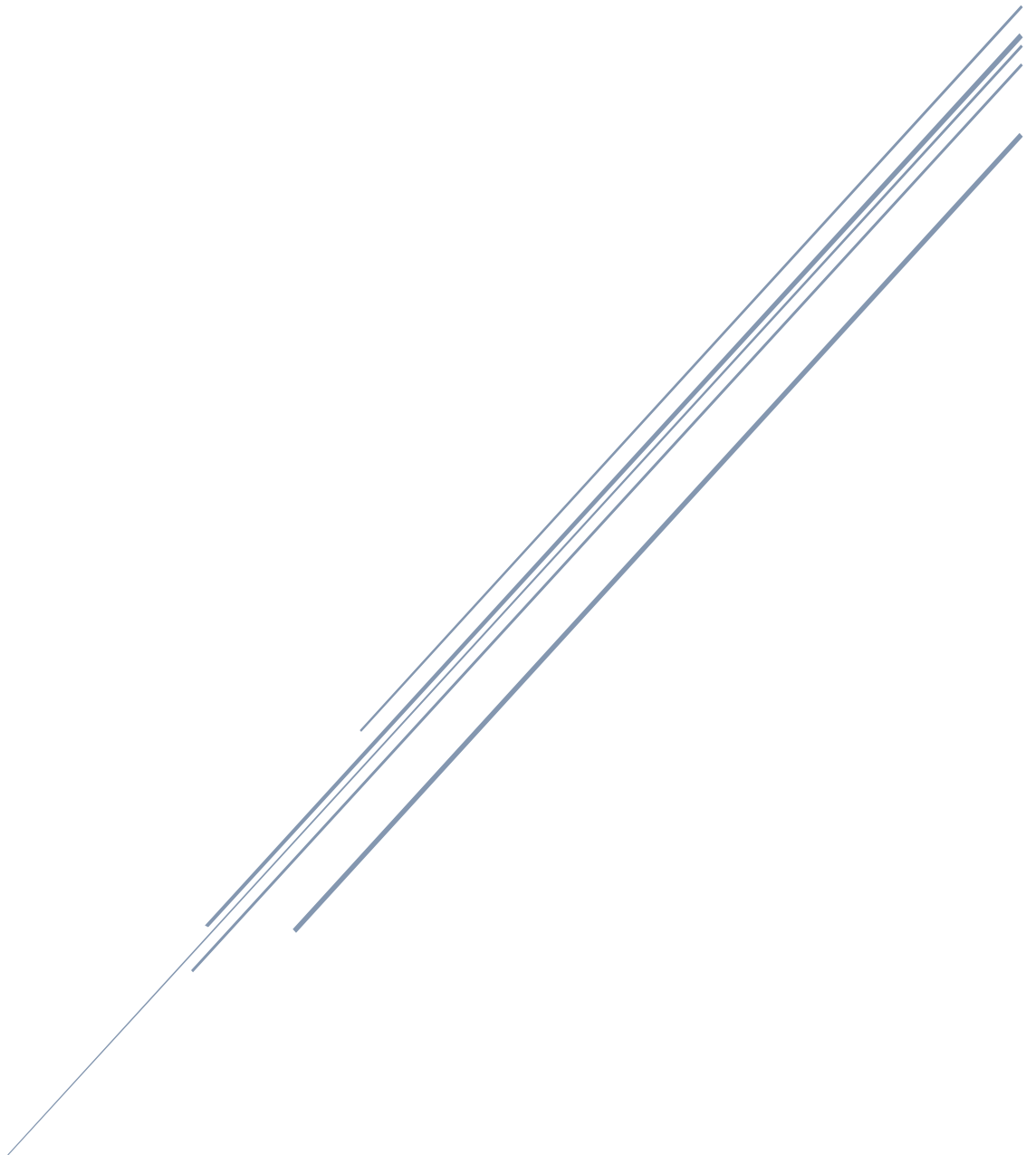


FREUDENBERG-NOK PRIVATE LTD

CORPORATE SOCIAL RESPONSIBILITY POLICY



Effective from 26.02.2026

I. Background:

At, Freudenberg-NOK Private Limited (**hereinafter referred to as “FNI” or “the Company”**) we always believed in returning to the communities in which we operate, endeavouring to make a difference in the lives of people around us. We recognise that the key to building a strong business for the future is to ensure economic value generation, in a socially inclusive and responsible manner.

