

Eicher Motors Limited

Corporate Social Responsibility Policy

I. Objectives of the Policy

We at Eicher Motors Limited (hereinafter referred to as “EML” or the “Company”) aim to create economic value and to actively contribute toward the development of a sustainable society by taking up projects for the common good through responsible business practices and good governance.

II. Applicability

1. EML Corporate Social Responsibility (“CSR”) policy has been developed pursuant to Section 135 of the Companies Act 2013 and relevant rules prescribed therein (“Act”).
2. The Policy lays down the criteria for identifying programmes eligible for financial assistance and for determining the quantum of assistance in relation with such programmes.
3. Any surplus arising out of CSR programmes shall not form part of business profits of the Company.

III. Eligible Programmes and CSR Budget

1. Only those programmes that are eligible in accordance with the Act and are consistent with the CSR themes identified by the CSR Committee shall be eligible for grants.
2. CSR Committee will recommend the programme wise expenditure to the Board for its consideration and approval as per the provisions of the Companies Act, 2013.

IV. Implementation

The Company's CSR programmes will be identified and implemented according to this policy. The Company will ensure every programme has:

- a. Clearly defined objectives consistent with this policy
- b. A system for monitoring actual spending by the grantees
- c. Impact assessment
- d. A reporting framework and system in alignment with the Act

The company will implement its CSR programs on its own or through eligible third parties including Eicher Group Foundation, Goodearth Education Foundation and Shroff Eye Hospitals. EML may also collaborate with such parties for undertaking programs in such manner as the CSR Committee may deem fit.

V. Evaluation, Monitoring and Reporting Framework

1. Evaluation

Prospective programmes shall be presented to the CSR Committee for evaluation. The proposals shall set out proposed budget, social need for the programme and benefits expected.

2. Monitoring

Programme monitoring mechanism will ensure:

- The CSR policy is implemented as per the Act
- The CSR policy is implemented ensuring that all programmes are duly carried out as budgeted

CSR spends will be closely monitored and funds shall be released against verifiable utilizations as per the approved work plans. This may include field visits, comprehensive documentation, and regular interaction with beneficiary communities.

Salaries paid by the Company to regular CSR staff as well as to volunteers (in proportion to company's time/hours spent specifically on CSR) can be factored into CSR project cost as part of the CSR expenditure.

3. Reporting

The CSR Committee will prepare the annual CSR report and present for approval of the Board. This report will ensure that CSR programmes are being properly documented.

VI. Administration

1. CSR Committee

- a. Composition of the CSR committee: will consist of three or more directors including atleast one Independent Director.
- b. The CSR committee of EML will be responsible for:
 - formulating the CSR policy in compliance to Section 135 of the Companies Act 2013, with such policy to indicate activities to be undertaken as per Schedule VII of the Companies Act 2013
 - recommending to Board the CSR expenditure to be incurred
 - recommending to Board, modifications to the CSR policy as and when required
 - regularly monitoring the implementation of the CSR policy

2. Board

The Board of EML will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee
- Approve the amount to be spent by the Company on its CSR activities
- Disclosure in its Annual Report and ensuring annual reporting of its CSR activities on the Company website

3. Guiding Principles for formulation of Annual Action Plan

Projects and activities with the following themes shall be given preference while formulating Annual Actions Plans:

A) Local Area Development- Improving the lives of communities where we operate, popular travel destinations and other identified places:-

- i) Strengthening healthcare infrastructure and facilities, access to clean drinking water, sanitation and hygiene
- ii) Education for children
- iii) Creation of livelihood opportunities through skill building

B) Social Mission - Responsible Travel

- i) Environment sustainability including, through development of water conservation and waste management systems, targeted afforestation, and take such other measures that facilitate sustainable travel, as required
- ii) Preserve and protect the natural assets and local environment at destinations that are frequently travelled by travellers
- iii) Generate socio-economic benefits to local communities in environmentally sensitive travel destinations by supporting enhancement of skills, livelihood opportunities, market-linkage for their products and services, and such activities to effectively promote their local culture and heritage

C) Road safety

Raising awareness, training, and positive behaviour change among the riders and community members.