



Corporate Social Responsibility (CSR) Policy

Dynamatic Technologies Limited
2014-2015

Our Vision: To enhance the quality of life of the community, preserve ecological balance in the environment and enrich national art and heritage through a well-planned CSR program

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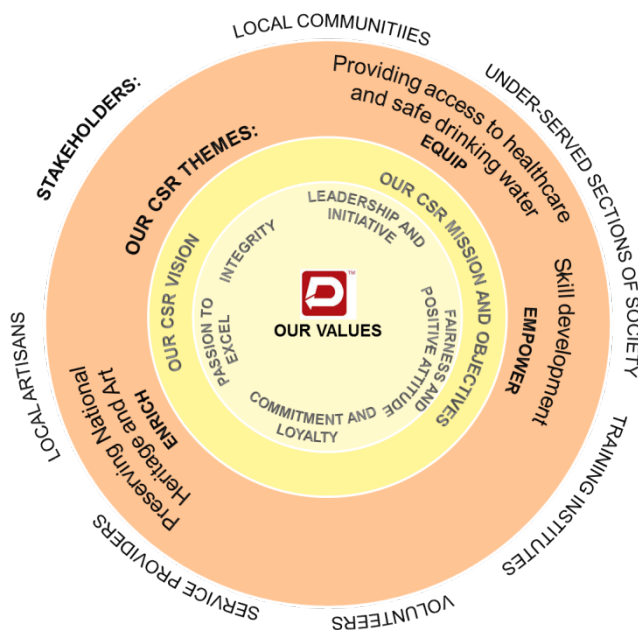
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Message from our CEO



Dynamatic Technologies has been successful in consistently achieving greater milestones in business performance largely because of our philosophy of proactively pursuing balanced and sustainable business policies. This includes our resolve to contributing to our Society, Environment and Nation through a structured and impact-oriented Corporate Social Responsibility (CSR) program with oversight at the Board level. We perceive CSR as an integral part of our business rather than an externality. Therefore, the values of our Company, which drive the way we carry out our day-to-day business, are the core of our CSR program. From this starting point, we have defined our vision, mission, objectives and the CSR themes we intend to focus on, which are described in our CSR policy. The end result we aim to achieve is to create a lasting impact in the quality of life of stakeholders in the regions where our business operates and beyond. I am confident that our CSR policy will lay the foundation for us to achieve this result, with the same passion that drives us in our day-to-day business.

Our approach to CSR



About our Company: Dynamatic Technologies Limited designs and builds highly engineered products for Automotive, Aeronautic, Hydraulic and Security applications. With futuristic design, engineering and manufacturing facilities in Europe and India, the company is able to meet customers' exacting requirements on 6 continents.

CSR Policy

(As approved by the Board of Directors on 14/2/2015)

Policy Issue No: 01

Dynamatic Technologies Limited ('DTL' or the 'Company') recognizes that its business activities have wide impact on the societies in which it operates. DTL's decision making is hence, not merely based on financial factors, but also on the social and environmental consequences of each of its decisions. To help the Board in considering the impact of its decisions on the society and environmental aspects, the Board of DTL (the 'Board') has constituted a Corporate Social Responsibility Committee (the 'CSR Committee' or the 'Committee'). The committee has adopted the CSR vision and mission aligned to the core values of the Company.

Our values

Our corporate culture is largely driven by our values, which are a critical element of our success. Our core values define the fundamental business ideologies of Dynamatic Technologies and shape the way we conduct our day-to-day business. These values are equally important to us and no value takes precedence at the cost of the other.

- Integrity
- Leadership & Initiative
- Commitment & Loyalty
- Passion to Excel
- Fairness & Positive Attitude

As stated in our mission, we intend to implement our CSR initiatives in full alignment with the core values of our company. We will hold high standards of integrity in line with our Business Code of Conduct in the execution of CSR activities. We intend to empower our employees to take leadership roles in CSR initiatives. We will remain committed to our CSR vision, and will encourage our CSR team, employees and volunteers to demonstrate passion to excel as well as fairness & positive attitude in their CSR initiatives.

Our CSR Vision

Our vision is to enhance the quality of life of the community, preserve ecological balance in the environment and enrich national art and heritage through a well-planned CSR program.