With an objective to grow our business while making a lasting positive difference in the communities we serve, FNI has been undertaking community initiatives, focusing on sectors such as promoting education especially among children, women, underprivileged, differently abled persons, environment, sustainability, active and healthy living, skill development and economic development to make a significant difference in their lives.

Carrying forward with this belief, we are now formulating this policy, titled ‘Freudenberg-NOK Private Limited Corporate Social Responsibility (CSR) Policy (**hereinafter the “CSR Policy” / “Policy”**)’.

The content of this policy shall act as an approach and direction to be followed by FNI in selecting, supporting, implementing and monitoring of its CSR activities as approved by the Board on recommendation of the CSR Committee from time to time.

II. Objective:

The Policy outlines FNI’s mission as a responsible corporate citizen to make a positive difference in the communities it serves. In alignment with the aforesaid, FNI, through its CSR initiatives, will continue to enhance value creation in the community in which it operates, through its services, conduct & initiatives to promote growth for the community, in fulfilment of its role as a Socially Responsible Corporate. The Policy aims at enabling and facilitating accomplishment of the Company’s CSR objective, broadly outlined as follows;

- Strive for Economic Development that positively impacts the Society at large with minimal resource footprint.
- Embrace responsibility for the Company’s actions and encourage a positive impact through its activities on Education, Women Empowerment, setting up of Orphanages, Communities, Economic Development, Underprivileged, Differently abled persons, enhancing the quality of life, skills and economic well-being etc.
- Ensure an increased commitment at all levels in the Company, to operate its business in an economically, socially and environmentally sustainable manner, while recognising the interest of all its stakeholders.
- To generate, through CSR initiatives, a community goodwill for the company and help to reinforce a positive and socially responsible image of FNI as a responsible corporate entity.

In line with the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter the “CSR Rules”), along with Circulars/ Notification as issued by the Ministry, the Policy promulgates the general framework of FNI’s corporate social vision, of undertaking socially useful initiatives that enhance welfare and sustainable development of the community at large. It lays down the guidelines and mechanism for undertaking Company’s CSR activities specifying inter alia, the sectors/ areas of Company’s CSR activities, overview of

Company's CSR projects/programmes (**hereinafter the "CSR projects"/ "projects"**) along with the norms regarding its functioning and responsibilities.

This Policy shall apply to all the CSR initiatives and activities taken up by the Company in accordance with Schedule VII of the Companies Act, 2013 for the benefit of different sections of the community.

III. Guiding Principles

FNI is vigilant in its enforcement of corporate principles and is committed towards sustainable development and inclusive growth. Therefore, it constantly strives to create a culture, which emphasizes on integrating CSR values with business objectives. In line with section 135 read with Schedule VII of the Companies Act, 2013 thereto, FNI's CSR activities (**hereinafter "CSR Activities"**) will be within the following areas;

- 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;
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- 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;
- 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;
- 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;
- training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- Contribution to the prime minister's national relief 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;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt;
- Rural development projects;
- Slum area development.
- Any other activity(ies) specified by the Ministry of Corporate Affairs from time to time.

The above CSR Activities are in alignment with Schedule VII of the Companies Act, 2013 ("Act") and is subject to revision in the event of any amendment to the applicable law or otherwise. It shall also be subject to amendment that may be made by the Company, in accordance with the provisions of the applicable law.

