

Corporate Social Responsibility Policy of Siemens Healthcare Private Limited (SHPL)

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Corporate Social Responsibility Policy of Siemens Healthcare Private Limited (SHPL)

1. Preamble/ Philosophy

At Siemens Healthcare Private Limited (SHPL), we are committed to develop innovations that support better patient outcomes with greater efficiencies thereby giving Healthcare Providers the confidence that they need to meet the clinical, operational and financial challenges in Healthcare. As a global leader in medical imaging, laboratory diagnostics and healthcare information technology and as good corporate citizen, we are committed to improve the health and wellness of our society. Siemens Healthcare has always endeavored to be an integral part of the Indian society for more than 5 decades – as an employer, customer, investor, vendor and corporate citizen. SHPL considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates. Corporate Social Responsibilities are the Company's contributions to sustainable communities and are built on the Company Values of being Responsible, Excellent and Innovative.

2. Corporate Social Responsibility Strategy

One of SHPL's goals is to sustainably improve living conditions for as many people as possible. Our Corporate Social Responsibility is in line with the Company's goal to improve living conditions of the people by continuously working towards enhancing the same through provision of **Education** including *Health Education, Primary Healthcare & Preventive Healthcare*.

Our strategy aims to address the challenges and needs that communities face by providing support financial or otherwise and by leveraging the Company's competencies and solutions.

The scope of the CSR policy of SHPL shall broadly includes areas as under:

2.1 Supports to School Education

Education is a pre-requisite for the growth and development for any country. Education is a key enabler of social change and a better society. SHPL focuses on providing all kinds of supports for improving the educations of the needy.

Reference to Companies Act 2013 Schedule VII (ii) promotion of education including special education and employment.

2.2 Primary Healthcare and Health Education

Siemens Healthcare Private Limited focuses on creating a model for accessible and affordable quality healthcare to the underserved population.

Reference to Companies Act 2013 Schedule VII (i) Promoting preventive health care and sanitation and (iii) Promoting gender equality and empowering women.

2.3 Preventive Healthcare

Learning to maintain one's body and good health throughout life is probably the best method to prevent diseases at the first place. Creating awareness about healthy habits and sanitation is an important way to contribute to the society.

Reference to Companies Act 2013 Schedule VII (i) Promoting preventive health care and sanitation and (iii) Promoting gender equality and empowering women.

2.4 Any other activities as under Schedule VII of the Companies Act, 2013.

3. Corporate Social Responsibility (CSR) Committee

As per the requirements of recently enacted Companies Act, 2013 and rules framed thereunder, the Board of Directors at their meeting held on November 22, 2016 constituted CSR Committee consisting of the following directors:-

| Sl. No. | Name | Role in the Committee |
|----------------|----------------------|------------------------------|
| 1 | Gerd Hoefner | Chairman |
| 2 | Krishnan Seshan Iyer | Member |
| 3 | Vivek S. Kanade | Member |

The mandate of the CSR Committee is essentially to:

- a. Formulate and recommend to the Board of Directors, the
 - i. CSR policy
 - ii. Expenditure on CSR activities
- b. Monitoring of CSR policy from time to time
- c. Recommend CSR projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company
- d. Recommend the amount of expenditure to be incurred on CSR projects

- e. Monitoring Mechanism for the implementation of the CSR Projects or programmes or activities undertaken by the Company

The CSR Committee shall, on an annual basis, furnish a statement that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of Siemens Healthcare Private Limited (“the Company”).

4. Corporate Social Responsible Activities

The Company shall endeavor to spend on the CSR activities as prescribed under the Companies Act, 2013 and rules framed thereunder, as may be amended from time to time (“the Act”).

The CSR projects and programs to be undertaken by the Company shall include activities falling within the purview of CSR Policy of the Company, as may be amended from time to time. These programs will be executed by SHPL and wherever appropriate, in partnership with local government, various NGO partners, service providers and others. The list and implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company.

The CSR committee may nominate a team of employees for facilitating all or any of the CSR activities from time to time.

5. CSR Activities/Project Planning and Implementation

All Corporate Social Responsible activities/projects will be conducted in line with the following framework:

Baseline study / Needs assessment:

A needs assessment or baseline study along with the Company’s competencies and solutions will be conducted for initiating any project/program.

