

SUZLON ENERGY LIMITED

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

1. Policy History

Date of Board approval	Particulars	Effective Date
25 th July 2014	Approval of CSR Policy in terms of Section 135 of the Companies Act, 2013 read with Rules framed thereunder	25 th July 2014
9 th November 2017 (approved by CSR Committee)	Amendment in CSR Policy to synchronise with the internationally used terminology as also to ensure that the Company is not restricted in carrying out its CSR activities to certain geographies	9 th November 2017
12 th November 2021	Amendment in CSR Policy to bring it in conformity with Section 135 of the Companies Act, 2013 and the CSR Rules as amended vide MCA circular dated 22 nd January 2021	12 th November 2021
5 th April 2024	Review and amendment of the policy in terms of the Companies Act, 2013	5 th April 2024

2. Purpose of this Policy

- 2.1 Suzlon Energy Limited (“SEL” or the “Company”) fosters a culture of caring, trust and continuous learning while meeting the expectations of all stakeholders and society at large. As a responsible corporate citizen, the Company contributes towards inclusive growth by empowering communities and accelerating development.
- 2.2 Suzlon believes in creating value for all stakeholders within the business operations value chain, including the local community, environment, employees, customer, vendor, suppliers, government, non-government organisations and civil society.
- 2.3 The Company is committed to improving the lives of the communities in which it operates in a sustainable way. It aspires to be a responsible corporate citizen, by contributing to nation building through CSR projects / programs, in true letter and spirit. The CSR vision of the Company is to build relationships of trust with local communities, society and stakeholders as good corporate citizens and to contribute to developing a sustainable society for future generations.
- 2.4 The Suzlon Corporate Social Responsibility (“CSR”) goal has been outlined based on the above guiding philosophy. The strategic and implementation approach are articulated to achieve the CSR goals. Through this CSR Policy, the Company proposes to adopt short, medium and long term CSR programs and initiatives.
- 2.5 The CSR initiatives of the Company are aligned with Schedule VII of the Act read with Section 135 of the Act and the CSR Rules.

3. Applicability of this Policy

- 3.1 This Policy applies to Suzlon Energy Limited (the “Company”).
- 3.2 This Policy shall be adopted by the Company’s subsidiaries subject to suitable modifications, if and to the extent required.

4. Definitions

Unless repugnant to the context:

- 4.1 “Act” shall mean the Companies Act, 2013 including the CSR Rules made thereunder, as amended from time to time.
- 4.2 “Applicable Laws” shall mean the Companies Act, 2013 and CSR Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other Act, Rules or Regulations which are / may be applicable.
- 4.3 “Board” or “Board of Directors” shall mean the Board of Directors of the Company.
- 4.4 “Company” or “SEL” shall mean Suzlon Energy Limited.
- 4.5 “CSR Committee” means the CSR & ESG Committee constituted by the Board in accordance with Section 135(1) of the Act.
- 4.6 “Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 together with the circulars issued thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force.
- 4.7 “Policy” or “this Policy” shall mean this CSR Policy.
- 4.8 “Implementing Agency(ies)” means an entity(ies) implementing the CSR activities for the Company and having obtained unique CSR registration number from Ministry of Corporate Affairs (“MCA”) which may be established as:
- (i) A company established under section 8 of the Act with section 12A and section 80G registrations under the Income Tax Act, 1961, established by the Company, either singly or along with any other company or having an established track record of at least three years in undertaking similar activities.
 - (ii) Registered Public Trust or Society with section 12A and section 80G registrations under the Income Tax Act, 1961, established by the Company, either singly or along with any other company or having an established track record of at least three years in undertaking similar activities.
 - (iii) A company established under section 8 of the Act or a Registered Trust or Registered Society established by the Central Government or State Government.
 - (iv) Entity established under an Act of Parliament or State Legislature.

4.9 Interpretation – In this Policy unless the contrary intention appears, words and expressions used and not defined in this Policy but defined in the Applicable Laws shall have the meanings respectively assigned to them in those Applicable Laws.

5. Review of the Policy and disclosure requirements

5.1 This Policy has been implemented w.e.f. 25th July 2014 and has been subsequently amended from time to time with latest amendment effective from 5th April 2024.

5.2 This Policy shall be disclosed on the website of the Company and a weblink shall be provided in the Annual Report. The Company shall include the contents of the CSR Policy in the Directors' Report, if and to the extent required in terms of the Applicable Laws.

5.3 The Board will review this Policy on a periodic basis on the recommendation of the CSR Committee to ensure its effectiveness and also compliance with the Applicable Laws.

5.4 This Policy is subordinate to the Act or other applicable statutory provisions (including the Listing Regulations), and in the event of inconsistency between this Policy and the Applicable Laws (including due to subsequent amendments to the Applicable Laws), the provisions of the Applicable Laws will prevail.

5.5 To the extent any change or amendment is required due to change in the Applicable Laws, the Managing Director or the Chief Executive Officer of the Company shall be authorised to review and amend the Policy to give effect to any such changes or amendments. Such amended Policy shall be placed before the CSR Committee / Board for noting and necessary ratification.

