



PINNACLE INDUSTRIES LIMITED

CIN: U50300PN1996PLC100600

9th Floor Panchshil Tech Park 1, Besides Rahul Theatre, Shivajinagar, Pune, Maharashtra –
411005, India.

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. Introduction and Background of the Company

Pinnacle Industries Limited (PIL) is one of India's leading supplier of automotive interiors, seating systems, EV components, specialty vehicles, and railway seating. PIL's customized design solutions are tailored to meet the needs of leading automotive OEMs. It is one of India's only integrated commercial vehicle seating & interior companies offering end-to-end solutions to OEMs across ICE & EV space. Pinnacle Industries also designs, manufactures, and supplies customized vehicles for personal, business, healthcare/emergency medical service & special-purpose applications. PIL has continuously expanded its product range by investing in its employees, clientele & technology partners, with the company employing over 1200 people.

Pinnacle Industries Limited (hereinafter referred to as "the Company") recognizes its responsibility as a corporate entity to contribute positively to society and the environment. This Corporate Social Responsibility (CSR) Policy outlines the principles, objectives, and initiatives that the Company will undertake to fulfil its commitment to sustainable development and societal well-being.

As a responsible human organization, we are committed to the above objective and are keen on developing a sustainable business model to ensure and activate our future growth drivers. We have been contributing to societal wealth creation for the last several years irrespective of any regulatory compulsions as a realization of our above belief. In line with the regulatory expectations, we are putting in place a formal policy as a guide toward our social commitment going forward.

Objective

The objectives of this policy are as follows:

- a) Promote a unified and strategic approach to CSR across the Company by incorporating under one 'umbrella' the diverse range of its philanthropic giving,

identifying select constituencies and causes to work with, thereby ensuring a high social impact.

- b) To lay down the guiding Principles in undertaking various programs and projects by or on behalf of the Company relating to Corporate Social Responsibility (“CSR”) within the meaning of section 135 of the Companies Act, 2013 read with Schedule VII of the Act and the CSR Policy Rules 2014. (“Rules”).

3. Scope and Applicability

The scope of the CSR policy is to lay down the guiding principles to enable the Board of Directors to determine the amount of money to be earmarked for the CSR expenditure in any financial year, the activities for which the amount has to be spent, and allocation of funds among various CSR expenditure.

The policy is to be read in alignment with the requirements of Section 135 of the Companies Act, 2013 (the Act) and the corresponding rules made thereunder, as amended from time to time (‘CSR Rules’), Schedule VII of the Act.

4. Policy Statement

4.1 CSR Vision Statement & Ideology

Our redefined ‘Core Purpose’ is to “challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world. In line with our Core purpose, our CSR vision is promoting education, health care, sanitation, environment sustainability and protection, rural development, women empowerment projects, Contribution to Incubators or Research and Development projects, etc. By investing our CSR efforts in these critical constituencies that contribute to nation-building and the economy, we will enable our stakeholders and communities to grow.

For **Pinnacle Industries Limited**, responsible business practices include being responsible for our business processes, products and engaging in responsible relations with employees, customers, and the community. Hence for the Company, Corporate Social Responsibility goes beyond just adhering to statutory and legal compliances and creates social and environmental value for our key stakeholders.

4.2 Total Outlay

When the CSR provisions are applicable to the Company, the Company shall spend in that financial year at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the CSR Policy. For this purpose, the net profit and average net profit shall be calculated in accordance with the provisions of

section 198 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Where the Company spends an amount in excess of the requirement provided under Section 135(5) of the Act, such excess amount may be set off against the requirement to spend under Section 135(5) up to the immediate succeeding three financial years subject to certain conditions.

Any unspent amount, other than unspent amount relating to an ongoing project, will be transferred to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year. Further, unspent CSR funds of ongoing projects will be transferred within a period of 30 days from the end of the financial year to a special account opened by the company in any scheduled bank called the "Unspent Corporate Social Responsibility Account". Such amount shall be spent by the company towards CSR within a period of 3 financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of 30 days from the date of completion of the third financial year.

4.3 CSR Thrust Areas

The Company will focus its efforts on promoting education, health care, sanitation, environment sustainability and protection, rural development, women empowerment projects, contribution to incubators or Research and Development projects, etc. The Company may also make contributions to its Corporate Foundations/Trusts towards its corpus for projects approved by the CSR Committee/Board.

Our commitment to CSR will be manifested by investing resources in any of the following areas specified in Schedule VII of the Companies Act 2013 as amended from time to time along with General Circulars as and when issued by the MCA:

- i. Eradicating hunger, poverty, and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water.
- ii. Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly, and the differently abled and livelihood enhancement projects.
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, daycare centers, and such other

facilities for senior citizens, and measures for reducing inequalities faced by socially and economically backward groups.

- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, and maintaining the quality of soil, air, and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga.
- v. Protection of national heritage, art, and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts.
- vi. Measures for the benefit of armed forces veterans, war widows, and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows.
- vii. Training to promote rural sports, nationally recognized sports, paralympic sports, and Olympic sports.
- viii. Contribution to the Prime Minister's National Relief Fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central government for socio-economic development and relief and welfare of the scheduled caste, tribes, other backward classes, minorities, and women;
- ix. (a) Contribution to incubators or research and development projects in the field of science, technology, engineering, and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and

(b) Contributions to public-funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under the Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha, and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organization (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering, and medicine aimed at promoting Sustainable Development Goals (SDGs);

- x. Rural development projects
- xi. Slum area development
- xii. Disaster management, including relief, rehabilitation, and reconstruction activities.

The surplus arising out of the CSR activities will not be considered a part of the business profits of the company.

4.4 Implementation

The CSR Committee/Board shall be responsible for monitoring the CSR Policy from time to time and deciding the projects or programs to be undertaken, the modalities of execution, and the implementation schedule from time to time.

Further, the company has set up a CSR Committee chaired by Mrs. Rashmi Urdhwareshe who is responsible for the implementation of the CSR activities which have been approved by the CSR Committee at the board level.

The CSR Committee/Board will also evaluate projects submitted directly by reputed nonprofit organizations having an established track record of at least 3 years in carrying on the specific activity. To ensure that there is focus and maximum impact it will endeavor to work on fewer projects over a longer period of time so as to ensure that the outcomes of the projects can be measured.

4.5 Monitoring process of CSR activities

The CSR Committee/Board will convene to review the progress of varied CSR projects in terms of both outcome assessment and financial monitoring. The CSR Committee/Board will review the strategy from time to time and may choose new focus areas and projects as and when required. In addition, the CSR Committee/Board may mandate effective and timely monitoring and evaluation of varied CSR projects by directing its CSR department or a third-party independent agency to carry out situational analysis, need assessment surveys, project visits, or impact studies, etc. if and as required especially for the strategic and high-value CSR programmes.

In order to ensure transparency and communication with all stakeholders, the CSR Policy will be uploaded on the Company website so that it is available in the public domain.

4.6 Executing Agency / Partners

CSR initiatives will be implemented either directly by the company where the employees will directly implement the CSR programs or through-

- a) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- c) any entity established under an Act of Parliament or a State legislature; or
- d) a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and has an established track record of at least three years in undertaking similar activities.

The activities will be undertaken by the Company with the above-mentioned entities only if they are registered with the Central Government by filing the form CSR-1 electronically with the Registrar, with effect from the 01st day of April 2021. The Company may also collaborate with other companies to undertake CSR projects or programs, provided the CSR Committees/Board of the respective companies are in a position to report separately on such projects or programmes.