

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Preamble

At Everest Industries Limited (“Everest” or “EIL”), business success is not just about profits and shareholder returns. We believe in pursuing wider socio-economic objectives and have always endeavored to meet the expectations of the communities in which we operate.

Everest's diverse projects and operations touch lives of people in many ways and create value by helping in overall development of communities. Through its various initiatives, the company endeavors to play a relevant role by serving communities and projects that address gaps in basic societal requirements.

Corporate Social Responsibility aims to address the economic, environmental conditions as well as social sustainability of any business to make its strategy valuable for all its stakeholders.

Everest Industries Limited (EIL) is one of India’s fastest growing building solutions company. Founded in 1934, it has continuously introduced innovative and modern building products with a promise of strength, speed and safety. Today, Everest offers a complete range of world-class building solutions: Roofing, Ceiling, Walls, Floor, Cladding, Pre-engineered steel buildings and Smart Steel Buildings for the industrial, commercial and residential sectors.

Every member of the Everest team is motivated, skilled and is the strength of the company. S/he is also large hearted and willing to share his/her time and talent with others to help build a better, stronger and safer community.

2. Title & Applicability

This policy may be called CSR Policy of Everest Industries Limited and shall apply to all CSR projects undertaken by Everest as per Schedule VII of the Companies Act 2013, within the geographical limits of India only, for the benefit of marginalized, disadvantaged, poor or deprived sections of the community and the environment.

3. Objective

"EIL is committed to engage organizational resources and knowledge to enhance livelihood and living conditions of communities through sustainable development oriented interventions, capacity building, and projects in the areas of health, sanitation, education, culture and sports."

4. Everest CSR Philosophy/Approach

We engage in such service to build our own capacity and not just for the sake of the project beneficiaries. Serving others instills a sense of deep gratitude towards society, helps us develop emotionally, spiritually and creates a sense of deep fulfillment to experience true happiness.

All philanthropy comes from the heart. The values of giving must permeate through every person in our organization.

- To provide a platform for all our team members to engage in social causes and community building.
- Projects must make an exponential positive impact on the lives of beneficiaries and the benefactors.
- Integrate CSR projects with our scope of business and expertise so we can add value to make them sustainable.
- Implement CSR projects in the vicinity of our company's operations with a view to maintain a long term association and build a better community.
- Develop skill and build human capacity, make our community employable and generate employment opportunities.
- Improve standards of environment, health and safety through the business practices of the company and our colleagues. Serve as role models for the community and enlist their support through education and training.
- Collaborate with grass root NGOs and organizations to leverage their reach and our resources and skills.
- Encourage projects which have the potential to become self sustaining movements after an initial catalytic support from the company.

5. Focus areas of CSR Intervention

EIL's CSR activities, amongst others, will focus on:

- Capacity building, skill development, training and employment generation.
- Promotion of education, art, culture and sports.
- Preventive health care and Sanitation
- Environmental Sustainability
- Eradicating Hunger & Poverty

EIL may, subject to the approval of the CSR Committee, undertake any CSR project specified in Schedule VII of the Companies Act, 2013 from time to time.

6. Governance of CSR policy

EIL will constitute robust governing mechanism to oversee the implementation of its CSR policy, in compliance with Act.

- i. Over all governance of CSR will be responsibility of CSR Committee of the Board.
- ii. The CSR department of EIL will be responsible for administering and executing the CSR policy.
- iii. The CSR Department will ensure that all the CSR activities are in consonance with this policy and the applicable provisions of the Companies Act, 2013.

7. CSR committee

EIL has constituted a CSR Committee of the Board in compliance with the statutory requirement of the Companies Act, 2013. The Board of Directors of the Everest shall re-constitute the CSR Committee from time to time in compliance with statutory requirements. The CSR Committee shall comprise of a minimum of three directors, out of which at least one director shall be an independent director.

The responsibilities of the CSR Committee include the following:

- i. To formulate EIL CSR strategy, policy and goals;
- ii. To monitor the EIL CSR policy and performance;
- iii. To review the CSR projects/initiatives from time to time;
- iv. To ensure legal and regulatory compliances from a CSR view point;
- v. To ensure reporting and communication to stakeholders on EIL's CSR projects/initiatives;

8. Implementation

EIL will undertake the CSR projects which envisage the sustainable development and creating value for all the stakeholders engaged.

