DCM Shriram Ltd. – Corporate Social Responsibility (CSR) Policy

1. Our Purpose

DCM Shriram Ltd. continues the legacy of its founder Sir Shri Ram — who believed business growth must create social good. We under CSR aim to *"to enable resilient, self-reliant and thriving communities through integrated and sustainable development."*

This Policy articulates the Company's approach to CSR under Section 135 of the Companies Act 2013 and Schedule VII, ensuring transparent, accountable, and impact-driven social investments.

Objectives:

- Align CSR programmes with national priorities, Sustainable Development Goals (SDGs), and Schedule VII of the Act.
- Promote measurable and sustainable community impact through long-term partnerships.
- Strengthen internal governance, monitoring, and impact assessment systems.
- Ensure transparent disclosure of CSR performance in the Annual Report and on the Company website.

2. Guiding Principles and Strategic Approach

CSR is central to DCM Shriram's purpose of *Growing with Trust*. The Company acts through its philanthropic arm — DCM Shriram Foundation — which drives flagship programmes under two strategic pillars:

1. **Holistic Community Development** – Health, Education, Water & Sanitation, Livelihoods, Environmental Sustainability and Social Infrastructure.
2. **Climate Sustainable Agriculture**– Sustainable farming, soil & water conservation, and natural-resource restoration.

These initiatives are implemented directly or through eligible registered implementing partners as per Rule 4 of the CSR Rules (Amendment 2021).

Guiding principles:

- **Impact**: Create a positive and measurable impact in the communities
- **Community Centric**: Make decisions by keeping the community at the core
- **Collaboration**: Public–Private–Community Partnership (PPCP) approach/ Partnership Driven Journey.

- **Scalability**: Scalability and replicability of initiatives through creating light house models.
- **Built to Last**: Sustainability on exit, impact should continue
- **Beyond Compliance**: Strive to meet core needs even when it is beyond compliance

3. CSR Focus Areas (Aligned to Schedule VII of Companies Act 2013)

Schedule VII Clause	DCM Shriram Thematic Area
(i) Eradicating hunger, poverty & malnutrition; promoting health care including maternal health & nutrition	**Khushali Sehat (Preventive Healthcare)**
(ii) Promoting education, special education & vocational skills	**Khushali Shiksha (Education)**
(iii) Promoting gender equality, women empowerment & livelihood enhancement	**Khushali Rozgaar (Skills & Livelihoods)**
(iv) Ensuring environmental sustainability, ecological balance & conservation	**Khushali Paryavaran (Environment & Climate)**
(v) Protection of heritage, art & culture including restoration of buildings and artifacts	
(vi) Measures for benefit of armed forces veterans, war widows, and dependents	
(vii) Training to promote rural sports, nationally recognized sports & Paralympic sports	**Sports for Development**
(viii) Contribution to funds set up by Central/State Governments	**Statutory CSR Funds & Emergency Relief**
(ix) Rural development projects	**Integrated Village Development**
(xi) Disaster management, including relief, rehabilitation & reconstruction	**Humanitarian Aid & Disaster Response**

4. Governance and Implementation Framework

Board of Directors

- Approves CSR Policy and Annual Action Plan.
- Ensures minimum CSR spend of 2% of average net profits of the preceding three years.
- Monitors progress on ongoing projects and approves modifications as required.
- Discloses CSR details in the Annual Report and on the Company website.

CSR Committee

Comprises at least three Directors (including one Independent Director) and is responsible for:

- Recommending CSR Policy and Annual Action Plan to the Board.
- Reviewing progress, budget utilization and impact assessments.
- Ensuring alignment of projects with Schedule VII and Company priorities.
- Meeting at least twice a year; quorum of two members required.

CSR Team (DCM Shriram Ltd)

Leads implementation through internal resources and registered partners. Responsibilities include:

- Designing and executing projects as per approved plans.
- Conducting baseline surveys and impact evaluations.
- Ensuring timely utilization of funds and compliance with Rule 10 (Impact Assessment).
- Submitting progress reports to the CSR Committee.

5. CSR Expenditure and Budget

- DCM Shriram Ltd. shall spend at least 2% of its average net profits of the preceding three financial years on CSR activities.
- Any surplus arising from CSR activities shall not form part of business profits and shall be ploughed back into CSR projects.
- Excess spending may be carried forward for set-off within three subsequent financial years as per Rule 7 (3).

- Preference shall be given to the local communities in and around operational areas of the Company.

6. Monitoring, Evaluation & Reporting

- **Monitoring:** Review by the CSR Committee and on-site visits by CSR teams to track progress against defined milestones.
- **Impact Assessment:** For projects ≥ ₹1 crore or continuing ≥ 1 year, independent impact assessments will be commissioned and shared with the Board and disclosed in the Annual Report.
- **Reporting:** The Board Report will include CSR spend, unspent balances (if any), reasons for shortfall, and transfer to Schedule VII Funds within six months of financial year end.
- **Disclosure:** CSR Policy, Annual Action Plan and CSR Reports will be available on the Company's website.

Approved by:

Ajay S. Shriram	Vikram S. Shriram	Ajit S. Shriram	Aditya A. Shriram

Effective from: 1 January 2025