

Corporate Social Responsibility Policy

Technip India Limited

This CSR Policy was approved and adopted by the Board of Directors of TPINDIA on 04th February' 2015

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Technip India Ltd.

Corporate Social Responsibility (CSR) Policy

Preamble

Technip Group of companies (“TECHNIP”), which is acting globally and present in many countries, is a responsible project management, engineering and construction leader for the energy industry committed to balancing both short and long term interests while doing business. TECHNIP’s business corporate decisions integrate business ethics, economic, health, safety, security, quality, environmental protection and social considerations while reducing its technical, non-technical and financial risks. The purpose of TECHNIP’s approach to Corporate Social Responsibility (CSR), together with Sustainable Development is to meet the needs of the present without compromising the ability of future generations to meet their own needs.

Through its innovative and sustainable project approach, TECHNIP strives to meet the world energy challenge while contributing to the success and development of all its stakeholders. Supported by its core values, TECHNIP endeavors to create long-term added value in all its activities to achieve a more socially, environmentally and economically sustainable world. TECHNIP’s goal is to embed CSR and Sustainable Development into its business model and culture and therefore into its day to day business operations via trustworthy long-term relationships with all its stakeholders. TECHNIP’s key to success is ensuring to engage regularly with its stakeholders and take into account their expectations. TECHNIP has implemented its own Sustainable Developments Policy which is displayed on its website.

In addition to TECHNIP’s core values, corporate policies and obligations to carry out its business activities in an ethical manner and in strict compliance with its corporate procedures, operating principles and the law, TECHNIP is committed to perform CSR projects over and above its legal obligations, wherever it operates.

TECHNIP’s CSR engagement has a long standing track record and has been acknowledged and appreciated in many ways. TECHNIP has received the Silver Medal given by the “Sustainability Yearbook” of RobecoSAM, confirming TECHNIP’s status as a sustainability leader in its industry, which is also reflected by the inclusion of TECHNIP in the Dow Jones Sustainability Indices (DJSI) since 2001.

Over the years, TECHNIP has taken tangible steps towards improving Sustainable Development and has been committed to a strong and widely recognized CSR policy. In 2003 TECHNIP signed the United Nations Global Compact (UNGC) on human rights, working standards, environmental standards and anti-corruption. TECHNIP applies its ten principles in every aspect of its business and works towards continuous improvement and integration of social, environmental and financial best practices.

In 2011 TECHNIP developed the TECHNIP Relief & Development Fund to reinforce TECHNIP's CSR in the countries where it operates.

Turning now specifically to India, at TECHNIP, CSR is not merely charity or philanthropy (which is not a novel concept for Indian companies), but now, with the passage of Section 135 of the Companies Act 2013 (hereinafter referred to as 'the Act') and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as 'CSR Rules'), the mandate for CSR has been introduced as a formal obligation.

TECHNIP's subsidiary Technip India Ltd. (TPINDIA) respects and recognizes that while doing business as part of its corporate social, economic and environmental responsibility it must contribute positively to the wellbeing of society in the environment and communities wherever it operates. Therefore, TPINDIA is committed to integrate its business values and operations to meet the expectations of its stakeholders including customers, employees, investors, suppliers, the local communities and the environment with the goal is to achieve sustainable economic, social, health, educational, cultural and socially valuable development for the good of all. TPINDIA aims to demonstrate these responsibilities through its actions and within its corporate policies.

1. CSR Objective & Purpose

The main objective of TPINDIA's CSR Policy is to lay down a formal process to make CSR a key business tool for sustainable development. It aims at supplementing and supporting the role of the Indian Government to launch welfare measures for the benefit of the society based on the immediate and long term social and environmental needs and expectations around TECHNIP activities.

The key purpose of this CSR Policy is to:

- Define what CSR including Sustainable Development means to TPINDIA and the approach adopted to achieve its goals;
- Identify the broad areas of intervention in which TPINDIA will undertake CSR Projects;
- Define the kind of CSR Projects that will come under the ambit of TPINDIA's CSR engagement;
- Serve as a guiding document to help execute, monitor and measure CSR performance of TPINDIA's activities.

