



**CORPORATE SOCIAL RESPONSIBILITY POLICY
OF
SANY HEAVY INDUSTRY INDIA PRIVATE LIMITED**

Version 3 .0

Approved by the Board of Directors on 25th March 2025

Index

A. Philosophy:	3
B. Definitions.....	3
C. Constitution of CSR Committee:	4
D. CSR Budget:.....	5
E. Thrust Areas:	5
F. Identification of CSR Projects:	6
G. Implementation:	6
H. Monitoring Mechanism:	7
I. Disclosures:	7
J. Review periodicity and amendment:	7

A. Philosophy:

At Sany Heavy Industry India Private Limited (Sany India), we have identified Corporate Social Responsibility (“CSR”) as key business process. We believe that the Company's performance must be measured by its contribution to building economic, social and environmental capital towards enhancing societal sustainability.

The CSR Policy of the Company sets out the framework guiding the Company's CSR activities.

B. Definitions

In this Policy, unless the context otherwise requires:

1. “Act” shall mean the Companies Act, 2013 and the rules made thereunder, including any modification, amendments or re-enactment thereof.
2. “Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular CSR Project or programme.
3. “Agency” means an implementing agency as mentioned in the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall mean:

In case it is established by the company either singly or jointly with other company, a Section 8 company or a registered public trust or a registered public society established by the company either singly or jointly with other company and registered under section 12A and 80G of the Income Tax Act, 1961;

In case of agency established by a Third party, it can be through a Section 8 company or a registered public trust or a registered public society and registered under section 12A and 80G of the Income Tax Act, 1961 and should have a track record of at-least three years in undertaking similar CSR activities.

4. “Approved Budget” shall mean the total budget as approved by the Board of Sany India upon the recommendation of the CSR Committee for the particular financial year, which is to be utilized for CSR Projects.
5. “Board” shall mean the Board of Directors of Sany India.
6. “Company” shall mean Sany Heavy Industry India Private Limited (Sany India) and wherever the context required, shall signify the Company acting through its Board.
7. “CSR Committee” shall mean the Corporate Social Responsibility Committee constituted by the Board of Sany India in accordance with the Act.
8. “CSR Expenditure” means all CSR Expenditure of the Company as approved by the Board upon recommendation of the CSR Committee excluding expenditure which are barred under the Rules.
9. “CSR Policy” shall mean the present Corporate Social Responsibility Policy of the Sany India as amended/revised from time to time including Annexures.

10. "CSR Projects" or "Projects" means Corporate Social Responsibility Projects / activities / programs / initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board in pursuance of recommendations of the CSR Committee as per the declared CSR Policy of the Company.
11. "Ongoing Project" means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall include such project that was initially not approved as a multi- year project but whose duration has been extended beyond one year by the Board based on reasonable justification.
12. "Financial Year" shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.
13. "Group Companies" means holding, subsidiaries and associates of SANY Heavy Industry Co., Ltd.
14. "Net profit" shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.
15. "Rules" shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.
16. "Thrust Areas" shall have the meaning as ascribed to them as per the provision E of the Policy
17. "Trust" means a Trust created and registered under the India Trust Act, 1882 or any Trust created and registered with charitable objectives by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group companies.

Words and expression used and not defined in the Policy shall have the same meanings respectively assigned to them in the Act and/or Rules.

C. Constitution of CSR Committee:

The CSR policy and programs shall be implemented, managed and supervised by the CSR Committee appointed by The Board of Directors of Sany India shall form a CSR Committee in accordance with the requirement of Section 135 of the Act and the rules thereunder to, inter alia, carry out the following functions:

- a) Formulate & recommend the CSR Policy to the Board of Directors and review the same from time to time in accordance with the extant laws relating to CSR;
- b) Formulate the CSR action plan with budget for the year, classification of projects as Ongoing and others and to obtain approval of the Board of Directors;
- c) Create a transparent monitoring mechanism of CSR initiatives;
- d) Review Impact Assessment Reports on the projects in accordance with the Rules in case of applicable scenario;
- e) Hold regular meetings and have their decisions approved/ratified by the Board from time to time;
- f) Submit periodic reports to the Board for the activities undertaken;
- g) Initiate action on treatment of Unspent CSR Funds at the close of every financial year.
- h) Any other matter as the CSR Committee may deem appropriate or as may be directed by

the Board of Directors from time to time.

The CSR Committee is empowered to invite officials of Sany India or advisors/experts to carry out the functions that are delegated in an effective manner.

D. CSR Budget:

The Board of Directors shall ensure that in each financial year, the Company spends at least 2% of the average net profits of Sany India during the immediate three preceding financial years on CSR activities.

CSR Expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of the CSR Committee which fall within the purview of Schedule-VII of the Act and the relevant Rules including activities mentioned below in Clause E and not any other expenditure.

