



CORPORATE SOCIAL RESPONSIBILITY POLICY

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| Original Version | November 28, 2016 | Approved by the Board of Directors |
| Revision 01 | November 27, 2018 | Changes in consultation with the Corporate Social Responsibility (“CSR”) Committee |
| Revision 02 | September 10, 2021 | Changes per recommendations of the CSR Committee |

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1. Purpose

The Boeing Company ("Boeing") through purposeful investments, employee engagement and advocacy efforts, supports partnerships and programs that align with its business, create value and help build better communities. Boeing focuses on opportunities that inspire its future, empower our heroes and strengthen their homes. Boeing charitable grants drive positive, lasting change in the communities where its employees and their families live and work. Boeing's philanthropic activities are coordinated within Boeing's Government Operations function, National Strategy & Engagement and Boeing Global Engagement ("BGE").

This Corporate Social Responsibility ("CSR") policy of Boeing India Defense Private Limited ("Company"), adopts the guidance and practices of BGE and also the provisions of Section 135 of the Companies Act, 2013 (the "Act") read with Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII of the Act (including any amendment thereto or re-enactment thereof).

2. Definitions & Interpretations

In this Policy, unless the context otherwise requires or if something is not defined, the following words, term, expressions and derivations therefrom shall have the meanings assigned to them in the Act:

- 2.1 "Corporate Social Responsibility (CSR)" means the activities undertaken by a Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any amendment thereto or re-enactment thereof).
- 2.2 "CSR Committee" means the Corporate Social Responsibility Committee of the Board, referred to in section 135 of the Act.
- 2.3 "CSR Policy" means this policy, containing the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.
- 2.4 "Net Profit" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act.
- 2.5 "Ongoing Project(s)" means a multi-year project(s), if undertaken by the Company in fulfilment of its CSR expenditure having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project(s) that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the Board.
- 2.6 "The Board of Directors" or "Board" shall mean the Board of Directors of the Company.

3. CSR Committee

- 3.1 The Board on November 27, 2018, re-constituted the CSR Committee.

The Board may, from time to time, appoint / re-appoint the members of the CSR Committee, in accordance with the provisions of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any amendment thereto or re-enactment thereof). The current members of the CSR Committee of the Company are stated in **Annexure 1**.

3.2 The key responsibilities of CSR Committee, inter-alia, are as follows:

- (i) formulate and recommend the CSR policy of the Company to the Board;
- (ii) recommend the amount of expenditure to be incurred on CSR activities;
- (iii) monitor the CSR policy of the Company from time to time; and
- (iv) formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the items as mentioned in rule 5(2) of the Companies (CSR Policy) Rules, 2014.

4. Role of the Board:

4.1 The key responsibilities of the Board in relation to CSR expenditure, inter-alia, are as follows:

- (i) approve the CSR policy;
- (ii) disclose contents of such policy in the Board's Report and also place it on the Company's website, if any;
- (iii) ensure that the activities included in the CSR policy are undertaken by the Company;
- (iv) ensure that the Company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years;
- (v) satisfy itself regarding the utilisation of the disbursed CSR funds; and
- (vi) if the Company fails to spend at least two per cent of the average net profits of the company, the Board shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.

4.2 In case of ongoing projects, the major responsibilities of the Board, inter-alia, include:

- (i) identification of the ongoing projects;
- (ii) year-wise allocation of funds;
- (iii) transferring the unspent money to a separate bank account as prescribed under sub-section (6) of section 135;
- (iv) monitoring the implementation of the projects with reference to the approved timelines and year-wise allocation; and
- (v) making modifications, if any, for smooth implementation of the projects within the overall permissible time period.

The CSR Committee and Board should ensure that CSR fund should be disbursed to implementing agencies, partially or wholly, in such a manner so that they can be utilised by them during the financial year.

5. CSR Policy

The Company has adopted the initiatives and policy of BGE, of Boeing, its parent company, so far it pertains to India. The initiatives and policy of Boeing Global Engagement can be accessed at <https://www.boeing.com/principles/community-engagement.page>

6. CSR Projects

6.1 Boeing spends funds towards CSR activities in some projects in India. While some CSR projects are currently being directly supported by Boeing, some other projects, are being supported by the Company per Section 135 read with Schedule VII of the Act. The Board, as recommended by the CSR Committee may from time to time review the focus areas on the projects that it wishes to engage in, per Boeing's reviews and recommendations.

6.2 The Company shall spend, in every financial year, at least 2% of the average of Net Profit of the Company made during the 3 (three) immediately preceding financial years or as may be prescribed from time to time, in CSR projects in India. Surplus, if any, arising out of the CSR projects or programs or activities will not be part of business profits of the Company and be adequately dealt with as mentioned under the Act. The Company may undertake CSR activities through itself, eligible implementing agencies or in collaboration with one or more companies as prescribed under the Act.

