

1. Introduction

1.1 RAHMAN INDUSTRIES LIMITED (“the Company”) is indisputably the pioneer in Safety Footwear & Upholstery Leather in India. With that sense of awareness in us, we are always keeping up with the latest advancements in technology and leading the market with our superior Brands & New Products Developments.

1.2 Most projects and operating plants/units are located in Industrial Areas, where basic infrastructure is inadequate and socio-economic profile is relatively weaker. Since we are labour oriented unit, our mission is to contribute towards improving the quality of life of the communities living in these areas. We believe that our success in executing and operating large-scale projects is critically dependent on following a participatory development-oriented approach that strengthens our bond with the local population.

1.3 Rahman Industries Limited has undertaken /shall continue to undertake appropriate Corporate Social Responsibility (CSR) measures having direct, measurable and positive Economic, Social, and Environmental impact on the Community with particular emphasis on the Local Area and around its Area of Operations through RAHMAN FOUNDATION (a Charitable Trust) and otherwise on its own.

2. CSR Policy

2.1 Guiding Principles: Continuous efforts of the Company to positively impact the Society, especially the Areas around its Area of Operations are aimed at formulating policies for Social Development that are based on the following guiding principles:

1. Honour the spirit of law and be a responsible Corporate Citizen.
2. Pursue growth through Harmony with the Community via Innovative Management Techniques.
3. Adopt an approach that aims at achieving a greater balance between Social Development and Economic Development.
4. Respect Culture and Customs of every Project / Plant Location.
5. Work towards elimination of all barriers for the Social inclusion of disadvantaged groups - such as the Poor, Socially Backward, Differently - Disabled and others.
6. Develop practices aimed at Inclusive Growth.
7. Thrust on Environment Protection.

2.2 Applicability: This CSR Policy is applicable to the Company, which is mandated with the CSR expenditure obligations as per Sec. 135 of the Companies Act, 2013

read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

2.3 Focus Areas: The Company targets the Growth Areas mentioned under Schedule VII of The Companies Act, 2013 for all stakeholders.

These primarily fall under Drinking Water, Sanitation, Education, Healthcare, Social Development, Livelihood Opportunities and Environment Protection.

The key areas for implementation of CSR activities undertaken by the Company with or without intervention of an External Agency are as follows:

1. Eradicating Hunger, Poverty.
2. Healthcare including Sanitation and Drinking Water
3. Education & Vocational Skills (including Educational Infrastructure)
4. Gender Equality & Women Empowerment (Including Old Age Homes, Widow Homes)
5. Environmental Sustainability.
6. Heritage Protection (Including Art and Culture) .
7. Measures for benefit of Armed Forces Veterans, War Widows and Dependents.
8. Training and Promotion of Rural Sports.
9. Preservation of Cattle and Useful Animals.
10. Rural Development Projects.
11. Measures for Damages caused by Natural Calamity.
12. Maintaining Shelter Homes, Maternity Homes and Child Welfare Centers.
13. Social Business Projects.
14. Slum Development Projects.
15. Any other activity as may be prescribed under Schedule VII of The Companies Act, 2013 from time to time.

3. GOVERNANCE:

CSR Committee of the Board is responsible for implementing CSR activities at Rahman Industries Limited through a trust 'Rahman Foundation' and otherwise in its individual capacity as well.

3.1 ROLES & RESPONSIBILITIES

CSR Committee shall consist of three or more directors of which at least one shall be an Independent Director. CSR committee shall be responsible for:

- a) Formulation of CSR Policy.
- b) Regular Monitoring of Implementation of CSR Policy.
- c) Identify Key Initiatives pursuant to the CSR Policy.
- d) Recommend to the Board CSR Expenditure to be incurred.
- e) Recommend to the Board, modifications to CSR policy as and when required.

The CSR Committee of the Board will ensure that the surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company.

Depending on Interventions / Programmes, External Experts shall be engaged on a Contract Basis for Development of Baseline Data, Planning, Implementation, Monitoring Effectiveness of CSR Initiatives, etc.

Voluntary Participation by Employees of the Company, who are not members of either CSR Committee/ CSR Staff at Project /Plant Sites and Family Members of such Employees, shall be encouraged in the implementation of CSR activities.

3.2 MONITORING PROCESS

Dedicated CSR Committee shall undertake the following exercise for monitoring the CSR Policy:

- a) Implementation of CSR Policy
- b) Identifying Key Result Areas (KRA's) and Key Performance Indicators (KPI's).
- c) Develop Annual Operating Plan (AOP) and targets against each of the identified KPI's at Corporate and Operational Level.
- d) Secure necessary approvals for CSR AOP.
- e) Facilitating allocation of funds along with relevant SPV's/Operations Team.
- f) Monitoring of CSR projects on a quarterly basis to establish effectiveness of CSR efforts and report the same to the Board.
- g) Compilation of Information & Preparation of Annual Reports on CSR Activities and. presenting the same to the Board.
- h) Organize Training programmes for CSR staff.
- i) Any other activity necessary to ensure achievement of the Company CSR mission

4. Amendment

The Committee or the Board may review the policy as and when it deems necessary. The Committee or Board reserves its right to amend or modify this policy in whole or in part, where there appear any statutory changes necessitating the change in the policy.