2. CSR Policy Statement

With this CSR Policy, TPINDIA focuses on addressing critical social, environmental and economic needs of the marginalized/underprivileged members of the society. Through this policy, TPINDIA aligns its CSR Strategy with TECHNIP's vision, standards, processes and goals. TPINDIA adopts an approach that integrates the solutions to these problems into its company strategies to benefit the communities at large and create social and environmental impact particularly affecting the communities in and around the areas where TPINDIA has its operations.

3. TPINDIA CSR Strategy/ Areas of Intervention

For the purpose of focusing its CSR efforts in a continued and effective manner, in elaboration to Schedule VII of the Act, the following Areas of Intervention have been identified:

- Partnering with and support local and underprivileged communities over the long term to shape business projects, provide technical support and/or to conduct social investment with an emphasis on promoting issues related to health, children, education, gender diversity and empowering women, people with disabilities and humanitarian projects;
- Supporting other non-profit social and general interest projects, such but not limited to disaster prevention and relief activities or other emergency missions;
- Supporting projects which serve the protection of the environment and ensure environmental sustainability;
- empowering employees to be responsible civil society members, and encourage volunteering to develop their own initiatives;
- Committing to ethical business practices that are fair to all the stakeholders, and
- Others as maybe identified in the future

4. CSR Project Scope

The below priority areas shall be considered as the cornerstones of TPINDIA's CSR Strategy and interactions with beneficiary communities. Such priority areas will be reviewed periodically to ensure that they are relevant to community needs.

- Infrastructure Enhancement & Development
- Drinking water/ Sanitation
- Healthcare/ Medical facility
- Local Community Development
- Promoting Education/Literacy
- Skill Development / Gender Diversity / Empowering Women
- Promoting Environmental Sustainability and Environment Protection
- Cultural Heritage
- Disaster Relief and Management
- Direct Grant/Donation/Technical and/or Financial Assistance/Sponsorship serving humanitarian aid or the uplift of infrastructure standards for the benefit of the society, or by involvement of reputed NGO's.

This CSR Project Scope is illustrative and not exhaustive and may be modified and amended by the CSR Committee by any other area/activity as may be prescribed by Schedule VII of the Act amended from time to time.

5. Identification of CSR Projects

- 5.1 Each and every TPINDIA employee is invited to suggest CSR Initiatives to be pursued as a CSR Project. The CSR Initiatives suggested by any employee or group of employees shall be pre-selected via a CSR Action Commission (CAC) established as per Article 10.3 for final consideration, selection and approval by the CSR Committee. Those CSR Initiatives introduced by TPINDIA's Country or Operation Center Management level, or by the Management of a particular Project under execution within India, shall be directly addressed to the CSR Committee for final consideration, selection and approval.
- 5.2 CAC shall review and assess the employees' CSR initiative proposals on a monthly basis and shall keep the proposer employee informed of the status of his/her initiative acceptance request.
- 5.3 Any CSR Initiative requires a formal application describing/defining the activity, purpose, compliance with TPINDIA's CSR Strategy, Responsibilities and Authorities, estimated duration and budget, the major results expected and measurable outcome of/for the suggested activity, and may need to be supported by:
 - (a) Studies/Recommendations of professional institutions/agencies;
 - (b) Internal feasibility/Impact assessment by a cross-functional team;
 - (c) Receipt of proposals/requests from District Administration/local Govt., NGO's and IGO's, etc.;
 - (d) Memos of discussions of or requests from local representatives/Civic bodies/Citizen's forums/Volunteer Organizations.

