ATHER

Corporate Social Responsibility (CSR) Policy
January 2024

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Abbreviations

COCO	Company-Owned-Company-Operated
E&S	Environmental & Social
EHS	Environment, Health, and Safety
CSR	Corporate Social Responsibility
EHSS	Environmental, Health, Safety & Social
ESMS	Environmental and Social Management System
EVs	Electric Vehicle
GHG	Greenhouse Gas
ICE	Internal Combustion Engine
IFC	International Finance Corporation
NIIF	National Investment and Infrastructure Fund
SDGs	Sustainable Development Goals

Background

At Ather, we believe that being socially responsible is the way of going beyond business as usual, making CSR as a way of life in our business operations and our people operations. We choose to be community conscious, socially responsible and responsive to the needs around us as we stay committed to our true north.

Ather believes that the adoption of environmentally and socially responsible practices will not only contribute to the company becoming stronger and more successful but also serve as an enabler to create greater long-term value for its stakeholders, namely investors, customers, team members, suppliers & contractors, and host communities.

As the leading intelligent electric vehicle (EV) manufacturer in India, Ather aligns with sustainable development goals by curbing emissions through its line of electric scooters. Its high-performance smart electric scooters are an amalgamation of indigenous clean design and engineering using predominantly domestically sourced components. Ather aims to be a catalyst in expediting the mission of transitioning to a greener future for all, simultaneously pledging to uphold responsible business practices that consistently enhance operational performance to mitigate any negative environmental and social consequences stemming from its activities.

Thinking As A Species

While we've taken baby steps towards becoming a socially responsible organization, thinking as a species is a way of life for us at Ather. In the past, we've rallied together through various gifting and volunteer drives reaching out to pressing needs around us. Our team members are encouraged to venture out and serve the community, and to make this process easier, they're entitled to CSR leaves to clock in their volunteering hours.

As we grow in the energy space, we believe in the principle of "leave no one behind", thereby enabling communities and economies to thrive by empowering them, driving positive change by challenging social and economic barriers that hold them back, and contributing to stronger, more inclusive communities around us.

Reference Framework

Ather will remain committed to operate its business and to benchmark its future expansion to the following requirements/frameworks:

a) Section 135 of the Companies Act 2013

b) International Finance Corporation's E&S Performance Standards[1], 2012;

c) NIIF's Environment & Social Management Policy[2] & Principles, 2018.

Scope

The policy is applicable to Ather's corporate facilities, all manufacturing facilities, Product Validation Labs, zonal offices, and upcoming facilities that would be owned/operated by Ather in the future, together termed as Ather facilities hereafter.

The CSR policy will cover all projects and initiatives undertaken in the communities around the various areas of operation of Ather Energy. All initiatives will be in line with the requirements of the provisions of Section 135 and CSR Rules framed under the Companies Act, 2013.

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[1] IFC Performance Standards on Environmental and Social Sustainability can be accessed here

[2] NIIF E&S Management Policy can be accessed here

Vision/Policy Statement

This policy statement explains the principles and directives by which Ather Energy as a responsible corporate citizen defines, develops and demonstrates its commitments to corporate social responsibility with the objective of creating shared values in the company's operational locations for the benefit of common good.

Ather believes that the adoption of environmentally and socially responsible practices will contribute to the company becoming stronger and more successful, as well as serve as an enabler to create greater long-term value for its stakeholders, namely investors, customers, employees, suppliers & contractors and host communities.

Our CSR vision is to be a responsible corporate citizen with commitment towards ethical business principles and ensure quality of life for all stakeholders impacted by our business. Our CSR Vision rests on the key principle of "doing well by doing good". We choose to adopt a 3-pronged approach as follows to abide by this principle:

People - Engaging our internal and external stakeholders in creating shared value through social and environment benefits.

Pincode - Giving focus to our areas of operations across the country and connecting with the community around us through different initiatives

Partnerships - Leveraging the power of partnerships with like minded partners to scale impact in common sectors of interest.

To achieve this, Ather commits itself and its operations to the following:

- Ensure compliance with the requirements of national and local regulatory requirements related to corporate social responsibility applicable to its operations and products.
- Support equitable quality education at school and technical levels with an aim to build employable capacities of young minds and enable them to take hold of the right employment with relevant skills.
- Capacitate and enable communities to use natural resources efficiently and mitigate the impact of climate change.
- Undertake rural development projects.
- Improve access to and quality of basic necessities like healthcare, drinking water, sanitation and the like to the underprivileged.
- Be responsive to communities in need in the event of natural disasters.
- Any other programme that falls under our CSR purpose in alignment with those listed in schedule VII of the Companies Act, 2013 as may be amended from time to time and is aimed at the empowerment of disadvantaged sections of the society.

In all these endeavours, Ather will work towards designing and deploying scalable, replicable and sustainable models using our core competencies to deliver social impact.

To achieve the policy commitments, Ather will:

- Disclose the policy to all concerned stakeholders through the company website/displays within the facilities and communicate the policy requirements to team members and communities.
- Integrate corporate social responsibility measures into the Environmental & Social Management System (ESMS) including procedures to track and assess performance following recognized standards and utilizing performance metrics generally accepted as relevant and valid for companies in similar business.
- Ensure that this policy is implemented by fostering awareness and responsibility amongst implementing partners, employees, contract workers, suppliers & contractors, over time and by providing guidance and assistance, as needed, to facilitate implementation.
- Encourage senior management involvement in demonstrating corporate social responsibility performance and driving volunteering initiatives.
- Routinely monitor CSR performance and review effectiveness of the programmes implemented.

All facilities owned and operated by Ather will pledge to implement the policy and carry out operations and activities guided by the policy.

