

## GOVERNANCE

# Ethical governance driving enduring value

Our governance structure helps implement our strategy effectively and transparently. It enables us to deliver long-term value for our shareholders, employees, business partners and other stakeholders.





We embrace the principle of shared value, which involves creating economic value in a way that also creates value for the society. Our values are embedded in the rich governance and disclosure practices followed by our Group Companies.

We pursue financial profitability and value creation for all our stakeholders while improving our social and environmental footprint. We abide by all applicable laws and regulations that relate to our business and follow requisite protocols to ensure the health and safety of our employees, customers, subcontractors, suppliers and visitors. We have deployed a system of rigorous checks and controls, which are overseen by the Audit Committee. Regular risk-assessment processes help us determine relevant mitigation measures to protect our business. We work to provide our stakeholders complete information and clarity across our public communications.

## ETHICS

Our Board of Directors has adopted and they also oversee the administration of the RAIN Group's Code of Business Conduct and Ethics (the 'Code of Conduct'), which applies to all directors, officers and employees of Rain Industries Limited and its subsidiaries (collectively, the 'RAIN Group'). The Code of Conduct reflects the Group's commitment to doing business with integrity and provides a general roadmap for the directors, officers and employees to follow as they perform their day-to-day responsibilities.

We comply with applicable laws, regulations, codes and policies as well as the highest ethical standards. As our industry evolves, our values continue to serve as the pillar through which we express who we are and what we believe in.

A culture of integrity is critical in achieving sustainable growth. High levels of trust, together with a strong business reputation, make it easier to attract and retain our people, customers and suppliers, forge productive relationships in our local communities, and pave the way to confidently enter new markets. Compliance is an essential element of our culture of integrity requiring responsible conduct from all employees, directors and third-party business partners in accordance with all applicable laws, internal codes, and policies.

## CODE OF CONDUCT

RAIN's Code of Conduct sets out the fundamental standards to be followed by employees. It also has a robust integrity and compliance programme, in which our people undergo training and communications on the Code of Conduct. It enables employees to become familiar with leadership expectations on behaviours and compliance, legal requirements, avoiding

conflicts of interest, providing a healthy and safe workplace, safeguarding our property and information, appropriate use of information technology resources and understanding how to report any suspected unethical or illegal conduct, without fear of retaliation

## WHISTLE-BLOWER POLICY

We have adopted a whistle-blower Policy for Rain Industries Limited and its subsidiaries.

Our Board of Directors of the Company has approved a whistle-blower policy/vigil mechanism to monitor the actions taken on complaints received under the said policy. This policy outlines the reporting procedure and investigation mechanism to be followed in case an employee raises concerns on any wrong-doing in the Company. Employees are given protection in two important areas: confidentiality and retaliation. An ombudsperson has been appointed to receive the complaints through an online portal, emails or letters and then look into them with an investigating committee. The Whistle-blower Policy pertains to all our employees as well as external parties, and it is designed to ensure the highest level of honesty, integrity and ethical behaviour throughout our Company.

## GOVERNANCE ARCHITECTURE

Our corporate governance architecture comprises regulations and policies that promote transparency, accountability and competence. Our multi-tiered governance structure, comprising the governing bodies and Board management at various levels, allows us to ensure high performance in a dynamic business environment.

At the apex are the Board of Directors and various committees. The Board plays a vital role in the oversight and management of the RAIN Group and exercises independent judgment in overseeing management performance on behalf of shareholders and other stakeholders. It is chaired by an Independent Director, and the Board is responsible for overall strategy development, alliances, leadership development, international opportunities, strengthening governance practices and enhancing brand value, along with our global image and reputation. Our governance structure helps in clearly determining the responsibilities of each business entity and entrusts them with powers that help fulfil those responsibilities in the most effective manner. It also allows us to retain our organisational DNA, while facilitating effective delegation of authority and empowerment at all levels.

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## KEY BOARD COMMITTEES

### Audit Committee

The Committee reports directly to the Board of Directors and regularly reviews financial statements, internal audit reports, audit plans, significant findings, adequacy of internal controls, compliance with accounting standards and more.

**CHAIRPERSON: MS. RADHIKA VIJAY HARIBHAKTI**

### Nomination and Remuneration Committee

This Committee regularly reviews the remuneration of Directors and persons who may be appointed to senior management and key managerial positions.

**CHAIRPERSON: MS. RADHIKA VIJAY HARIBHAKTI**

### Corporate Social Responsibility Committee

The Committee periodically determines and reviews CSR expenditure and social projects as well as their implementation.