The surplus arising out of the CSR Projects or programs or activities shall not form part of the business profit of the Company.

E. Thrust Areas

In accordance with the requirements of the Companies Act 2013, the Company's CSR activities will focus on the area given below including the projects/ programs/ activities mentioned in Schedule VII of the Act (*Enclosed as Annexure -I*) and the relevant Rules as amended from time to time.

Focus area	Brief description of activities
Skill Development	➤ Upgrade infrastructure, provide Construction Equipment industry exposure and training with an object to develop employable skills and income enhancement.
Health Care	➤ Providing access to quality primary healthcare in various rural areas where Sany India operates. ➤ Providing medical aid and appliances to the differently abled.
Education	➤ To provide financial support for building or upgradation of school(s) or educational institutions infrastructure.
Community Development	Engage with the community for strengthening of social and infrastructure systems like sanitation facilities, water harvesting etc.
Technology Development	➤ Contribution to incubators or research and development projects in the field of Heavy Duty Machinery, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government
Environment Sustainability	➤ To participate in tree plantation, spread awareness of sustainable environment at machine working sites, to build eco-friendly offices at the full maintenance contract sites.

Natural Disasters	➤ To support in reconstruction activities like building of temporary shelter, removal debris etc.
-------------------	---

Sany India also aims to participate in the CSR activities, if any, undertaken by its customers.

Sany India will undertake CSR projects preferably in the communities situated near its business operations such as manufacturing units or project sites, or service business sites or offices through prioritization and relevance of issues, feasibility, accessibility, ease of implementation, and potential for acceptance and adoption of the initiative by local communities. Besides, Sany India may also carry out a CSR program with a national level scale covering multiple locations and states.

F. Identification of CSR Projects:

The CSR Committee shall formulate and recommend to the Board every year an annual action plan in pursuance of Company's CSR Policy which shall inter alia cover following:

- a. Identified CSR Projects
- b. CSR expenditure
- c. Implementation Schedules

The Board may on the recommendation of CSR Committee take suitable decision based on the reasonable justification.

The CSR Projects shall be proposed by the member of CSR Committee in written, the CSR Committee members have to arrange the visit to the potential project before it get proposed to the CSR Committee for review.

The Company aims to

- a. Prioritize strategic one-year and multi-year CSR programs that are aligned with its mission and focus areas and implement programs which can benefit the society at large and be beneficial to ultimate beneficiary.
- b. Prioritize areas where there is an existing CSR intervention.

G. Implementation

The Company shall implement the identified CSR Projects by the following means:

I. Direct Method

1. The Company may itself implement the identified CSR Projects presently within the scope and ambit of the Thrust Areas as defined in the Policy;
2. The Company may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.
3. The Company may collaborate with other companies if required, for fulfilling its CSR objects through the Direct Method, provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.

II. Indirect Method

The Company may implement the identified CSR Projects through Agency, subject to the condition that:

- a) It should get itself registered with MCA by filing requisite form
- b) The activities pursued by the Agency are covered within the scope and ambit of Thrust Areas of the Company.
- c) The Company has specified the Project to be undertaken through the Agency which shall preferably be in Thrust Areas and Schedule VII, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism which shall be as per timelines envisaged in the project plan.

H. Monitoring Mechanism:

1. The persons/bodies to which the implementation is assigned will carry out such CSR Projects as determined by the Committee within the specified budgets and timeframes and report back to the CSR Committee on the progress thereon.
2. The CSR Committee shall review the implementation of the CSR Projects during regular intervals and issue necessary directions from time to time to ensure orderly and efficient execution of the CSR Projects in accordance with this Policy.
3. The CSR Committee will provide a status update to the Board on the progress of implementation of the approved CSR Projects carried out at such intervals as may be decided.
4. At the end of every financial year, the CSR Committee will submit its report to the Board.
5. The Company shall also undertake impact assessment, if required under the Rules, through an independent agency of their CSR projects as per project need.
6. The impact assessment reports shall be placed before the CSR committee and then to the Board. The impact assessment reports shall be annexed to the annual report on CSR

I. Disclosures

The Company shall disclose the CSR Policy and the projects approved by the Board of Directors for the financial year on its website. The Company shall include as part of the Directors' Report the information as per regulatory reporting requirements and any other statutory requirements.

J. Review Periodicity and amendment:

CSR Plan may be revised/modified/amended by the CSR Committee at such intervals as it may deem fit with the approval of the Board of Directors.

Annexure -I

SCHEDULE VII

An illustrative list of activities is outlined below:

- (i) Eradicating hunger, poverty and malnutrition, promoting health care (including preventive health care”) and sanitation (including contribution to the Swach 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, day care centres 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 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 recognised 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 govt. for socio economic development and relief and welfare of the schedule 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 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 Organisation (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.

Explanation. - For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

(xiii) Any other activity as may be specified under the Act or the CSR Rules from time to time.