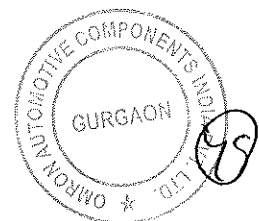


OMRON AUTOMOTIVE COMPONENTS INDIA PRIVATE LIMITED

Corporate Social Responsibility (CSR) Policy



CSR Philosophy/ Preamble

Omron sincerely believes in working for the benefit of the society.

Not only our products and services reflect our commitment towards social responsibility but also active involvement in helping the communities to lead more active and meaningful roles in the society. We strive to take up an initiative which is truly meaningful, credible and provides genuine benefits to those people who have a challenging spirit and a desire to excel and become independent.

In this regard, OMRON takes pride in its efforts to help people with disabilities so that they can realize their full potential, experience the true pride of accomplishment and in the end improve their quality of life. An example of this is the factories set up in Japan, by OMRON, which are run by disabled people. It's one-of- its -kind initiatives in Japan. Not only social welfare, OMRON has also been contributing towards various other aspects of the society such as science & technology education, environment betterment, disaster aid, promotion of art and culture and internal exchange programs, to name just a few.

Applicability

The Omron Automotive Components India Private Limited (hereby referred to as "The Company") Corporate Social Responsibility (CSR) Policy has been developed in accordance with section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR rules (here by referred to as the Rules in this policy as amended from time to time.

The Policy shall apply to all CSR projects or programmes undertaken by the Company in India as per Schedule VII of the Act. for the benefit of different segments of the society, specially the deprived, under-privileged and differently abled persons.

Vision

The basic theme of Company's CSR policy is to return back to the society from which it draws its resources by extending helping hand to the needy and underprivileged.

OMRON through its CSR activities will continue to enhance value creation in the society and in the community in which it operated through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as Social Responsible Corporate with environmental concern.

Objective

- **Contributing to a better society through business operations** - Continuously offering advanced technologies, high-quality products and services by stimulating innovation driven by social needs.



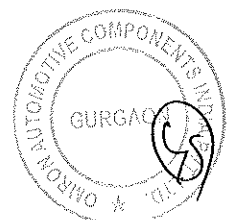
- **Showing a commitment to addressing societal issues as a concerned party** - Addressing societal issues such as human rights and labour and environment issues, in a way that draws on OMRON's distinctive strengths.
- **Always demonstrating fairness and integrity in the promotion of corporate activities** - Promoting more transparent corporate activities that maintain fairness and integrity not only through strict compliance with laws, regulations, and social rules, but also through increased accountability.

Scope of CSR Activities

The Company shall undertake any of the following activities or such activities as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility ("CSR") :

- i. Eradicating hunger, Poverty and malnutrition, promoting healthcare and sanitation.
- ii. Promoting education including special education and employment enhancing vocational skills especially among children, women & elders by the company directly or by funding Non-Government Organizations (NGO's) / Educational Institutions/Trusts/Organizations involved in Promotion of Education.
- iii. Promoting gender equality empowering women, establishing of old-age homes, day care centres and such other facilities for senior citizens and majors for reducing inequalities in socially and economically backward groups.
- iv. Relief to victims of Natural Calamities like Earth-quake, Cyclone, Drought & Flood situation in any part of the country.
- v. Water Supply including drinking water.
- vi. Environment protection, animal welfare, agro forestry, conservation of natural resources.
- vii. Infrastructure for Village Electricity/Solar Lights/Road etc.
- viii. Grant/donation/financial assistance/sponsorship to reputed Trusts and NGO's of the Society involve in upliftment of standard of the society.
- ix. Provision of aids and appliances to differently able persons
- x. Promoting art & culture
- xi. Community Development activities

The above list is illustrative and not exhaustive. The CSR committee of Board of Directors is authorized to consider also CSR activities which not included in this list. All activities under the CSR activities should be environment friendly and socially acceptable to the local people



Allocation of Funds

- For achieving its CSR objectives, the Company will allocate 2% of its average net profits made during the three immediately preceding financial years as its Annual CSR Budget.

“Net profit” means the net profit as per the financial statement of the company prepared in accordance with the applicable provisions of the Act, but shall not include the following:

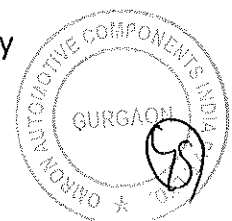
- (i) Any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise, and
- (ii) Any dividend received from other companies in India which are covered under and complying with the provisions of section 135 of the Act

- This Budgeted Amount of CSR shall be spent on the activities as laid down in the Policy.
- CSR programs will be undertaken by the Company under the supervision of CSR Committee.
- Any surplus arising and/or additional revenue generated out of CSR activities undertaken by the Company shall not form part of the business profits of the Company and same shall be spent for undertaking CSR activities only.
- The Company may collaborate or pool resources with other companies and its group companies to undertake CSR activities or any other non-profit organization meeting the criteria specified by the Act, if required.
- Notwithstanding anything contained herein, the Company reserves its right to spend CSR Budget in any of the CSR activities as specified by the Schedule VII of Act, as amended from time to time.

Constitution of CSR Committee

Keeping in line with Section 135 of the Companies Act, 2013, the Board of Directors of the Company constituted a CSR Committee having two directors as its members to carry out the following functions:

1. formulate the CSR policy and identify activities to be undertaken as per Schedule VII of the Companies Act 2013.
2. recommend the CSR expenditure to be incurred.
3. report back to the Board of Directors for approval of the CSR policy



4. regularly monitor the implementation of the CSR policy
 5. change /modify the CSR policy as per requirement.
 6. Any other matter/thing as may be considered expedient by the members in pursuance of and to comply with CSR Policy of the Company.
- The members of the Committee will meet as and when required at such time and place as may be mutually agreed or through video or teleconferencing or any other similar mode.
 - The Company Secretary of the Company shall act as Secretary of the CSR Committee.

Exclusions

- The CSR activities shall be undertaken by the Company, excluding activities undertaken in pursuance of its normal course of business.
- Any payment made directly or indirectly to political party(ies) will not form part of CSR activities/ expenditure.
- The CSR projects or programs or activities that benefit exclusively for the employees of the Company and their families shall not be considered as CSR activities in accordance with this policy.

Monitoring and Review Mechanism

- The administration of CSR Policy and the execution of CSR Projects, programs, activities under it shall be carried out under the supervision of the CSR Committee.
- Company Secretary shall compile the information and may seek such clarification which may be required to explain the complete facts to the CSR Committee about the CSR Project undertaken by the Company.
- Appropriate documentation of the Company's CSR activities, Annual CSR activities and the expenditure details will be undertaken on regular basis and same shall be submitted before the Board.
- The Company will also try to obtain feedback from beneficiaries about the program and shall submit the report to the CSR Committee.
- CSR initiatives of the Company will be reported in the Annual Report of the Company and the Board's Report in compliance with Section 135 and rules made there under.



General

- In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation and decision of the Committee shall be final.
- Any or all provisions of the CSR Policy would be subject to revision/ amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.
- The CSR Committee reserves the right to modify, add or amend any of the provisions of this Policy subject to approval of the Board.

For Omron Automotive Components India Private Limited


Managing Director