The CSR department will assist in implementation and monitoring of CSR projects/initiatives. The actual implementation of various projects will be broad-based with engagement of various EIL's employees/units or through development organizations or through collaborative projects with like-minded corporate.

a. Implementing Agencies;

The approved CSR activities, projects and programmes shall be carried out in any of the following ways as the CSR Committee in its absolute discretion may decide. The CSR Committee may decide to use any one or all or a combination of any of the following ways to undertake the said CSR activities, projects and programmes:

- i. Self-implemented
- ii. A collaborative effort with other corporates to leverage our core business and CSR strength.
- iii. The CSR projects may be carried out through any/all of the following organisations established by the EIL;
 - i. A Registered Trust
 - ii. A Registered Society
 - iii. A Section 8 company registered under Companies Act, 2013;
- iv. If any of above organisation is not established by the EIL, then the organisation implementing CSR projects must have an established track record of three years in undertaking similar projects.
- v. The implementing organization will also be screened based on the EIL screening criteria to ascertain the organization credibility and its ability to execute the project with utmost effectiveness.

b. CSR Team

The CSR Team will be responsible for the actual on-ground implementation of CSR projects across the various areas of intervention of EIL. They will also:

- i. Be responsible for the execution of the decisions taken by the Board-level CSR Committee;
- ii. Implement projects based on set targets and action plans and regularly monitor them;
- iii. Find suitable implementation partners, conduct due diligence and get approval from the Committee;
- iv. Evaluate possible collaborations with other organisations on CSR projects;

- v. Provide progress reports to the CSR Committee;

9. Monitoring of CSR projects

All CSR Projects/Activities shall be monitored directly by the Managing Director and the CSR Committee of the Board of Directors through the Everest CSR Department.

Projects directly implemented by Team Everest

- i. The CSR Projects taken up by EIL or through Contractors shall be monitored directly by CSR Department. Objectives, deliverables and desired impact will be clearly spelt out at the start of the project.
- ii. The award of contract for CSR works shall be finalized within the time frame set by the Head of CSR Department for timely initiation of the activity. Release of funds to contractors shall be defined in the work order/TOR itself.
- iii. Ongoing activities shall be coordinated by Head of CSR Department. All the required staff shall be provided by the respective departments for the period of the activity.
- iv. The CSR Department shall draw a time frame from the date of initiation and monitor it for timely completion.

Projects in collaboration with Government, NGOs and voluntary organizations

- I. CSR Projects taken up through NGOs / Trusts shall be evaluated and monitored jointly by CSR committee and respective organizations. An evaluation format shall be prepared for this purpose at the start of the project clearly stating the time, cost and deliverables/desired impact.
- II. Release of funds after commencement of activity shall be linked to joint evaluation and achievement of results against predetermined tangible targets.
- III. In case progress is not as per target on three consecutive milestones, the project will be re-evaluated by the CSR committee based on recommendations of the CSR Department.

A comprehensive monitoring mechanism has been devised by EIL to ensure the CSR process functions as mandated by the Companies Act 2013 and the Rules framed thereunder, and that all projects as budgeted are duly carried out. Monitoring may have both an electronic MIS and human architecture that must work together to ensure a firm check on the above. This may include regular field visits to project sites, activity-wise, comprehensive documentation of the same in the form of field reports, regular interaction with beneficiary communities to obtain feedback and compilation of field visit reports at regular intervals.

10. Documentation and Reporting

The CSR Team of EIL will ensure that all CSR projects are comprehensively documented and accountability is fixed at every level of the CSR process and the implementation apparatus is in place. A repository of case studies and good practices may be compiled to learn from and build upon successful interventions.

The Board-level CSR committee will annually publish report on the CSR projects as a part of the Director's report. The report will disclose information in the format as prescribed by the Section 135 of the Companies Act, 2013.

11. Impact assessment/Evaluation

EIL may take up appropriate evaluation and impact assessment of the projects. 3rd parties may be engaged for this, right from inception to ensure objective assessment across baseline and end line parameters. There shall be clarity about the objective/scope of the project and the need it is attempting to address. Impact assessment of the project is to be done preferably after a reasonable duration of 3- 5 years. For conducting the Impact assessment, it is necessary that the baseline data or indicators are well defined. The impact can be measured by an end line survey.

12. CSR budget

The Board, on the recommendation of its CSR Committee, shall approve overall limits for CSR Activities to be undertaken by the Company during the financial year.

Any surplus arising out of the CSR projects, programs or activities will not form part of the business profit of Everest.

13. Effective Date

This Policy shall come into force with effect from 21st October 2016 in suspension of earlier policy adopted by the Board on 30th April 2014.