

## CORPORATE SOCIAL RESPONSIBILITY POLICY

As formulated by the Corporate Social Responsibility Committee of the Board of Directors of Honeywell Automation India Limited., (“COMPANY”) and approved by its Board of Directors on February 9, 2015 and thereafter amended effective April 1, 2021

### **ABOUT HONEYWELL AND ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Honeywell is committed to improving the world we live in by creating, supporting, and nurturing programs and initiatives that serve local communities. Together with leading public and non-profit institutions, Honeywell has developed powerful programs to address needs in the communities it serves. The cities, towns and villages where Honeywell has operations and where our employees live and raise their families are not just addresses to us – they’re our hometowns. By applying the same rigor and business tools we use in the workplace, Honeywell builds programs that deliver results we can quantify: one community, one home, one teacher, and one student at a time.

Honeywell Hometown Solutions (“HHS”), the Company’s corporate citizenship initiative across the world, provides it a deep and wide experience and understanding of corporate social responsibility work that has real, measurable and sustainable positive impact on the communities Honeywell serves.

### **VISION**

Honeywell is committed to building a world that’s safer and more secure, more comfortable and energy efficient, more innovative and productive. Accordingly, the Company believes in identifying corporate social responsibility projects that have optimal and sustainable impact on local communities, in the areas where the Company can leverage its strengths. HHS therefore focuses on five areas of vital importance: Family Safety & Security, Housing & Shelter, Science & Math Education, Habitat & Conservation, and Humanitarian Relief.

Honeywell has joined hands with leading public and non-profit institutions to develop powerful programs to address the needs of the communities it serves. This Corporate Social Responsibility Policy (the “Policy”) encompasses Honeywell India’s philosophy setting out the Company’s role as a responsible corporate citizen and lays down guidelines for undertaking programs for public good.

### **OUR FOCUS AREAS**

We combine CSR strategy and community outreach with both financial support and volunteerism to address core community needs in areas where we have unique expertise. Our vision is based on five critical areas

- Science and math education
- Family safety and security
- Housing and shelter
- Sustainability
- Humanitarian relief

## **1. Science and Math Education**

One of our key areas of focus is the promotion of science and math education. Our goal is to inspire students in India to seek learning and knowledge starting from the primary level up to higher education. We acknowledge that education is the building block of a free society and fueling the curious minds of today is the means to build a more secure future. Our education programs improve access to quality education for students in India through collaboration between human resources and technology. Our innovative educational programs inspire and educate students and teachers while empowering the next generation of scientists and engineers.

## **2. Family Safety and Security**

Nothing is more important than the safety and security of our families and children. At Honeywell, we have decades of experience developing and deploying technologies that keep families safe and secure wherever they live, work and travel. At Honeywell Hometown Solutions, we work with leading child safety partners around the world to develop programs that educate teachers, parents, guardians and children on how to reduce risks of accident, abduction and abuse - keeping our children safe today so they can thrive, prosper and succeed tomorrow.

## **3. Housing and Shelter**

Honeywell created its housing and shelter program because we care about our neighbors and our neighborhoods. We understand just how important a safe home is to personal well-being and peace of mind. Honeywell employees volunteer their time in providing safe drinking water, shelter, rebuilding homes, communities and schools, bringing happiness and security to thousands of our neighbors.

## **4. Sustainability**

Honeywell is committed to creating lasting solutions to the energy, water, air quality, and habitat conservation and restoration challenges facing communities across the country. We aim to create programs that inspire students to become environmental stewards within their own communities, and provide educators with innovative teaching techniques to engage students in their local ecosystems. Safe and sustainable environments give our kids cleaner and healthier neighborhoods.

## **5. Humanitarian Relief**

Honeywell will provide immediate and direct assistance to employees and communities impacted by natural disasters such as earthquakes, tsunamis, typhoons, fires, and flooding. We help where it is needed most. In partnership with relief organizations, Honeywell will address both the immediate and long-term needs of affected communities in India and facilitate rehabilitation, rebuilding and recovery. Meaningful and timely actions will offer communities across the country hope and assistance as they recover from natural disasters.

## IMPLEMENTATION

Honeywell has set up a not-for-profit company in India: ***Honeywell Hometown Solutions India Foundation*** (hereafter referred to as “Foundation”) to be the vehicle for deployment of its corporate social responsibility efforts in the country.

The Company will initially be responsible for the implementation of projects with a focus on identified areas. The Company will implement these projects either itself or in association with credible third party organizations. Additionally, employees may voluntarily participate and/or contribute to the CSR activities of the Company.

Once the Foundation has received applicable government approvals, the Company will contribute funds to the Foundation, which will then be responsible for the implementation of CSR activities and implement these projects either itself or in association with credible third party organizations.

With effect from 1<sup>st</sup> April, 2021 or such other date as may be notified by Ministry of Corporate Affairs, Government of India (“MCA”), the Company can carry or continue its CSR activities through any NGOs and/or Foundation only if they have a valid registration with MCA pursuant to the Companies Act, 2013 (“Act”) read with Companies (Corporate Social Responsibility) Rules, 2014 including amendments from time to time (CSR Rules) .

## MONITORING

The Corporate Social Responsibility Committee of the Company and the Board of Directors of the Company will monitor this Policy and the effectiveness of the programs implemented under this Policy. The programs and activities will be identified and approved by the Board of Directors of the Company.

## BUDGET

A specific budget calculated in accordance with the provision of Section 135 of the Companies Act, 2013, is allocated for activities to be undertaken in pursuance of this Policy. For achieving corporate social responsibility objectives, the Company will initially allocate funds earmarked for such activities for implementation of programs either independently or jointly with third party organizations that meet the requisite expertise and credentials for the project(s). Once the Foundation receives requisite governmental approvals, it will implement programs, independently or jointly with the Company and / or with third party organizations that meet the requisite expertise and credentials for the project(s). Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company and shall be used for CSR.

## ANNUAL ACTION PLAN

The Corporate Social Responsibility Committee shall formulate and recommend to the Board, an Annual Action Plan in pursuance of this CSR Policy, which shall include the following, namely:-

- (a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programs as specified in CSR Rules;
- (c) the modalities of utilization of funds and implementation schedules for the projects or program;
- (d) monitoring and reporting mechanism for the projects or programs; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the Company.

*Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.”*

## **GOVERNANCE**

The Board of Directors of the Company shall satisfy itself that the funds disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

The Board of Directors of the Company shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.

The Board's Report of the Company shall include an annual report on CSR containing particulars, as applicable and as mentioned in the CSR Rules

In the event the Company is having an average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of Section 135 of the Act, in the three immediately preceding financial years, it shall undertake an impact assessment, through an independent agency, of its CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

Any amount remaining unspent, if any, under sub-section (5) of Section 135 of the Act, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by the Company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year

This Policy is in conformity with the requirements laid down under the Companies Act, 2013 and amendments from time to time.

### **Review of Policy**

The Corporate Social Responsibility Committee of the and the Board of Directors of the company will review the Policy at regular intervals as deemed appropriate.

### **For enquiries related to this Policy or Honeywell's CSR initiatives, please contact:**

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