ALFRED HERBERT (INDIA) LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. POLICY STATEMENT

Alfred Herbert (India) Limited, ("AHIL" or the "Company") believes that Corporate Social Responsibility ("CSR") extends beyond the ambit of business and should focus on a broad portfolio of assets - human, physical, environmental and social.

This Policy is framed pursuant to Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'); Schedule VII of the Act, which indicates the activities to be undertaken by the company under CSR and Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as "CSR Rules") as amended from time to time. This Policy shall apply to all CSR initiatives and activities taken up at various locations in India.

2. CSR VISION

The CSR vision of AHIL is to promote sustainable and inclusive development as a responsible corporate citizen.

3. CSR OBJECTIVE

The main objectives of AHIL's CSR Policy are as follows:

- To directly/indirectly undertake projects/programs that will enhance the quality of life and economic well-being of the communities in and around Company's areas of operations;
- To lay down guidelines to make CSR a key business process for sustainable development of the society;
- To generate goodwill and recognition among all stakeholders of the Company.

4. CSR FOCUS AREAS

The Company will focus on four thrust areas-Education, Health, Livelihoods and Rural and Urban infrastructure. Besides, it will also undertake Interventions in the areas of sports, disaster relief, environment and ethnicity etc. **(Refer Annexure A)**, all aimed at improving the quality of life of the communities.

The Company's CSR will revolve around six guiding principles – Impact, Partnerships, Affirmative Action, Volunteerism, Communication and Innovation. **(Refer Annexure B)**

5. OUTLAY

5.1 The annual CSR budget shall be 2% (two per cent) of its average net profits of the three preceding financial years towards CSR activities. The net profit will be estimated in accordance with the provisions of Section 198 of the Act. The budget shall be based on recommendation by the CSR Committee.

5.2 Any surplus generated from CSR projects shall not be added to the normal business profits of the Company and shall be treated as follows:

- Ploughed back into the same project; or
- Transferred to an Unspent CSR Account and spent in pursuance of CSR policy and Annual Action Plan of the Company; or
- Transferred to a Fund specified in Schedule VII, within the prescribed timeline as specified in the CSR Rules.

5.3 All reasonable efforts will be made to ensure that the CSR amount so disbursed is fully utilized in the respective year in the manner as approved by the Board. However, if the Company fails to spend such amount, the Board of Directors shall, in its report specify the reasons for not spending the amount and such unspent amount shall be dealt with in accordance with the provisions of Section 135 (5) & (6) of the Act.

5.4 The tax treatment of CSR expenditures will be in accordance with the provisions of the Income-tax Act, 1961 as notified by Central Board of Direct Taxes (CBDT).

5.5 In case the Company spends an amount in excess of the requirements of its CSR obligations in a financial year, such excess amount may be set-off against the requirement of the CSR spending under sub-section (5) of Section 135 upto the immediate succeeding 3 (three) financial years subject to the fulfilment of conditions as specified under the CSR Rules.

6. GOVERNANCE MECHANISM

A. Board of Directors

The Board of Directors shall be responsible for:

i. Forming a CSR Committee and disclosing the composition of the CSR Committee on Company's website.
ii. Approval of the CSR Policy of the Company after taking into account the recommendations made by the CSR Committee.
iii. Disclosing the content of the Policy in its report and place the Policy on the Company's website in such a manner as prescribed under Section 135 of the Act read with the CSR Rules.
iv. Approval of the Annual Action Plan after taking into account the recommendations made by the CSR Committee and approval of alteration to Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.
v. Disclosing the details of the CSR Projects / programs approved by the Board on Company's website.
vi. Ensuring that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the 3 (three) immediately preceding financial years in pursuance of the Policy.
vii. Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR projects.
viii. Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Company fails to spend such amount.

ix. Ensuring that the administrative overheads are not more than 5% of the total CSR expenditure.

x. Ensuring that the funds so disbursed have been utilized for the purposes and in the manner as approved by the Board / CSR Committee and the Chief Financial Officer of the Company shall annually certify the same.

xi. Approval for transfer of unspent CSR Amount in accordance with the law. The Accounts and Finance Team of AHIL shall prepare the statement of spent and unspent CSR amounts and shall assist and facilitate for transfer of the same. The Accounts and Finance Team of AHIL shall deal with the unspent in following manner:

Nature of unspent amount	**Action required**	**Timelines**
Unspent amount pertains to 'ongoing projects'	Transfer such unspent amount to a separate bank account of the company to be called as 'Unspent CSR Account'.	Within 30 days from the end of the financial year.
Unspent amount pertains to 'other than ongoing projects'	Transfer unspent amount to any fund included in Schedule VII of the Act.	Within 6 months from the end of the financial year.

- In case of ongoing project, the Board shall monitor the implementation of the said project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the said project within the overall permissible time period.
- The board shall review the effectiveness and achievement of project activities in line with the project/program objectives.

