

SIKA INTERPLANT SYSTEMS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY AND STRATEGY

Revised and approved by CSR Committee and Board of Directors Meeting held on
November 14, 2022

Introduction

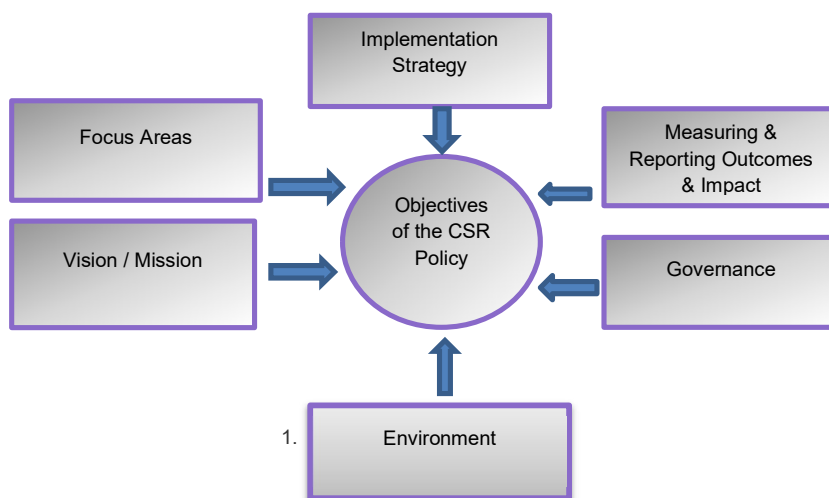
SIKA is an engineering driven company focused on the Aerospace, Defence & Space (A&D) and Automotive sectors in India. A public listed company on the Bombay Stock Exchange, SIKA's main lines of business comprise: engineered projects & systems; interconnect solutions & electrical module integration, maintenance, repair & overhaul (MRO); and value-added distribution.

An AS 9100D certified company, SIKA has gained considerable experience in project management of complex and high value projects on a turnkey basis.

Scope

The key elements of the policy;

- Vision and framework of Corporate Social Responsibility and its approach towards the same
- Key focus areas of inclusive development
- Overview of the implementation strategy of various sika initiatives
- Methodology of measuring and reporting outcomes and impact
- Governance Structure
- Environment sustainability, ecological balance, conservation of natural resources



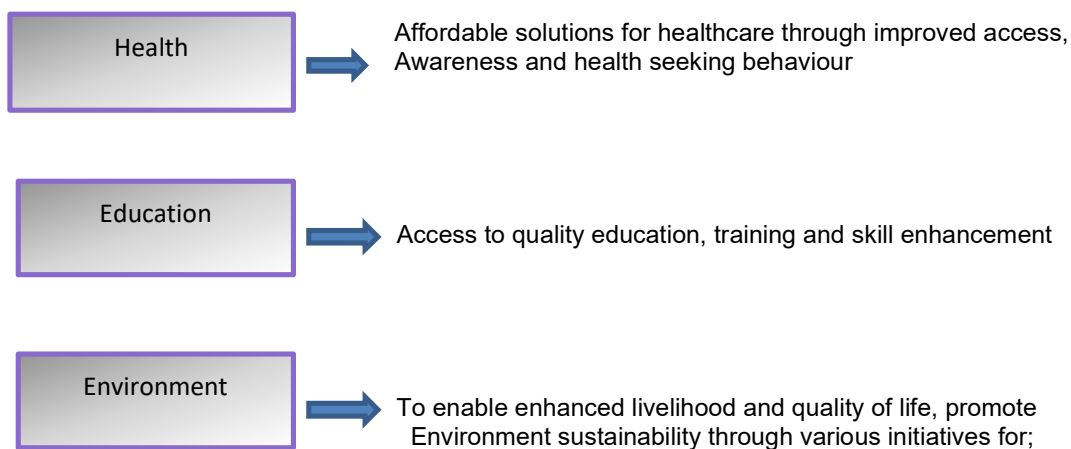
Corporate Sustainability

At Sika, we aim to treat the Corporate Sustainability as an intrinsic and essential part of being in business. The function will therefore draw inspiration from the Company's vision:

“Quality is not about setting policies; it's about creating habits”

Sika will leverage the skills and competencies, financial and people resources as well as the infrastructure and relationships of the Company in order to excel and maximize societal impact. This will ensure that Corporate Social Responsibility (CSR) will benefit from the business activity of the Company even as it serves the communities that interface with such business activity.