6. Selection & Approval of CSR Projects

- 6.1 Any CSR Initiative for a CSR Project as set out in Article 5 above shall be presented by CAC to the CSR Committee on a quarterly basis, but ideally at the beginning of each financial year, except for those arising out of immediate & urgent situations, such as disaster or humanitarian relief and management activities which initiatives can be presented to the CSR Committee at any time.
- 6.2 The final selection and approval of a CSR initiative for a CSR Project is at the discretion of the CSR Committee, but subject to compliance with TECHNIP's corporate procedures, operating principles and the law, and the CSR Committee shall decide over each CSR initiative without undue delay. CSR Initiatives related to immediate & urgent situations, such as disaster or humanitarian relief and management activities shall be treated as "fast track" initiatives. The decisions of the CSR Committee may be done by way of circular electronic or oral communication, but the CSR Committee Chairperson shall put down its results in writing for record keeping. The decisions of the CSR Committee are final and binding and shall not be subject to appeal.

- 6.3 The CAC shall submit periodic reports to the CSR Committee and TPINDIA's Country Management Committee on the progress of the various CSR Projects approved by the CSR Committee and entrusted to the CAC for implementation and monitoring.

7. Implementation of CSR Projects

- 7.1 Any CSR Project approved by the CSR Committee may be implemented as directed by the CSR Committee.
- 7.2 Subject to provisions of the Act and CSR Rules, CSR Project activities may also be implemented by way of direct Grant/Donation/ Technical and/or Financial Assistance/Sponsorship or by way of reputed external partners, such as NGO's, IGO's or other philanthropic organizations, Institutes/Academic Institutions, Trusts, Self Help Groups or Professional Consultancy organizations ("Implementation Partners"), which all underwent proper financial and ethical due diligence prior to their nomination.

Should an Implementation Partner be considered then the following minimum criteria need to be ensured:

- The Implementation Partner has a permanent office/address in India;
- The Implementation Partner is a registered society under Societies' Registration Act;
- Possesses a valid Income-tax Exemption Certificate;
- The antecedents of the Implementation Partner are verifiable/subject to confirmation;
- No red flags arise following proper financial and compliance due diligence and corporate approval by TECHNIP is granted prior to their nomination.
- Meet the eligibility criteria as may be prescribed under the Act and CSR Rules.

Upon CSR Committee approval of the implementation of a CSR Initiative as a CSR Project with an external Implementation Partner, such Implementation Partner will be required to enter into an agreement as per the TPINDIA's Standard Model Agreement.

8. Monitoring of & Feedback on CSR Projects

- 8.1 To ensure efficient and transparent implementation of a CSR Initiative and execution of a CSR Project, a continuous reporting and monitoring mechanism is mandatory to be put in place by the TPINDIA body or person(s) in charge of CSR Project implementation from commencement to completion. The progress of each CSR Project under implementation shall be reported to the CSR Committee on a formal and regular basis and the CSR Committee in turn shall submit its report to TPINDIA's Board of Directors ("Board").

- 8.2 The CSR Committee may conduct periodic impact studies on a case to case basis through independent professional third parties/professional institutions.
- 8.3 For all CSR Projects undertaken, the TPINDIA body or person(s) in charge of CSR Project implementation will exert their best efforts to obtain feedback from beneficiaries about the implementation and result/success of a CSR Project and will report the beneficiaries and its own experiences and conclusions to the CSR Committee to develop CSR Excellence.
- 8.4 Appropriate documentation of all CSR Project implementation, annual CSR Activities, Implementation Partners, budget and expenditures shall be complied and presented to the CSR Committee.
- 8.5 The CAC shall assist the CSR Committee to prepare reports that are required to be placed before the Board. The format of the Report shall be the format prescribed under the CSR Rules stated hereunder:

S. No	CSR Project or Activity Identified	Sector which the project is covered	Project or Programs 1) Local Areas, 2) Specify the state and district where projects or programs was undertaken	Amount outlay (Budget) Project or Program wise	Amount spent on Project or Program		Cumulative Expenditure upto the reporting period	Amount Spent Direct or through Agency	Target Date & Status
					a)Direct Expenditure	b)Overheads			

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website, if any.