B. CSR Committee

Constitution:

Pursuant to the Section 135 of the Act, the Board has constituted a Corporate Social Responsibility Committee (CSR Committee) at its meeting held on May 27, 2026. The Committee shall function in accordance with the provisions of Section 135 of the Act read with the CSR Rules including any statutory modifications or re-enactment thereof. The members of CSR Committee as appointed by the Board of Directors of the Company consist of the following Directors of the Company:

Sl.No.	**Name of Director**	**Designation**
1.	Mr. A. V. Lodha	Chairman
2.	Mr. P.K. Madappa	Member (Independent Director)
3.	Mrs. Alka Bhandari	Member (Independent Director)

Powers of the Committee:

The CSR Committee shall be responsible for:

i. Formulation and recommendation to the Board, the CSR Policy which shall indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Act as amended from time to time.

ii. Recommendation to the Board the programs to be undertaken, modes of execution and implementation schedule from time to time
iii. Monitoring CSR Policy of the Company from time to time
iv. Formulation and recommendation to the Board, an annual action plan in pursuance of its CSR policy
v. Recommendation of CSR Budget
vi. Spending the allocated CSR amount on the CSR activities once it is approved by the Board of Directors of the Company in accordance with the Act and the CSR Rules
vii. Monitoring the projects and programmes to ensure that they are being carried out in compliance with this CSR Policy and the Act
viii. Review the effectiveness and achievement of project activities in line with the project/program objectives
ix. Submit the reports to the Board in respect of the CSR activities undertaken by the Company
x. Authorize executives of the Company to attend the CSR Committee Meetings

Meetings of the CSR Committee:

- The CSR Committee shall meet once in a year to monitor the progress as against the approved annual action plan. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings.
- Quorum for the meeting should be two.
- The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio-visual means in accordance with the provisions of the Act and rules made there under from time to time.
- Other Members of the Senior Management may attend the CSR Committee Meetings as may be appropriate, subject to the approval of the CSR Committee.
- Minutes of the CSR committee shall be placed before the Board for noting.

7. MONITORING AND REPORTING FRAMEWORK

A comprehensive monitoring and reporting framework shall be put in place in order to ensure that funds spent on CSR programs are creating the desired impact. Key objectives of monitoring throughout the implementation period will be to check:

- the satisfactory and timely progress of program towards the agreed objectives; and
- the financial management and reporting.

In addition to the above, the Board upon recommendation of the CSR Committee may mandate the impact assessment effective and timely monitoring and evaluation of varied its CSR programs through an independent third-party agency, to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc. if and as required especially for the strategic and high value CSR programs under applicable CSR Rules.

8. IMPLEMENTATION

8.1 The Board of the Company may decide to undertake its CSR activities approved by the CSR committee, through itself or through an implementing agency which shall comply with the eligibility criteria or requirements as stated in the applicable provisions of the Act and CSR Rules. The Company may form its own Trust / Society / Section 8 Company, to carry out CSR activities in accordance with the CSR Rules and to

administer its CSR activities. Specify the projects or programs to be undertaken, the modalities of utilization of funds of such projects or programs and the monitoring and reporting mechanism.

8.2 **Due Diligence:**

The Implementing Agency shall be required to undertake the Company's due diligence process prior to entering into an agreement with the Company. The CSR engagement with the implementing agency will be project based.

9. ANNUAL ACTION PLAN

The Annual Action Plan is a yearly plan of CSR activities. The CSR Committee shall formulate and recommend an Annual Action Plan to the Board which shall include the following:

- the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
- the manner of execution of such projects or programmes
- the modalities of utilisation of funds and implementation schedules for the projects or programmes
- monitoring and reporting mechanism for the projects or programmes; and details of need and impact assessment, if any, for the projects undertaken by the Company

The Board of Directors may approve the Annual Action Plan with such further conditions as it deems fit and further alter Annual Action Plan at any time during the financial year, as per the recommendation of the CSR Committee, based on the reasonable justification to that effect.

10. REPORTS

The CSR committee shall be required to place the report before the Board. The format of the Report shall be the format as prescribed under the CSR Rules.

11. PUBLICATION OF CSR POLICY & PROGRAMS

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, along with the composition of the CSR Committee and the Projects approved by the Board.

12. POLICY REVIEW & FUTURE AMENDMENT

The Committee shall review its CSR Policy from time to time and make suitable changes as may require and submit the same for the approval of the Board. The Company reserves its right to modify, cancel, add, or amend any of the contents of CSR Policy. However, this policy, in whole or in part, shall stand modified / amended from time-to-time, without any further act on the part of the Company, as and when there would be any statutory modification(s)/ amendment(s) / revision(s) to the applicable provisions thereto.