Accordingly, **the CSR focus at Sika will be driven by broad themes such as.**



The Company shall work towards responsible citizenship by continuing present initiatives, supporting local and national causes and taking up others as and when required even as it works towards scaling up on the larger chosen themes.

In all its efforts, Sika will seek to actively engage and integrate wherever appropriate the requirements of Affirmative action and other State and Central Government initiatives from time to time.

Composition of CSR Committee:

The CSR Committee shall be comprised in accordance with the requirements of the Companies Act. This CSR Policy, details of the composition of the CSR Committee of the Board of Directors is mentioned under **Annexure -A**.

Aligning to Companies Act

The CSR policy of the Company is aligned to the following guidelines

- The requirements of Section 135 of the Companies Act 2013 and the corresponding Rules
- Schedule VII of the Companies Act 2013

Spends

Sika will spend at least 2% of its average net profits of the previous three financial years for its CSR activities that shall not include investment in any projects considered as business-as-usual related activities.

Any surplus arising out of CSR projects or programs, or activities shall not form a part of the business profits of the company.

CSR Annual Action Plan:

Further, as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 effective from 22nd January 2021, the CSR Committee shall formulate and recommend to the Board, for the approval of an annual action plan which shall contain all matters which are required under Applicable Law and any other matters as the CSR Committee may deem fit from time to time. In pursuance of its CSR policy as required under Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to those effects.

A certificate from the Chief Financial Officer or the person responsible for financial management shall be obtained confirming that the funds so disbursed have been utilized for the approved purposes, to be submitted to the Board.

Impact Assessment:

Impact assessment shall be undertaken by the Company or by recipient or by implementing agency as required by and in the manner set out under Applicable Law, and the impact assessment report(s) shall be placed before the CSR Committee and the Board and shall be disclosed as legally required.

Implementing mechanism

Sika will implement its CSR initiatives through a combination of its own in-house teams/volunteering, partnering with Non-Governmental Organisations (NGOs) and institutes of repute and other partner organisations who have competencies in the field under consideration. The Corporate Sustainability Group will be driving CSR initiatives through one or many of these mechanisms.

Treatment of Unspent CSR Amount during the year:

In case the unspent amount does not relate to any ongoing project at the end of the financial year:

The unspent amounts need to be transferred to a Fund, i.e., Swach Bharat Kosh, Clean Ganga Fund, prime minister's national relief fund, etc within a period of six months of the expiry of the financial year.

In case the unspent amount is relating to ongoing project at the end of the financial year:

The unspent amounts needs to be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the company for that financial year in any scheduled bank to be called the "Unspent Corporate Social Responsibility Account".

Such amount lying in Unspent account shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the Company shall transfer

the same to a Fund as mentioned above, within a period of thirty days from the date of completion of the third financial year.

“Any unspent amount needs to be transferred at the end of the financial year to the specific fund as mentioned under Schedule VII of the Companies Act, 2013.”

Monitoring mechanism

Each of the CSR projects and programs will have clearly defined output, progress of which will be reviewed and reported on a quarterly basis or as per schedules defined under various projects as appropriate by the Corporate Sustainability team.

INDICATIVE LIST OF PROGRAMS *						
CSR PROGRAMS	SL NO	CSR PROJECTS	REF TO SCHEDULE VII	IMPLEMENTATION MODE	SCHEDULE **	REMARKS
Health – through improved access, awareness and health behavior	1	Maanasi Project – Rotary Club of Bangalore Midtown Charitable Trust	I	Voluntary Organization	On-going	
Education – Quality education, training and skill enhancement	2	Vedanta Academy in Malavli – Vedanta Cultural Foundation	II	Charitable Trust	On-going	
Education – Quality education, training and skill enhancement	3	Bangalore August Round Table (BART) – in the field of education and allied social causes	II	Public Charitable Trust	On-going	
* Ongoing programs will continue and align with the overall policy and strategy over a period of time.						
** The duration of some of the projects depends on strategic nature.						

Amendments to the policy:

The Board based on the recommendations of the CSR Committee of the Company may, 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.



ANNEXURES -A

Composition of CSR Committee

Sno	Name of Director	DIN	Designation
1	Mr. Santhanam Srinivasan	02685291	Chairperson
2	Mrs. Anuradha Sikka	00902914	Member
3	Mr. Kunal Sikka	05240807	Member