

CSR POLICY
ATLAS COPCO (INDIA) LTD.

Edition 2
December 21, 2016.

Atlas Copco



VISION

"To actively contribute to the social and economic development of the communities/regions in which we operate. While doing so, build a better, sustainable way of life for the weaker sections of society and raise the country's human development index."

BACKGROUND & INTRODUCTION

The Company would carry out the Corporate Social Responsibility (CSR) activities through the Atlas Copco Charitable Foundation (Foundation), a charitable trust established by the Company in 2006 with the sole objective to support the CSR objectives of the Company. Atlas Copco would also join hands with other Non-Government Organisations (NGO) to achieve its CSR mission.

AREAS TO BE COVERED UNDER CSR

1. The Company would pursue its CSR activities in the following areas:
2. Promotion of education and skill development
3. Environmental sustainability and energy efficiency projects
4. Rural development
5. Eradication of poverty
6. Promotion of preventive health care and sanitation
7. Provision of safe drinking water
8. Promotion of gender equality, measures for empowering women, setting up homes 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
9. Protection of national heritage, art and culture
10. Contribution to other charitable and social organisations created with the main objective of engaging themselves in any one or more of the above activities.
11. 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.

CSR COMMITTEE

The CSR Committee is formed by the following persons:

Independent Directors of the Board of Directors of the Company and the Managing Director.

The Committee would call for a meeting at least once a year to follow-up the CSR projects and discuss about spending and approve new projects.

ROLE OF FOUNDATION

The Foundation will constitute a working committee consisting of Managing Director of the Company and the Trustees and such committee shall ensure:

1. Identification of projects either directly by themselves or with the help of reputed NGOs or any other reputed Social Organisations (SO), suitable for CSR activities of the Company.
2. Evaluate, review and propose projects for implementation and disburse the amounts to be spent on various CSR initiatives of the Company.
3. Prepare and submit periodical reports to the CSR Committee on progress of CSR projects and amounts actually spent.
4. Prepare and present proposals for additional disbursement of donations to the CSR committee.
5. Supervise, monitor, review and be responsible for all the projects sponsored by the Foundation either directly or through any other NGO or SO.

ROLE OF CSR COMMITTEE

The main function of the CSR Committee is to devise a transparent monitoring mechanism for implementation of CSR policy of the Company. In addition, this committee would perform following functions:

1. To review and approve CSR projects identified by the Foundation.
2. To recommend to the Board, from time to time, the amounts to be contributed to the Foundation by way of donations. To report to the Board the progress of various CSR projects undertaken by the Foundation.
3. To give suggestions to the Board regarding different concepts for carrying out CSR activities.
4. To monitor the CSR projects/ programs carried out by the Foundation and submit periodical review reports to the Board.
5. To submit to the Board the statement of expenses incurred by the Foundation for CSR activities.
6. To ensure that adequate disclosures are made in the Directors' Report pertaining to CSR.
7. To ensure that the CSR policy and its modifications are published on the website of the Company.

WATER FOR ALL CAMPAIGN

The employees of the Company have undertaken an initiative to make voluntary contributions from their salary of certain amounts to be spent exclusively for provision of clean drinking water to people.

As a part of Company's CSR initiative, the Company will contribute an amount equal to twice the amount contributed by employees and such amount together with the amount contributed by employees will be exclusively spent for provision of clean drinking water to people.

REVISIONS /AMENDMENTS TO THIS POLICY

Any revision or amendments to this CSR policy should be approved by the Board before such revision/amendment is made effective.