Policy Implementation

Ather's Board of Directors with support from the CSR committee assumes overall accountability for implementation of and adherence to the CSR Policy. The following are the ways in which it will be carried out:

Implementing partners: CSR projects will be undertaken either directly by the company or through development partners in line with the provisions and definitions of the Companies Act. All engagements with third parties/development partners will be governed by contractual agreements defining clear roles, responsibilities, deliverables, completion timelines, budget outlays and reporting tools.

Project Monitoring: Projects/activities will be monitored periodically. This will include regular discussions with development partners, regular site visits to the communities and periodic progress reports with financial expenditure statements.

Partnerships: Ather will also explore partnerships with other corporates and corporate associations with similar CSR objectives for driving positive change towards a more

equitable society. Efforts will be taken to ensure scale of impact through such partnerships and increasing reach to the most vulnerable, where most needed, and with a priority on geographies of importance to Ather.

Integration with Environment & Social Management System: Ather's commitments in the CSR Policy will be in alignment with the commitments of Ather's Environmental & Social Management System (ESMS) which will cover all business operations of the Company.

Governance

All our CSR initiatives will be governed at various levels within the organization in line with the requirements of Section 135 and CSR rules of the Companies Act 2013.

1. Governance by Board

CSR being a Board-driven process as per the Companies Act, the Board will be responsible for:
   a) Approving the CSR policy
   b) Ensuring that the CSR policy and reports on its implementation are published on the company website.
   c) Ensuring that the activities included in the policy are undertaken by the company.
   d) Ensuring CSR spends are in alignment to the CSR policy.
   e) Reporting on any non-expenditure of CSR spends as per section 135 of the Companies Act.
   f) Reporting on any other deeds or acts or things that may be required under the law from time to time.

2. Governance by CSR Committee

Should the spend be INR 50 Lakh and above, the CSR committee will be formed, comprising two or more directors. The Committee will meet at least two times a year and shall govern the CSR policy based on the following terms of reference:
   a. Formulate and recommend the CSR policy to the Board
   b. Recommend the amount of expenditure to be incurred on CSR activities
   c. Monitor the CSR policy of the company from time to time; and
   d. Formulate and recommend to the Board, an annual action plan for implementing CSR Activities

3. Working Group for Implementation

A cross functional working group will be formed amongst team members to play a supportive role to the CSR Committee in the execution of programmes/activities taken under the CSR policy. The working group will be responsible for overseeing the following:

a) Provide strategic input towards the CSR strategy of the organisation.
b) Review grassroots needs at the community and present the same to the Board CSR committee for approval.
c) Ensure alignment of proposed projects with the CSR policy and its objectives.
d) Periodic monitoring of projects and spends along with timely reporting to the board committee on their progress and impact.

Guiding Principles for Selection of Projects

- Shared values: All CSR initiatives will be selected in a manner that celebrates shared values between business and the community around. As we create long term value for our business we also create value for society. Focussed efforts will be taken to keep in view social, economic and environment wellbeing with lasting impact through our programmes/projects as defined and implemented as per the policy.
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- Benefiting community: The spirit behind any CSR activity is to benefit the public at large and activities undertaken will be non discriminatory to any class of beneficiaries. An equitable relationship will be maintained with all government agencies as we plan and execute our CSR programmes/activities.
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- Measurable impact: All projects undertaken will have a holistic approach and will ensure lasting impact that is evidence based supported by measurable indicators.

Programmatic Focus Areas

Our focus areas will be based on the 'do no harm principle' where we replace and rejuvenate resources that we draw from communities around us. As we strive to create shared values around us, sectors wherein we find synergy between community and business include:

Education: Education is a key driver of growth and balances the socio-economic fabric of any economy. Ather's CSR programmes will aim to improve quality education from school to university with equal access for all. Our educational interventions will also focus on relevant community based requirements, especially in the area of road safety.

Employability & Skill Development: Youth have a tremendous potential to contribute to the economy's growth and development, and require the necessary technical and vocational skills to compete in a dynamic labour market. With rapid industrial and technological advancements, imparting relevant skills will go a long way in enabling youth, especially women, to take hold of employment opportunities. Ather will also seek to promote the

entrepreneurial spirit in communities, especially among women, to bridge economic gaps and support individuals from vulnerable groups with required entrepreneurial skills.

Environment: Responsibility towards the environment is extremely crucial as it helps preserve the planet and ensure a sustainable future. Our programmes will aim at supporting communities to use natural resources efficiently and proactively mitigate the impacts of climate change.

Rural Community Development: Ather will support communities around its areas of operations and promote access to various community needs such as water, sanitation and basic healthcare. With rapid urbanisation and the need for safety during commute, Ather will also promote road safety behavior change as part of its rural/community development initiative.

Disaster Response: Ather will be a responsive organisation and at its discretion make its resources available to support natural disaster relief efforts as required across the country from time to time. Being responsive would include supporting ad-hoc relief as well as long-term rehabilitative interventions.

Any other interventions as mentioned under Schedule VII of the Companies Act, 2013.

Revision of Policy

To ensure its effectiveness, adequacy, and alignment to the changing scenarios of environmental and social governance, the CSR Policy will be reviewed and updated at least once in three years or updated as required, responding to changes in CSR regulations that have direct implication on Ather's operations, investor requirements, larger commitment at national level, etc. All revisions to the CSR Policy and programmes undertaken therein will be approved by Ather's Board of Directors prior to its implementation.

History

Version: 001
Effective date: January 2024
Created by: Betty Priyanka Paul, Lead CSR
Reviewed by: Ananiya Prabhu M, Head - EHSS & Puja Aggarwal, Company Secretary
Approved by: Board of Directors