- 8.5 All CSR Projects of TPINDIA will also be reported in the Annual Report of TPINDIA and shared with the Sustainable Development Team at TECHNIP level.

9. Funding & Allocation

- 9.1 To enable TPINDIA to implement this CSR Policy and the CSR Projects approved by the CSR Committee, TPINDIA shall allocate a certain portion of its annual net profits (which is currently at minimum 2% of the average net profits of the company made during the three immediately preceding financial years) as prescribed under the Act and CSR Rules of TPINDIA made during the three immediately preceding financial years as its Annual CSR Budget to be spent on CSR Activities. The actual total budget and its breakdown on the CSR Projects will be decided and disclosed by the CSR Committee in its Reports to the Board.

- 9.2 Any unspent/unutilized CSR allocation of a particular financial year, will be carried forward to the following financial year and not be added to the normal business profits. These funds will be further used in development of future CSR Projects.
- 9.3 In case the Company fails to spend the above targeted amount in that particular financial year, the Committee shall submit a report in writing to the Board specifying the reasons for not spending the amount which in turn shall be reported by the Board in their Directors' Report for that particular Financial Year.

10. Governance Structure

TPINDIA has constituted a robust and transparent governance structure to oversee the implementation of its CSR Policy, in compliance with the requirements of Section 135 of the 2013 the Act and CSR Rules.

10.1 Board-Level CSR Committee

TPINDIA's CSR governance structure will be headed by the Board Level CSR Committee that will be ultimately responsible for the selection, approval and implementation of all CSR Projects undertaken. The CSR Committee shall report to the Board.

- (a) In accordance with the provision of Section 135 of the Act, the CSR Committee shall consist of three or more directors, out of which at least one shall be an independent director. At least one director shall be a woman.
- (b) The CSR Committee shall meet at least twice during a financial year to discuss and review the CSR Initiatives. A quorum of two members is required to be present for the proceedings to take place and to conclude valid and binding resolutions. Other meetings of the CSR Committee may be convened as and when deemed appropriate. The CSR Committee members may attend the CSR Committee meeting physically or via other communication means such as audio or audio-visual means as permitted under the Act. Its decisions shall be recorded in writing, or done by way of circular electronic or oral communication, but the CSR Committee Chairperson shall put down its results in writing for record keeping.
- (c) The CSR Committee shall have the authority to call and hear such person(s) or external representatives of Implementation Partner as it deems fit. TPINDIA's Company Secretary shall act as Secretary to the CSR Committee.

10.2 CSR Committee Responsibilities

Inter Alia- the CSR Committees' tasks and responsibilities shall be as follows:

- Formulate and update our CSR Policy, which will be approved by the Board;
- Suggest areas of intervention to the Board;
- Select and approve CSR Projects that are in line with the CSR policy;
- Put monitoring mechanisms in place to track the progress of each CSR Project;
- Recommend the CSR expenditure to the Board who will approve it;
- Meet at least twice a year to review the progress made.
- Submit the Reports as set out in Article 8 and 9 to the Board in respect of the CSR Activities undertaken by TPINDIA.
- Report CSR Key Performance Indicators in TPINDIA Annual Report and TECHNIP GROUP ANNUAL REFERENCE DOCUMENT.

10.3 CSR Action Commission (CAC)

The CAC shall have members appointed by the CSR Committee and drawn from each for TPINDIA's Operation Centres.

The composition and term of the CAC members may be reviewed by the CSR Committee once in a financial year.

The CAC shall meet as appropriate but not less than once in a quarter.

11. **General**

11.1 In case of any doubt with regard to any provision or inconsistency of this CSR Policy, the CSR Committee shall be enquired. In all such matters, the interpretation and decision of the CSR Committee shall be final.

11.2 This CSR Policy applies to all CSR Activities of TPINDIA. TPINDIA reserves the right to further review and update, modify, cancel, add, or amend any or all provisions of this CSR Policy when necessary.