**CHAIRPERSON: MR. JAGAN MOHAN REDDY NELLORE**

### Risk-Management Committee

The Committee periodically reviews risk assessment and minimisation procedures that ensure that Executive Management controls risk by means of a properly defined framework, besides reviewing major risks and proposed action plans.

**CHAIRPERSON: MR. JAGAN MOHAN REDDY NELLORE**

### Stakeholders Relationship Committee

The Committee resolves the grievances of the security holders, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, non-receipt of new/duplicate certificates, review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent, review of measures and initiatives taken by the Company to reduce unclaimed dividends and ensure timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

**CHAIRPERSON: MR. N. SUJITH KUMAR REDDY**



## GOVERNANCE (BOARD OF DIRECTORS)

# Leaders that bring in direction and dynamism

### MR. BRIAN JUDE MCNAMARA

Chairman, Independent Director

Mr. Brian Jude McNamara is a former banker with 33 years of experience in project finance, corporate finance and investment management. He worked in investment operations at International Finance Corporation (IFC) in Washington, DC, from 1991 to 2015 with responsibilities in investment strategy, business development and project financing for a range of sectors across emerging markets, including chemicals, textiles, general manufacturing and mining. He has extensive investment experience in project evaluation, financial structuring and investment management across the chemicals, fertilisers, carbon black, plastics, fibres, specialty chemicals and primary metals industries. Prior to joining IFC, he worked in the corporate finance division of Solvay Chemicals (Belgium) and in banking and investment management in Brussels, Belgium, and Dublin, Ireland. He has bachelor's degrees in economics and philosophy from Bristol University, UK and a master's degree in finance and banking from University College Dublin, Ireland.

#### Other roles

He is presently a Director on the Board of Rain Industries Limited and is also a Director on the Board of its Subsidiaries namely Rain Cements Limited, Rain CII Carbon (Vizag) Limited and Rain Carbon Inc.

### MR. N. RADHAKRISHNA REDDY

Managing Director

Mr. N. Radhakrishna Reddy is the Managing Director of RAIN Industries Limited. He has more than 53 years of experience in the construction and cement industries. He has been a Director of the Company since 1984.

#### Other roles

Member of the Board of Rain Cements Limited, Renuka Cement Limited, PCL Financial Services Private Limited, Arunachala Holdings Private Limited, Apeetha Enterprises Private Limited and Pragnya Priya Foundation.

### MR. JAGAN MOHAN REDDY NELLORE

Vice Chairman

Mr. Jagan Mohan Reddy Nellore is the Vice Chairman of RAIN Industries Limited and has 29 years of experience in finance, commercial and operations. He is also the CEO of the Rain Carbon Inc. subsidiary. He is the founder of RAIN CII Carbon (Vizag) Limited, which had been originally incorporated as RAIN Calcining Limited. He spearheaded the vision, strategy and execution of the globalisation of the entity's business model through various acquisitions and their subsequent integration to create the world's leading industrial carbon producer. Mr. Nellore holds a Bachelor of Science degree in industrial engineering from Purdue University, USA.

#### Other roles

Member of the Boards of Rain CII Carbon (Vizag) Limited, Rain Cements Limited, Renuka Cement Limited, Sujala Investments Private Limited, Rain Enterprises Private Limited, Pragnya Priya Foundation, Rain Commodities (USA) Inc., Rain CII Carbon LLC, USA, Rain Carbon Inc. and CII Carbon Corp.

### MR. N. SUJITH KUMAR REDDY

Non-Executive Director

Mr. N. Sujith Kumar Reddy is the Managing Director of RAIN Cements Limited. He has a bachelor's degree in commerce, and more than 30 years of experience in manufacturing and construction industries.

#### Other roles

Director of Renuka Cement Limited, PCL Financial Services Private Limited, Arunachala Holdings Private Limited, Apeetha Enterprises Private Limited, Nivee Holdings Private Limited, Nivee Property Developers Private Limited and Pragnya Priya Foundation.

### MR. VARUN BATRA

Independent Director

Mr. Varun Batra is a senior finance professional with more than 31 years of experience in private equity, special situations, corporate finance and capital markets, credit and relationship management across various corporate and financial institutional customers. Mr. Batra has built and led teams in both large and small organisations with direct Frontline and Profit Centre

# GOVERNANCE (BOARD OF DIRECTORS)

responsibility. He has relevant experience in relationship, risk and product management and debt and equity investing across the capital structure. He was a Managing Director at Citibank N.A. where he worked between 1997 – 2010. He is a graduate in mathematics from St. Xavier's College, Mumbai and post-graduate from the Indian Institute of Management (IIM), Ahmedabad.