Our CSR Mission

We believe that the regions in which we operate and the communities which reside in these regions, form an integral part of our ecosystem and stakeholder network. Our corporate social responsibility program is a channel through which we will equip the under-served with the amenities they need, empower them with skills and knowledge, and support the enrichment of national art and heritage of the nation.

Our Core Mission is to deploy our CSR team and employees as well as encourage partnering organizations to develop our CSR initiatives, through a results based framework. We intend to implement CSR initiatives in alignment with our core values as well as our E³ approach: to **equip** and **empower** under-served communities while preserving ecological balance and to **enrich** art and national heritage.

The E³ Approach:



Our Objectives

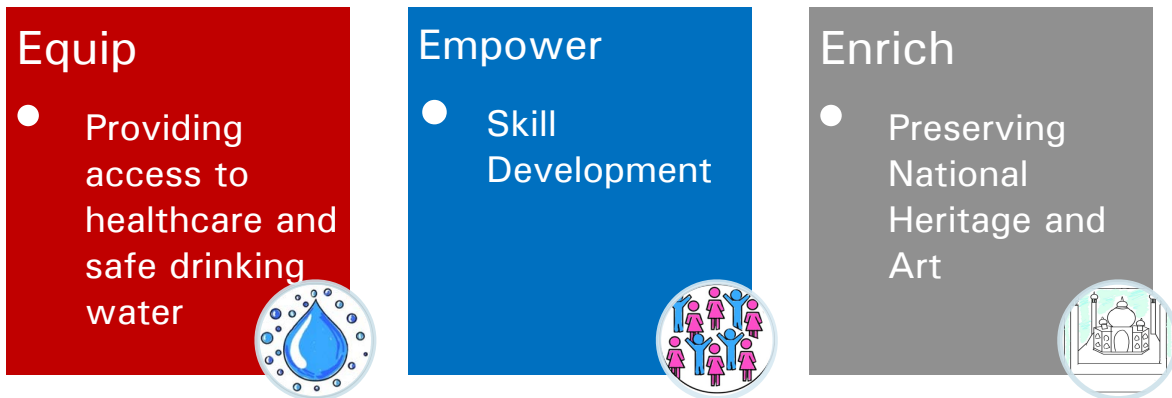
The objectives of our CSR program are:

- To embed CSR in the overall strategy of the company
- To implement CSR activities which build trust with stakeholders and create a long term sustainability value with measurable outcomes
- To empower women, under-served communities, and unemployed youth through skill development and vocational training
- To equip local communities with basic amenities such as access to healthcare and safe drinking water
- To pro-actively support, contribute or be a part to the state government /central agenda on enriching national heritage and the arts

Our CSR Themes

In order to finalize our CSR themes, we have considered the following inputs:

- The priorities of stakeholders
- Compliance with Corporate Social Responsibility Rules, 2014
- Our experience with some of the CSR themes / activities



- We will focus our activities on the following thematic areas:

Monitoring mechanism

We will ensure that our efforts are tracked through a monitoring mechanism to enable us to continuously improve our CSR program. The monitoring mechanism would entail the following:

- All our CSR initiatives will be monitored by a separate CSR monitoring team, appointed by the CSR committee.
- The monitoring mechanism will record the feedback received from stakeholders during field visits.
- The monitoring mechanism will cover both project related performance indicators and financial reviews of CSR expenditure.
- The key performance indicators related to project outcomes, financial outflows, and impact created by our CSR projects will be monitored on a bi-annual basis. If deemed necessary by CSR committee, we will carry out impact assessment studies by third parties.

Our CSR Committee

The CSR Committee that we have formulated is responsible for the following:

- Development and periodic review of the CSR Policy as per the CSR Rules 2014
- Assigning responsibilities to selected teams for implementation / facilitation / monitoring of CSR initiatives
- Overseeing and facilitating deliberation on the social and environmental consequences of decisions made by the Board

- Effectively factoring the interests of stakeholders such as: customers, employees, suppliers, business partners, local communities and other organisations in the decisions of the Board

Our CSR committee consists of the following individuals:

- CSR Committee Chairman: Mr. Govind Mirchandani
- CSR Committee Members: Mr. Raymond Keith Lawton and Ms. Malavika Jayaram

Guidelines for implementation of our CSR Projects

The CSR committee will assign responsibilities to selected teams in DTL for implementation / facilitation / monitoring of CSR initiatives in one or more of the three CSR themes identified in this policy. The selected teams will design their CSR initiatives based on the following broad guidelines, with the flexibility to customize the project designs in accordance with stakeholder needs and local conditions.