Selection of the implementing partner:

For the purpose of achieving its CSR objectives, the Company may partner with organizations like NGOs, Academic and Training Institutions, Companies, the Government and other Stakeholders for project implementation and facilitation.

Mandatory Requirements while selecting an implementing partner:

The selection of implementing partner and the due diligence parameters shall be conducted as per the internal policies of the Company as also as per the applicable regulatory requirements from time to time.

Project definition:

On case to case basis, a project to carry out CSR activities is developed defining the goals, objectives, project interventions, time lines, resources, indicators and roles and responsibilities of the community and the implementing partner(s). The Assigned Team (SHPL CSR team) will leverage, analyze and plan Siemens Healthcare Private Limited' competencies and solutions to add value and address the project interventions.

Key Performance Indicators (KPIs)

All projects will have Key Performance Indicators (KPIs) to measure progress toward those goals and objectives set at the time of project definition. Based on the nature of the project, the KPIs will be defined and measured across various stages such as Inputs, Outputs, Outcome and Impact. A prime focus shall be to ensure self-sustainability of the initiative even after SHPL exits the specific project.

Beneficiaries

The project will define the beneficiary group as per the goal and the needs assessment / baseline study.

Project Funding

The Company may co-partner with other Siemens Group companies, subsidiaries in India and other Corporate or firms or NGO for funding of CSR projects. Reporting of the contribution(s) by the respective companies will be prepared separately.

1. Company will allocate minimum 2% of the average net profit for three preceding financial year, for achieving its CSR objectives through spending in CSR as applicable under the law. In case the limit of 2% is not applicable, the Company may spend such amount as CSR expenditure as it may deem fit during any year in which such minimum limit is not applicable. CSR Projects will be identified by the Company and approved by the CSR Committee and Board of Directors.

2. Amount as agreed by the CSR Committee, out of the annual Budget, will be allocated for such activities which shall be executed in project mode.

3. Total spend on CSR projects is inclusive of the administrative cost associated in implementation of CSR Project.

4. Separate account will be maintained for actual spending on each of such CSR Projects.

5. In cases where the project generates surplus funds, the same will be carried forward by the implementing partner as part of the opening balance of the project for the subsequent / following year. In a situation where there is a surplus fund available at the end of the final year of the

project, the same amount will remain as a corpus with the beneficiaries for the purpose of sustainability.

The surplus, if any, arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company.

6. Monitoring and Evaluation

A SHPL CSR team or persons as identified by the CSR committee will perform a periodic assessment of the relevance, performance, efficiency and impact of the projects / programs. The Company/Committee shall from time to time determine criteria of evaluation of performance of implementing partner.

6.1 Implementation reporting

The SHPL CSR team will report on the activities/projects/program(s) and the expenditure on a regular basis in addition to a yearly report which will include programs undertaken along with the expenditure incurred on it, future plan of action for the subsequent financial year and balance carried forward, if any. In cases where there is co-funding in the project or multiple partners, the implementing partner will report to all the stakeholders.

6.2 Documentation

Appropriate documentation of each CSR Project, Executing Partners, and expenditure entailed will be undertaken on a regular basis and placed before the CSR Committee regularly at its scheduled meetings.

6.3 Project Completion Report

Project Completion Report will be prepared and submitted before the next CSR Committee meeting held after completion of each CSR Project.

Corporate Social Responsibility (CSR) Committee / Board reporting

Periodic Report - Program and Finance

The SHPL CSR team will from such time to time as may be determined by the CSR Committee, prepare and present to it, for its review, Program and Finance Report of all projects/activities undertaken under CSR Policy. The Committee can suggest changes in the project to meet the project objectives.

Annual Report - Program and Finance

The SHPL CSR team will prepare a detailed report of all activities/projects and necessary reporting / disclosure requirements would be adhered to.

Appendix 1– List of CSR projects

| Project Name | Project Implementation | Area | Impact group | Funding |
|---------------------|-------------------------------|-------------|---------------------|----------------|
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For Siemens Healthcare Private Limited

Sd/-

Gerd Hoefner

Managing Director & President