- 6.3 All projects are identified in a participatory manner, in consultation with the management of Boeing and the Board, focusing at the community needs. Arising from this, the focus areas that have emerged are education, skill development, vocational training, health care, sustainable livelihood and espousing social causes. All of the CSR projects, will be carried out under the aegis of Boeing.
- 6.4 The Company shall undertake CSR activities/ projects, as identified by its Board and per its annual action plan, which shall be relatable to the activities specified in Schedule VII of the Act, and the expenditure thereon shall exclude activities undertaken in pursuance of normal course of business of the Company. A list of activities permitted for CSR under the Act is elaborated under **Annexure 2**.

7. **Monitoring Mechanism**

- 7.1. Prior to the commencement of CSR projects, the Company in consultation with Boeing carries out a baseline study and from the data generated, an annual action plan, as per the format prescribed in **Annexure 3**, is developed for the holistic and integrated development of the projects. These plans will be approved by the CSR Committee followed by the Board and other applicable governing forums of Boeing. All projects will be assessed under the agreed strategy, and will be timely monitored, against targets and budgets. The Board may make changes to the annual action plan at any time during the financial year basis the recommendation of the CSR Committee.
- 7.2 Boeing shall provide guidance on fulfilling the Company's CSR commitments. The CSR Committee of the Company shall work with Boeing on identification, funding and monitoring of the CSR projects. For the CSR projects, the CSR Committee of the Company shall take on the role of the mentor, while the onus for the successful and time bound implementation of the CSR projects is on the Board and on Boeing.
- 7.3 The Board shall ensure that the funds disbursed for the CSR Projects identified have been utilised for the purpose allocated for and as per the methodology approved by it. The Chief Financial Officer (CFO) and/or the person responsible for the financial management of the Company shall certify that the funds allocated for meeting the CSR expenditure of the Company has been administered in the areas or projects as required by the Board, in accordance with the Act, per the format as prescribed in **Annexure 4**. The Company may require that the implementing agencies of the CSR project(s) provide a funds utilization report.
- 7.4 The Company shall analyze the applicability of impact assessment and compliance in this regard with the following provisions:
- (a) If the Company has an average CSR expenditure of INR 10 crore or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of INR 1 crore or more, and which have been completed not less than one year before undertaking the impact study.
 - (b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR in the Board's Report to the members of the Company.
 - (c) The Company, if it undertakes an impact assessment, may book the expenditure in its financial statements, incurred towards Corporate Social Responsibility for that financial year, which shall not exceed five percent of the total CSR expenditure for that financial year or INR 50 lakh, whichever is less.

7.5 Partnerships

Subject to the provisions of Act (including any amendment thereto or re-enactment thereof), collaborative partnerships are formed with the Government, the District Authorities, NGOs and other like-minded stakeholders. This helps widen the Company's and Boeing reach and leverage upon the collective expertise, wisdom and experience that these partnerships bring to the table.

When partnering with eligible Implementing Agencies for executing CSR activities on its behalf, the Board shall ensure that such agencies qualify the below mentioned criteria:

- 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
- 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
- any entity established under an Act of Parliament or a State legislature; or
- 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.

All above entities shall also possess CSR registration number as issued by the Ministry of Corporate Affairs, Government of India.

7.6 Budgets

A specific budget shall be allocated by the Board as recommended by the CSR Committee of the Company in consultation with management of Boeing for undertaking CSR activities/ projects. The budgets would be driven by CSR activities/ projects to be undertaken by the Company, under guidance of Boeing. The Company will also need to look the following aspects:

- a) Any surplus arising out of the CSR activities of the Company shall not form part of its business profits and shall be ploughed back into the same project or shall be transferred to a separate account named as "Unspent CSR Account" which can be spent in pursuance of CSR policy under the annual action plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII of the Act within a period of six months of the expiry of the financial year.
- b) Where the Company spends an amount in excess of CSR expenditure required under the Act, subject to passing of a resolution by the Board, such excess amount, excluding surplus arising, can be set-off against the CSR spends up to immediate succeeding three financial years.

The unspent CSR expenditure pertaining to an annual CSR project shall be transferred to any fund included in Schedule VII of the Act, within 6 (six) months from the end of concerned financial year. If the unspent CSR expenditure pertains to an Ongoing CSR Project, the amount has to be transferred to a separate bank account to be called as "Unspent CSR Account" within 30 (thirty) days of the end of the concerned financial year and is to be spent on CSR expenditure, within a period of 3 (three) financial years. In case the Company is unable to spend the CSR expenditure on the Ongoing CSR project within the prescribed period of 3 financial years, it would be required to transfer the amount so unspent to any fund included in Schedule VII of the Act, within 30 (thirty) days of the end of the concerned financial year.

7.7 Information dissemination

Boeing and the Company's engagement in the CSR domain is disseminated on its website composition of the CSR Committee, its CSR Policy, projects approved by the Company, annual reports, its house journals and through the media.

The Company will also make necessary disclosures in the financial statements, in consultation with the Auditors, regarding CSR including non-compliance.



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New Delhi 110 001 India

8. **General**

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 the Central Government, from time to time.

The Company reserves the right to modify, cancel, add, or amend any of the provisions of this CSR policy.

