



GCRIEBER

# Corporate Social Responsibility (CSR) Policy

Compact India Private Limited (CIPL)

Version no.	Approved by	Approval Date/ Revision Date
1	Board of Directors	Approved on August 08, 2023
2	Board of Directors	Revised on June 20, 2024

This policy in relation to the Corporate Social Responsibility (“**CSR**”) of Compact India Private Limited (“**CIPL/ Company**”) is titled as the “CSR Policy” and shall include any alterations, amendments or modifications hereto from time to time. The CSR Policy is prepared in accordance with the requirements of the Companies Act, 2013 (**‘Act’**) and Companies (Corporate Social Responsibility Policy) Rules, 2014 (**‘Rules’**) and shall apply to all CSR activities undertaken by the Company in India as per Schedule VII to the Companies Act, 2013 (“**CSR Activities**”).

## Organisation Values

In CIPL, we believe in social responsibility and sustainable development within our entire business operation. GC Rieber is a proud participant of the UN Global Compact, the world's largest initiative for corporate social responsibility.

The main objective of the CSR Policy is to lay down guidelines for CIPL to make CSR as one of the key focus areas to adhere to its strategy that focuses on making a positive contribution to society through high-impact, sustainable programs.

## Implementation Team

The Board of Directors of the Company (“**Board**”), along with the CSR Committee, wherever constituted, shall be responsible for implementation of this CSR Policy.

The Board has also formed a CSR Implementation Team comprising of:

- Corporate Social Responsibility Committee
- Chief Financial Officer
- Chief Operating Officer
- Manager Legal & Corporate Affairs
- Business Development Manager

## Powers and Functions of The Board of Directors

The Board of Directors of the Company shall be vested with all the powers and functions in relation to formulation, implementation, monitoring, and reporting of CSR as laid down under the Act, the Rules, and this Policy, including but not limited to the following functions and powers:

- To constitute/reconstitute CSR Committee.
- To approve/ modify/ amend the CSR Policy ; which shall indicate the activities to be undertaken by the Company.
- To approve the amount of expenditure to be incurred on the CSR activities.
- To approve the CSR Annual Action Plan
- To supervise and monitor the CSR activities of the Company
- To open an unspent CSR account, wherever required, and approve the transfer of unspent CSR Amount, if any, in accordance with the law
- To approve the set off of any excess amount spent over and above in next three succeeding financial years in accordance with the provisions of the Act
- The Board shall satisfy itself that the funds disbursed for CSR activities have been utilized for the purposes and in the manner as approved by it. The Chief Financial Officer or the person responsible for financial management will be required to certify it to the effect.
- In case of an ongoing project, the Board shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and will be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.
- To carry out any other function as may be required from time to time to comply with the provisions of Section 135 of the Act read with the Rules.

## Identification of CSR activities

CIPL is eligible to undertake any rightful/suitable activity as specified in Schedule VII of the Act. CIPL can opt for specific areas of its interest and budget availability out of the areas listed below:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- (ii) promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining the quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.
- (v) protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- (vi) measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- (vii) training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports
- (viii) contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and  
(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- (x) rural development projects
- (xi) slum area development.

*Explanation.- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.*

- (xii) disaster management, including relief, rehabilitation and reconstruction activities.
- (xiii) such other activities as may be provided in Schedule VII of the Act.

## Annual Action Plan

- The Annual Action plan of CSR Activities to be carried out during the financial year shall be formulated by the Implementation team. The plan may be altered or modified at any time during the financial year to align the expenditure in accordance with the applicable laws.
- The list of the CSR projects shall be approved by the Board, based on the recommendations of the CSR Committee.
- A specific budget shall be allocated by the Board for the CSR activities and spending on the CSR activities shall not be less than 2% of the average net profits of the Company made during the three immediately preceding

financial years, as per the provisions of the Section 135 of the Act alongwith its applicable rules, as may be modified from time to time.