5.6 The CSR Committee / Board reserves any right to alter, modify, add, delete or amend any of the provisions of this Policy subject to Applicable Laws.

6. Focus areas and themes

6.1 The Company will primarily focus on five thematic thrust areas that are aligned to subjects specified in Schedule VII of the Act:

- a. **Environment** initiatives which may include plantation, water shed development, access of the community to government schemes for improving, rejuvenating and conserving the natural resources.
- b. **Livelihoods** initiatives for enhancing livelihoods of disadvantaged communities including through projects for encouraging self-help, capacity building, livestock development services and micro credit support.
- c. **Education or Skill Development** initiatives including for improving literacy, quality of primary education, vocational and life skill training.
- d. **Health** initiatives including providing for access to primary treatment, health awareness and commodities for holistic health, not merely absence of diseases but ensuing physical, social, psychological and spiritual wellbeing.

- e. **Civic Amenities** initiatives for improving availability and access to amenities and services essential for any community to realize its potential; e.g. sanitation, electricity, housing, transportation, insurance and public distribution systems.

6.2 These will be executed through three types of CSR Programmes:

- a. **Transformative programmes** that ensure that there is minimal negative impact of the business on its surrounding which will involve:
 - Continual improvements in business practices and procedures from a sustainability perspective, so that there is minimal harm to the natural, social, human, physical and financial resources around it. Initiatives shall include but not be limited to policy formulations, improving practices around energy / waste management, health and human rights.
 - Employee involvement for creating awareness among the employees about sustainability issues. Influencing their attitude and behaviours towards sustainable development. Initiatives shall include observance of national, international days and volunteering time, skill and funds for environmentally and socially meaningful activities.
- b. **Responsive programmes** to offset (even potentially) negative impacts and optimize the positive impacts of business on its surroundings.
- c. **Proactive programmes** to contribute towards global development issues and sustainability, by going beyond business boundaries, e.g. combat climate change / global warming, natural disasters and promote peace and harmony.

7. Undertaking CSR Activities

7.1 The Company will undertake its CSR activities (being projects / programs / other permitted activities), approved by the CSR Committee either directly and / or through Suzlon Foundation and / or such other eligible entity / organization as approved by the CSR Committee. The surplus arising out of the CSR activities shall not form part of the business profits of the Company. Such surplus shall be spent towards its CSR activities in accordance with this policy. Identification and implementation of multi-year CSR projects / programs will be monitored by the CSR Committee and the Board as required under Applicable Law.

7.2 The Company may use services of expert agencies, consultancy firms, and international agencies within the meaning of the CSR Rules wherever required for carrying out surveys, guidance on project design and implementation, impact assessment surveys, etc.

8. CSR Annual Action Plan and location of CSR Efforts

8.1 The CSR Committee shall decide on the locations for CSR activities and formulate and recommend to the Board for approval a CSR annual action plan, which shall contain all matters which are required under Applicable Law and any other matters as the CSR Committee may deem fit from time to time. The Board may modify the annual action plan as per the recommendations of the CSR Committee at any time during the financial year, based on reasonable justification.

- 8.2 The Company focuses its philanthropy primarily in geographic regions of India where the Company has a significant presence. However, the CSR Committee may identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.
- 8.3 In these geographies, we would concentrate our efforts on villages and habitations where we have frequent movement and where we have our wind turbine installations, offices and manufacturing units. The Company will publish the list of CSR projects / programs it plans to undertake along with the specific locations at the beginning of each financial year.

9. Planning and Implementation of the CSR Policy

- 9.1 The Company's CSR Projects / Programs will, to the extent possible, include components such as:
- Clearly defined objectives developed out of existing societal needs or determined through baselines / studies / research, where considered necessary / feasible.
 - Identified sectors, geographies and target group / beneficiaries
 - Milestones / Targets and timelines
 - Specification of annual financial allocation
 - Robust monitoring system
 - Reporting framework and system

10. Impact Assessment

- 10.1 Impact assessment shall be undertaken by the Company or by recipient or by Implementing Agency as required by and in the manner set out under Applicable Law, and the impact assessment report(s) shall be placed before the CSR Committee and the Board and shall be disclosed as legally required.

11. Governance Framework

- 11.1 The Company can undertake CSR activities either by itself or through other entities eligible to undertake CSR activities ("Implementing Agency") under Applicable Law.
- 11.2 The Company shall carry out necessary due diligence before engaging any Implementing Agency, in the areas such as history of the Implementing Agency, work done / experience, financial position, credibility, statutory registration with MCA, Income Tax Authorities etc and for the purpose shall obtain following documents from the Implementing Agency:
- a. Memorandum and Articles of Association or Constitutional documents
 - b. Unique CSR Registration Number with MCA
 - c. Registration / Exemption Certificate under the Income Tax Act, 1961.
 - d. PAN Card
 - e. Description of the projects currently being worked on by the Implementing Agency
 - f. Details of Directors, Trustees etc.
- 11.3 The Board has formed a CSR Committee in accordance with the Act and Rules made thereunder, as amended from time to time and the Management team is committed to the guiding principles of community investment and encouraging a corporate ethos of community care, within and outside the organisation. The CSR Committee shall govern

the Company's CSR and will be provided with necessary updates / recommendations from time to time.

