of the Board CSR committee to assess the outcome of the implemented projects.</p>
9.2	<p>The project completion and implementation timelines will be agreed upon at the time of contracting / execution of Memorandum of Understanding (MOU) and monitored by the CSR Steering committee.</p>
9.3	<p>The terms, conditions and disbursement pattern will be discussed with the project implementation partner to agree on the disbursement schedule and will typically be part of the MOU between the two entities (Bosch and the implementing agency).</p>
10	REPORTING
10.1	<p>A brief summary of CSR projects/programmes/activities will be included in the Annual Report in the prescribed format as per the Act.</p>
10.2	<p>Composition of the CSR Committee, CSR Policy and Projects approved by the Board shall be disclosed on Company website (www.boschindia.com) for public access.</p>

REVISION HISTORY

Revision No.	Date	Changes
0	01.04.2014	CSR Policy Rolled out
1	20.05.2021	Revised version incorporates amended provisions of Section 135 of the Companies Act, 2013 and rules thereto, notified vide the Companies (Amendment) Act, 2020, dated 28 September, 2020 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 dated 22 January 2021; Amendments effective from 22 January 2021.