- The CSR Policy mandates that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company and shall be utilized in the manner as per the provisions of the Section 135 of the Act alongwith its applicable rules, as may be modified from time to time.
- In case, the Company fails to spend such amount, the Board shall specify the reasons for not spending the amount in the Board Report and the treatment of such unspent amount shall be made in accordance with this policy and as per the provisions of the Section 135 of the Companies Act 2013 alongwith its applicable rules, as may be modified from time to time.
- The complete disclosure of all the activities undertaken, amount spent or unspent during the financial year shall be disclosed in the Board Report which forms part of the Annual Report of the Company; in the manner as required pursuant to the applicable provisions of the Companies Act 2013.

### **Role of CSR Committee:**

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act (as amended from time to time).
- To recommend the amount of expenditure to be incurred on the activities in a financial year.
- To monitor the Corporate Social Responsibility Policy of the Company from time to time.
- The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of the CSR Policy and such plan shall include relevant details as specified under law from time to time.
- Any other matter/thing as may be considered expedient by the Members of the Committee in furtherance of and to comply with the CSR Policy of the Company

### **Implementation of CSR activities**

The Company shall implement the identified CSR activities by the following means:

- It may itself implement the identified CSR activities presently within the scope of the Areas as defined in the Policy;
- It may also undertake the CSR activities through such implementing agencies as allowed under the Act.
- The Company may collaborate with other companies including its Group Companies if required for undertaking the projects or programs or activities of CSR subject to the conditions.
- The Company may engage the international organizations as notified by Central Government for designing, monitoring and evaluation of the CSR projects or programs as per its CSR policy

### **CSR Compliance, Monitoring and Reporting**

#### **Compliance**

The CSR Committee will plan, implement, monitor and manage all CSR projects & activities for CIPL within the purview of the CSR Annual Action Plan and will work closely with the Boards of Directors of CIPL and the Group companies as applicable.

The CSR Committee will formulate implementation plans for the projects by clearly defining the following:

- Activities to be undertaken.
- Budgets proposed.
- Time frame for implementation.
- Responsibilities and authorities for implementation.
- Results expected to be achieved post-implementation.

### **Monitoring and Execution Process**

Monitoring and Execution Mechanisms include the following, one or more of which shall be implemented based on the size, quantum and tenure of the CSR programmes:

1. To ensure effective implementation of the CSR programmes undertaken by the Company, a monitoring mechanism will be put in place by the CSR Committee. The progress of CSR programmes in progress, including both ongoing and other than ongoing projects shall be reported to the Board on regular basis.
2. To ensure that the objectives of CSR Policy are being met in an efficient and effective manner, the utilisation of the amount sanctioned towards CSR Activities should be reported by the Implementation Team to the Board on an annual basis or such other frequency as may be directed by the Board, in such manner as the Board may direct.
3. In the event any of the CSR Activities are undertaken through an Implementing Agency, the Implementation Team should obtain relevant information from the Implementing Agency and ensure that the progress on such CSR Activity is submitted to the Board on an annual basis in such manner as the Board may direct.
4. Upon receipt of such progress report by the Implementation Team, the CSR Committee may review and deliberate upon such reports and provide such inputs or recommendations to the Board, as it may deem necessary.
5. Notwithstanding anything to the contrary, the Board shall not be obliged to comply with the recommendations of the Implementation Team.

### **Reporting**

The Board, based on reports presented by the CSR Committee, shall annually publish a report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed under Section 135 of the Companies Act 2013.

The Chief Financial Officer or the person responsible for financial management shall certify to the Board of Directors on an annual basis as to the effect that the funds disbursed for the CSR activities have been utilised for the purposes and in the manner as approved by the Board.

### **Amendment**

The Board of the Company may, based on the recommendations of the CSR Committee, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

Notwithstanding the above, this Policy will stand amended to the extent of any change in applicable law, without any action from the Board of the Company.