

ANNEXURE - VIII

Annual Report on CSR Activities for the FY 2019-20

1. A brief outline of the Company's CSR policy, including overview of projects or program proposed to be undertaken and a reference to the web-link to the CSR policy and projects or program.

The Board of Directors (the "Board") of Hero MotoCorp Limited have adopted the CSR policy which has following key points:

- a) To direct HMCL's CSR Programmes, *inter alia*, towards achieving one or more of the following – enhancing environmental and natural capital; supporting rural development; promoting education including skill development; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India and preserving and promoting sports;
- b) To develop the required capability and self-reliance of beneficiaries at the grass roots, in the belief that these are pre-requisites for social and economic development;
- c) To engage in affirmative action/interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons including from disadvantaged sections of society;
- d) To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
- e) To carry out CSR Programmes in relevant local areas to fulfil commitments arising from requests by government/regulatory authorities and to earmark amounts of monies and to spend such monies through such administrative bodies of the government and/or directly by way of developmental works in the local areas around which the Company operates;
- f) To carry out activities at the time of natural calamity or engage in Disaster Management System;
- g) To contribute to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Caste, the Scheduled Tribes, Other Backward Classes, minorities and women;
- h) To contribute or provide funds to technology incubators located within academic institutions which are approved by the Central Government;

i) To contribute to any fund setup by the Central Government or State Government(s) including Chief Minister's Relief Fund, which may be recognised as CSR activity;

j) To promote sustainability in partnership with industry associations, like CII, PHD, FICCI, etc. in order to have a multiplier impact.

The Company would implement the CSR Programmes through Company personnel or through external implementing agencies and ensure proper governance, monitoring and reporting thereof.

The policy is available on the Company's website, www.heromotocorp.com at the following link: <https://www.heromotocorp.com/en-in/uploads/code-policy/20191126104858-code-policy-35.pdf>.

2. The Composition of the CSR Committee

Dr. Pawan Munjal	Chairman
Prof. Jagmohan Singh Raju	Member
Mr. Pradeep Dinodia	Member

Further, the Company has designated Mr. Vijay Sethi, Chief Information Officer and Chief Human Resources Officer as Head CSR to ensure effective implementation of CSR programmes of the Company.

3. Average net profit of the Company for last three financial years

2016-17	₹ 4,485.79 crore
2017-18	₹ 5,172.79 crore
2018-19	₹ 4,823.72 crore

Average for last 3 years ₹ 4,827.43 crore

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

2% of Average: ₹ 96.55 crore

5. Details of CSR spent during the financial year

- a) Total amount to be spent for the financial year: ₹ 96.55 crore
- b) Amount unspent, if any: NIL
- c) Manner in which the amount spent during the financial year is detailed below.

Overall Spend

1	2	3	4	5	6	7	8
S. No.	CSR Project or activity identified	Sector in which the Project is covered	Project or program (1) Local area or other (2) Specify the State and district where projects or program was undertaken	Amount outlay (budget) project or programmes-wise (in lakh)	Amount spent on the projects or program Sub-heads: (1) Direct expenditure on projects or program (2) Overheads (in lakh)	Cumulative expenditure up to the reporting period (in lakh)	Amount spent: Direct or through implementing agency
1	Environment - Tree Plantation, Solar Lights, Water Shed	Schedule VII (iv) Ensuring environmental sustainability	7.16 lakh tree plantation at Delhi NCR, Chennai, Bengaluru, Dehradun and near to our plants in India. 6,335 solar street lights installed and 3.18 crore litre water saved	2,300	2,287.7	7,423.7	Direct and Agency: Sustainable Green Initiative, Greenmax, Leicht LED, SPECS, BCCL
2	Promoting preventive health care and sanitation	Schedule VII (i) Preventive health care and Sanitation facility	Preventive health care camps in rural area and schools. Free Medical facility to 1,18,764 patients. COVID support for more than 50,000 meals and 2,654 ration kits. Toilet facility of 272 nos. to 24 Government schools in Haryana, Rajasthan, Uttarakhand and Gujarat.	400	406.5	1,967.1	Direct and Agency: Wockhardt, AYUS, AIIMS, HFH, BMVSS, NSS, UMANG
3	Education promotion and vocational skill development for children and women and promoting Road Safety Awareness	Schedule VII (ii) Promoting education, skill development and road safety education	Construction and renovation of school infrastructures at Haryana, Rajasthan, Uttarakhand and Gujarat. Education promotion, skill development and Road Safety Education programme across the country	5,180	5,545.5	23,869.2	Direct and Agency: FUEL, Magic Bus, CRY, HPPI, Agastya, Quota International, AIF, SETCO Foundation, RKMf, KMCT, JJKT, JNMT, NAB, NSDC, SBT, IFCS, STEM, WAB
4	Promoting Sports	Schedule VII (vii) Promoting rural sports	Promoting Rural Sports, Supporting Sports Foundation and Paralympic sports	225	237.4	1,161.1	Direct and Agency: PCI, Mera Gaon Mera Desh, MKRBF, YKP Uttarakhand
5	Women Empowerment	Schedule VII (iii) Women empowerment	Women Empowerment, Community development and promoting socio-economic development awareness through all media	1,025	1,023.1	2,811.7	Direct, State Police and Agency: HPPI, JJKT, ISB
6	Prime Minister's National Relief Fund or PM CARES Fund	Schedule VII (viii) PM's National Relief Fund or PM CARES Fund	Contribution to PM's Relief Fund and Disaster relief	100	3,138.4	3,789.2	Direct
7	Rural Development	Schedule VII (x) Rural development projects	Supporting various rural development projects i.e. water management, waste management, awareness of government schemes etc.	425	421.9	594.4	Direct and Agency: Samagra Associates, IFRE
Total				9,655.0	13,060.5	41,616.4	

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

Not Applicable

7. This is to confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Date: June 9, 2020
Place: New Delhi

Pawan Munjal
Chairman, CSR Committee
Chairman, Managing Director & CEO
DIN: 00004223