11.4 The Board shall, inter alia:

- approve and implement the CSR Policy of the Company;
- approve and amend, if required, the Annual Action Plan, formulated and recommended by CSR Committee;
- satisfy itself in relation to disbursed CSR funds being utilized for the said purpose, as approved by it;
- require the Implementing Agency to submit a status report with details of the CSR activities carried out by it from time to time including use of funds, projects and programmes undertaken etc.
- review and take note of the Impact Assessment Reports, if any;
- review and undertake all other activities as required in pursuance of its terms of reference and the law for the time being in force, from time to time
- review the report including status report provided by the Implementing Agencies on the progress of the CSR Programmes, annually or at such other frequency as directed by the CSR Committee and in the format as specified by the CSR Committee.
- ensure that the CSR activities undertaken by the Company are in accordance with the CSR Policy, Act and CSR Rules.
- at the end of every financial year, review and approve the report on CSR activities as part of the report of the Board of Directors.

11.5 The CSR Committee shall, inter alia:

- formulate and recommend to the Board, a CSR Policy as per Section 135(3)(a) of the Act and recommend the CSR budget to the Board;
- review, monitor and provide strategic direction to the Company's CSR and industry best practices towards fulfilling its CSR goals.
- guide the Company in formulating paradigms for sustained changes in the areas and ensure that and that the Company's social, environmental and economic activities are aligned with each other.
- develop and recommend for acceptance by the Board, policies on all aspects of CSR including health and safety, human rights, workforce diversity & inclusion, the environment, community and social investment, and other CSR related matters as may be determined by the CSR Committee
- recommend an Annual Action Plan (Refer attached Annexure-I) in pursuance of the CSR Policy covering list of CSR projects or programmes, manner of execution of CSR projects or programmes.
- recommend programmes and details of need and impact assessment, if any for the projects or programmes and identify the time frames to such persons or bodies as it may deem fit and ensure implementation thereof as per the requirements of the Act and CSR Rules.
- review the report provided by the Implementing Agencies and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Programmes in accordance with this Policy.
- Impact assessment shall be carried out for all eligible programs as per Act and CSR Rules in the preceding paragraph.

11.6 The Company has identified Suzlon Foundation as the Implementing Agency for undertaking CSR activities. The Suzlon Foundation is a Section 8 non-profit organisation

established in 2007 and is registered with MCA vide CSR Registration No. CSR00003382 as an entity carrying out CSR Activities.

The Suzlon Foundation shall inter alia:

- consult with internal and external stakeholders, assesses their needs, evaluate the business risks, identify the areas of CSR activities, execution plan and prepare the Annual CSR plan
- work closely with and support the Board and the CSR Committee in carrying out the CSR activities of the Company.
- monitor the progress of the CSR projects and undertake impact assessment of eligible projects.
- prepare the Annual CSR Report, which forms part of the Board report.
- report the progress of deployed initiatives and submit a status report in the format as specified by the CSR Committee, annually or at such other frequency as directed by the CSR Committee.

12. Community Grievance Redressal Mechanism

- 12.1 The Community Grievance Redressal Mechanism is crucial and pre-emptive measure for addressing project-related concerns within affected communities, promoting positive community and business relationships, upholding the community rights and offering an internal alternative to dispute resolution.
- 12.2 A standard operating process for community grievance redressal is in place. Limited to non-commercial and non-political grievances, it classifies issues into categories such as real grievances, community expectations, threats, media concerns and influential requests. Customary community problem-solving approaches are used ensuring accessibility, transparency, and cultural appropriateness.
- 12.3 Anyone from the community can raise grievances orally or in writing with accessible Suzlon personnel and office. Complaints are registered promptly with the CSR personnel who maintains the grievance register. Grievances are addressed by the relevant Grievance Redressal Cell and Committee members, providing a response within 45 days, and quarterly review mechanism facilitates reconciliation and risk assessment, emphasizing transparency, accountability and timely resolution. The mechanism helps to make continual improvements and enhance the community engagement process.

13. CSR Spending

- 13.1 The Board shall ensure that the Company spends, in every financial year, at least two per cent of its average net profits made during the three immediately preceding financial years (or such other limit as may be prescribed under the Act), on CSR Programmes in pursuance of this Policy. The CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on the CSR Programmes undertaken in accordance with the CSR Annual Action Plan.
- 13.2 If the Company fails to spend such amount, the Board shall ensure that the unspent amount (unless relating to on-going project) shall be transferred to the specified fund in accordance with the Act and CSR Rules.

- 13.3 If CSR expenditure in a financial year exceeds the statutory limit, such excess may be set-off against CSR expenditure for the next three financial years in accordance with the Act and CSR Rules.
- 13.4 The unspent amount relating to the on-going project shall be transferred to a special account in accordance with the Act and CSR Rules.