For enquiries related to the media or the Company's CSR initiatives, please contact:

Sd/-

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ANNEXURE 1

CSR COMMITTEE

(Effective September 10, 2021)

Shalini Grover, Director, Chairperson – CSR Committee

Dr. Akhil Prasad, Director, Member – CSR Committee

ANNEXURE 2

ACTIVITIES FOR CSR AS PRESCRIBED UNDER THE COMPANIES ACT 2013

SCHEDULE VII (to be read with the amendments prescribed under the Companies Act, 2013 from time to time)
(See sections 135 of the Companies Act 2013)

Activities, which may be included by companies in their Corporate Social Responsibility Policies

Activities broadly relating to:—

- (i) Eradicating hunger, poverty and malnutrition, promoting health care (including, preventive health care) and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels 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;
- (iv) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- (v) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vi) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (vii) Training to promote rural sports, nationally recognized sports, paralympic sports and Olympic sports;
- (viii) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
- (ix) Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- (x) Rural development projects;
- (xi) Slum area development, where the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under the law for the time being in force; and
- (xii) disaster management, including relief, rehabilitation and reconstruction activities;
- (xiii) Such other matters as may be prescribed.



ANNEXURE 3

ANNUAL ACTION PLAN FOR THE CSR EXPENDITURE OF THE COMPANY FOR THE FINANCIAL YEAR

The action plan for the CSR initiatives of the Company for each financial year shall be in the following format, subject to the necessary edits, as required:

(A) Details of the CSR expenditure

| S. No. | Particulars | Amount (in INR) |
|--------|---|-----------------|
| I. | Two percent of average net profit of the company as per section 135(5) of the Companies Act, 2013 | |
| II. | Surplus arising out of the CSR projects or programmes or activities of the previous financial years | |
| III. | Amount required to be set off for the financial year | |
| IV. | Total CSR expenditure for the financial year (I+II-III) | |
| V. | Amount allocated for Administrative Overheads | |
| VI. | Amount allocated for Impact Assessment, if applicable | |
| VII. | Total estimated CSR expenditure to be spent for the financial year | |

(B) Details pertaining to the CSR expenditure remaining unspent in previous years

| S. No. | Preceding Financial Years | Name and nature of project | Amount transferred to Unspent CSR Account (In INR) | Amount estimated to be spent in the reporting Financial Year (In INR) | Manner of spending | Amount remaining to be spent in succeeding Financial Years (In INR) |
|--------|---------------------------|----------------------------|--|---|--------------------|---|
| I. | | | | | | |
| II. | | | | | | |
| III. | | | | | | |

(C) Details of the CSR projects or programmes for the financial year

| S. No. | Details | 1 | 2 |
|--------|--|---|---|
| I. | Name of the CSR projects or programmes | | |
| II. | Location of CSR projects or programmes (State and District) | | |
| III. | Duration of CSR projects or programmes | | |
| IV. | Target group of CSR projects or programmes | | |
| V. | Activity as per Schedule VII of the Companies Act, 2013 | | |
| VI. | Manner of Execution (Direct or through implementing agency) | | |
| VII. | Details of Implementing Agency (Name, Nature of entity and CSR Registration Number) | | |
| VIII. | Steps for execution of the CSR projects or programmes | | |
| IX. | Implementation Schedule including details on funds utilization | | |
| X. | Monitoring and Reporting Mechanism | | |
| XI. | Confirmation on the Utilisation | | |
| XII. | Details of Need and Impact Assessment, if applicable, as per the projects undertaken by the Company | | |
| XIII. | Creation of any capital or asset out of project. If yes, please specify the following: <ul style="list-style-type: none"> • Name of registered owner • Address of the capital asset • Location of the capital asset | | |
| XIV. | Amount allocated for the CSR projects or programmes | - | |
| XV. | Total amount allocated for the CSR projects or programmes | - | |
| XVI. | Additional important details | - | |

Note: The Board, may alter or revise the Annual Action Plan at any time during the financial year, as per the recommendation of Boeing and/or its CSR Committee.



Annexure 4

**CERTIFICATION PURSUANT TO RULE 4(5) OF
COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014**

I, <<Name of the CFO/ Finance head/ Director-Finance>>, CFO/ Finance Head/ Director- Finance of Boeing India Private Limited (the "Company"), to the best of my knowledge and belief, certify that:

1. I have reviewed the Corporate Social Responsibility ("CSR") Policy of the Company and to the best of my knowledge and belief provides that the Company has allocated / disbursed the prescribed CSR Expenditure i.e. 2 (Two) per cent of the Average net profit of the Company of the last three financial years.
2. The disbursement, to the best of my knowledge and belief, is adequately appropriated for various projects, standalone or on-going, directly or through implementing agencies, as approved by the Board and per the annual action plan of the Company.
3. I, to the best of my knowledge and belief and per utilisation report(s) received from the implementing agency (ies), affirm that the CSR funds so disbursed as mentioned above, have been utilized for the purpose and manner as approved by the Board, pursuant to Rule 4(5) of Companies (Corporate Social Responsibility Policy) Rules, 2014.

<<Name of the CFO/ Finance head/ Director- Finance>>
CFO/ Finance Head/ Director- Finance

Date: <<Insert Date>>
Place: <<Insert Place>>