ANNEXURE A: CSR FOCUS AREAS/INTERVENTIONS

CSR Themes	CSR Programmes & Initiatives	Ref. Sr. No. of Schedule VII of the Companies Act, 2013
Education	a) Setting up and running educational institutions and hostels	II
	b) Setting up and running mid-day meal kitchens	
	c) Training of teachers and headmasters	
	d) Improving quality of education in existing schools	
	e) Augmenting and supporting infrastructure in educational institutions	
	f) Offering scholarships and financial assistance to needy and meritorious students	
	g) Bridging drop-out children and mainstreaming them to formal schools	
	h) Developing educational material and methodologies	
	i) Supporting and promoting co-curricular activities	
	j) Advocacy of best practices	
	k) Education for mainstreaming disabled children	
Health	a) Setting up and running clinics and hospitals	I
	b) Running mobile medical vans and ambulances	
	c) Organizing health camps	
	d) Providing financial assistance to needy patients, on a case-to-case basis	
	e) Reducing infant and maternal mortality	
	f) Preventing and treating communicable diseases like malaria, tuberculosis and HIV / AIDS	
	g) Working on adolescent and reproductive sexual health issues	
	h) Promoting awareness about various health issues and generating demand for health services	
	i) Undertaking and supporting research on health-related issues	
	j) Ensuring access to potable drinking water and hygienic sanitation	
Livelihoods	a) Setting up and running skill development centres, industrial training centres, diploma and polytechnic institutes, community colleges, etc	II
	b) Sponsoring candidates for skill development and vocational training programmes offered at identified institutions	
	c) Coaching candidates to appear for entrance examinations of different institutions	
	d) Creating, training and supporting entrepreneurs	
	e) Supporting Persons With Disabilities to lead a life of self-dependence and dignity	
	f) Creating, training and supporting self-help groups, federations, co-operatives, societies and similar institutions	
	g) Building capacities of farmers on improved methods of agriculture and other allied sectors	
	h) Developing water harvesting structures and irrigation facilities	
	i) Supporting farmers with quality inputs, technical know-how and	

	timely information	
	j) Creating markets and marketing linkages for farm and forest based produce	
Rural Development	a) Rural development projects of building and maintaining community-based rural infrastructure like roads, bridges, culverts, drains, rural electrification, water infrastructure, community centres, youth clubs, etc.	X
Sports	a) Setting up and running academies and sports training centres for supporting grassroots sports talent	VII
	b) Organizing sports tournaments and coaching camps for community	
	c) Supporting sportspersons to participate in state, national and international events	
	d) Offering scholarships and sports equipment to deserving sportspersons	
	e) Promoting adventure sports	
	f) Organizing leadership and motivational camps	
	g) Constructing stadium and sports infrastructure	
Ethnicity	a) Preserving and promoting tribal languages, scripts and literature	V
	b) Preserving and promoting fine arts and performing arts	
	c) Preserving and promoting indigenous sports	
	d) Preserving and promoting various aspects of folk and tribal cultures	
	e) Organizing cultural events	
	f) Restoring and renovating memorials, monuments and heritage structures	
	g) Mainstreaming Particularly Vulnerable Tribal Groups (PVTGs)	
	h) Undertaking and supporting research on anthropological and ethnic issues	
Environment	a) Undertaking plantations and afforestation activity	IV
	b) Promoting renewable sources of energy	
	c) Recharging ground water levels	
	d) Conserving biodiversity and supporting research, awareness and advocacy on issues related to biodiversity	
	e) Promoting awareness about environmental issues	
Disaster Relief	a) Extending relief measures during times of natural disasters anywhere in the country	XII
	b) Undertaking and supporting rehabilitation measures post-disasters	
Support to Technology Incubators	a) Funding research projects at technology hubs for environmental and social sustainability	IX

The CSR Committee of the Board may, from time to time, recommend donating or making grants to the PM's fund or funds set up by the State Governments or to non-profit organizations and other institutions whose activities are aligned with the CSR programmes and activities of the Company.

ANNEXURE B: GUIDING PRINCIPLES FOR CSR

- **Impact:** All CSR initiatives will have well-defined Key Performance Indicators to measure impacts on target communities and groups.

- **Affirmative Action:** The Company will design targeted interventions for Scheduled Castes and Scheduled Tribes to promote Education, Employability, Employment and Entrepreneurship. The Company will also work on promoting Ethnicity to preserve the cultural fabric of these communities.

- **Communication:** The Company will have a two-way communication channel, so that the stakeholders' needs, expectations and aspirations can be mapped and their feedback and satisfaction levels can be obtained and assessed for the purposes of design and improvement of initiatives.

- **Innovation:** AHIL will endeavour to develop innovative solutions to solve social problems. These will encompass technology, as well as models for sourcing, partnering and delivery of initiatives.

This Policy is amended and approved by the Board on and effective from July 24, 2026