## Other roles

Director on the Boards of Sphaera Pharma Private Limited, Aditya Auto Products and Engineering (India) Private Limited and Sanchi Techstarter Private Limited. A Senior Designated Partner and heads the Mumbai office for Baring Private Equity India Investment Managers LLP and Baring Private Equity India Advisors LLP.

## MS. NIRMALA REDDY

### Independent Director

Ms. Nirmala Reddy worked as a Financial Sector consultant for the World Bank, Washington, DC, during 1995-2006. Her assignments were on credit intermediation, sustainability, privatisation, appraisal of development banks and financial institutions in projects located in Mongolia, Guyana, Egypt and Jordan. She also worked on projects for the Asian Development Bank in Thailand and the African Development Bank in Cote de l'voire. Earlier, she was a career banker having joined the State Bank as a probationary officer in 1969. She has 22 years of experience in banking operations, foreign-exchange, as head of merchant banking in her career with Vijaya Bank and served as Director correspondent banking with American Express Bank Ltd. Bombay. She was trained in the Bank's branches in New York, London and Frankfurt. Ms Reddy holds a master's degree in political science from Osmania University, Hyderabad. She has studied French and Japanese.

## Other roles

Director on the Boards of RAIN Cements Limited, RAIN CII Carbon (Vizag) Limited, Nugget Estates Private Limited, Nugget Realty & Ventures Private Limited and President for Globe Enterprises LLC.

## MS. RADHIKA VIJAY HARIBHAKTI

### Independent Director

Ms. Radhika Vijay Haribhakti has over 30 years of experience in commercial and investment banking with Bank of America, JM Morgan Stanley and DSP Merrill Lynch. She has advised several large corporations and led their equity and debt offerings in domestic as well as international capital markets. She has also been closely involved with issues of women empowerment, financial inclusion and CSR and has served on the Boards of non-profits. She has also served on the Governing Council of Citi group Micro Enterprise Award and CII's National Committee on Women Empowerment. She is a graduate in commerce from Gujarat University and a post-graduate from the Indian Institute of Management (IIM), Ahmedabad.

## Other roles

Heads RH Financial, a boutique advisory firm focused on M&A and Private Equity Independent Director on the Boards of EIH Associated Hotels Ltd, ICRA Ltd, Navin Fluorine International Ltd, Pipeline Infrastructure Limited and Torrent Power Limited.

## MR. ROBERT THOMAS TONTI

### Independent Director

Mr. Robert Thomas Tonti has over 40 years of experience primarily centered on the calcining of petroleum coke and energy production with experience in oil refining and aluminium smelting.

Early engineering experience with Shell Oil and Kaiser Aluminum & Chemical led to his becoming a start-up manager of then Calcliner Industries Inc., for the 1988 acquisition of Kaiser's calcining plants by private investors. His production experience included the optimisation of supply chain, logistics and freight movements. His technical experience included raw material quality control, the design and upgrade of control systems for calciners and customer service to aluminium smelters. Executive procurement experience included the purchase and transport of bulk materials (petroleum coke) worldwide. Executive operations experience included negotiation and administration of union labour contracts, environmental affairs, and the management of 120 salaried and hourly personnel. Executive business development experience included creation of steam and power generation projects, their commercial contracts, governmental relations, and relations with investor-owned utilities. His executive M&A experience included staffing and restarting of an acquired coke calciner, acquisition due diligence of refiner divested coke calciners, and the acquisition and divestiture of a calciner in China.

He holds a Bachelor of Science degree in Chemical Engineering from Rensselaer Polytechnic Institute, Troy, New York, and an MBA from International Institute for Management Development, Lausanne, Switzerland.

## Other roles

He is an Independent Director on the Board of Rain Carbon Inc, a wholly owned subsidiary of the Company.





## AWARDS

# Prestigious validations for the work we do

- EcoVadis Gold sustainability rating – Carbon distillation and advanced materials businesses in Belgium and Germany
- EcoVadis Silver sustainability rating – Carbon calcination business in the US
- President's Award and Leadership Award from United Way of Southwest Louisiana – Lake Charles Calcination and Energy Facility
- 2021 State Energy Conservation Awards Silver Prize – Kurnool cement plant
- Organised keynote session on 'Sustainability in the Aluminium Supply Chain' at the 2021 TMS industry conference

### RCL MINES RECEIVED THE FOLLOWING PRIZES IN MINES SAFETY WEEK

- Safe Mine Workings – 1<sup>st</sup> Prize
- Heavy Earth-Moving Machinery – 1<sup>st</sup> Prize
- Loading & Transportation – 2<sup>nd</sup> Prize
- Overall Performance – 1<sup>st</sup> Prize