Equip

- Providing access to healthcare and safe drinking water



Project HARAPPA

Our objective of creating Project “Harappa” is to empower the rural and vulnerable communities located around our operations by providing access to healthcare, and safe water. We will facilitate the distribution of subsidized medicine for those who require it, and will also facilitate the installation of water purification units in identified villages.

Potential activities under Project Harappa

- Identifying and supporting a not-for-profit organization to facilitate distribution of subsidized medicine for those in need of healthcare services
- Identifying target populations / villages which require access to subsidized medicine
- Identifying target populations / villages where access to clean drinking water needs to be augmented
- Estimating the number and capacity of purification units required to meet drinking water requirements in selected villages / local communities
- Facilitating capacity building for the maintenance and operation of the purification units
- Awareness building of local communities / village residents on the importance of access to safe drinking water, and other health and sanitation related issues
- Monitoring of the water quality prior to and post installation of the units

Empower

- Skill Development



Project STRIDES

The objective of creating Project “Strides” is to educate and empower, local communities. The target population would mainly consist of women, individuals from the under-served community and unemployed youth.

This would be achieved through the Industrial Skill Program by partnering with the Industrial Training Institute (ITI) Karnataka and possibly with United Kingdom Trade and Investment (UKTI) to develop the ITI into a center for excellence in aerospace.

Potential activities under Project Strides

- Engaging with ‘Directorate of Employment & Training Karnataka’ for supporting an ITI as a centre for excellence for skill development and vocational training
- Supporting the ITI with the provision of equipment for laboratories, volunteering of employees for training sessions at the ITI, and developing training modules
- In discussion with the ITI and other stakeholders, proposing targets for enrolment of women, students who belong to the rural community and students from under privileged backgrounds
- Identification of volunteers from the DTL to develop training modules for basic, advanced, and specific skill-set requirements
- Preparing an inventory along with estimates of the equipment and other practical lab instruments that would be provided to the ITI as a part of technology up-gradation initiatives and developing the ITI into a centre for excellence

Enrich

- Preserving the National Heritage and Art



Project CANVAS

The objective of creating Project “Canvas” is to enrich, preserve and protect national art and heritage through the following:

- (i) Preserving exhibits in museums and
- (ii) Maintenance of monuments of heritage importance

Potential activities under Project Canvas

Preserving exhibits in selected museum(s):

- Identifying a museum listed with the Archaeological Survey of India to extend support to
- Providing financial support for conservation treatment and preservation of museum exhibits
- Conducting capacity building for local artisans/students on preservation of museum exhibits
- Promoting awareness programmes on importance of the archaeological heritage to school children through programmes such as workshops and advertisements through electronic media

Maintenance of monuments / sites of importance with respect to national heritage:

- Participation in ‘Adopt-a-Monument’ scheme started by the state governments that has been launched as an instrument of public-private participation for maintenance of monuments
- Adoption of a monument /site with a view of restoration and maintenance for a period of 10 years in accordance with a conservation plan approved by the Dept. for Art and Culture

In carrying out both sets of activities, particular attention will be paid to the history of science and technology, to highlight not just the aesthetic and cultural heritage inherent in such monuments and museum exhibits, but also the scientific developments, evolution of technical knowhow and engineering capabilities that they represent.

**APPROVAL OF THE CSR POLICY BY THE CSR COMMITTEE OF
DYNAMATIC TECHNOLOGIES LIMITED**

Policy issue no: 01

Date: 13/02/2015

Sd/-

Mr. Govind Mirchandani
CSR Committee Chairman

Sd/-

Mr. Raymond Keith Lawton
CSR Committee Member

Sd/-

Ms. Malavika Jayaram
CSR Committee Member