IV. Implementation

The Corporate Social Responsibility Committee (**hereinafter referred as the "CSR Committee"**) shall have power to constitute such number of sub-committees comprising of Senior Management, as it may deem appropriate, for the purpose of

implementation and monitoring of Company's CSR projects within the overall budget recommended by the CSR Committee and duly approved by the Board of Directors of the Company.

The process for implementation of CSR projects will generally involve the following:

- (a) **Identification of projects:** to be done by means of the following:
 - Need identification Studies by professional institutions/agencies.
 - Internal need assessment.
 - Receipt of proposals/ requests from local Civic Bodies/ District Administration/local Govt. etc.
 - Discussions and request with local representatives/ Civic bodies/ Citizen's forums/ Non-Governmental Organizations (NGOs).
- (b) **Geographic Coverage of CSR projects:** CSR Activities and the projects thereunder would generally be carried out/ focused in the local areas and/ or communities where FNI has operations / plants / premises.
- (c) **Approvals:** CSR projects as may be identified, will be required to be put up to the CSR Committee and thereafter to the Board of Directors of the Company for its approval on such regular intervals, as required by the CSR Committee, with due recommendations of the Senior Management/Sub-Committee.

V. Annual Action Plan

The Annual Action plan of CSR Activities to be carried out during a financial year shall be formulated by the CSR Committee and shall be recommended to the Board for the approval. The Board of Directors on recommendation of the CSR Committee may alter the plan at any time during the financial year, based on recommendation of CSR Committee:

Following shall be included in Annual Action Plan:

- CSR Projects/ Programmes/ Activities to be undertaken in area or subjects specified in Schedule VII of the Act;
- Type of Project - (On-going Project / One-time or Annual Project);
- Year wise allocation in case of on-going project;
- Manner of Execution (i.e. by Company itself or through implementing agency);
- Implementation Schedules / Timeline for On-going Project;
- Modalities of Utilisation;
- Monitoring & Reporting of CSR Projects/ Programmes/ Activities (i.e. quarterly / half yearly / annually and the manner of monitoring);
- To undertake impact assessment through an independent agency if the CSR projects have outlays of one crore rupees or more and which have been completed not less than one year before undertaking the impact study, provided the average CSR obligation of the Company is at least ten crore rupees or more in the three immediately preceding financial years.

On-going Project

“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 Unspent Amount and shall include the projects that was initially not approved as a multi-year projects but whose duration has been extended beyond one year by the board based on reasonable justification.

VI. Identification of Implementing/Executing Agency

The Board of Directors of the FNI may decide to undertake its CSR activities as recommended by the CSR Committee, through one or more of the following modes:

- (a) directly by the FNI; or
- (b) through a Company established under Section 8 of the Act or a registered public trust or a registered society, established by the Company, either singly or along with any other company, or
- (c) through 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
- (d) Any entity established under an Act of Parliament or a State legislature, or
- (e) A company established under section 8 of the Act, or a registered public trust or a registered society, other than established by the Company itself, and having an established track record of at least three years in undertaking similar activities;
- (f) A Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs.

VII. Criterion for Identifying an Implementing / Executing Agency

While identifying projects the concerned department(s) will also identify the external agency, if any is required, for execution of the said project. In case the CSR project is to be executed by implementing / executing agency as may be identified by FNI, the following minimum criteria need to be ensured:

1. The implementing / executing agency / entities must be registered with the Central Government before April 01, 2021 and must have a valid unique CSR Registration number;
2. Implementing / executing agency must be registered under section 12A and 80 G of the Income Tax Act, 1961;
3. Such Implementing / executing agency must have valid registration certificate under law in which it is incorporated / established;
4. Implementing / executing agency must have permanent office / address in India;
5. The antecedents of the Implementing / executing agency are verifiable/subject to confirmation
6. It shall have an established track record of three years in undertaking similar Projects
7. Description of the CSR project / program / activity;
8. Such other document / information as may be required for satisfaction of the FNI before engaging the Implementing / executing agency.

VIII. Monitoring and Evaluation:

For the purpose of monitoring and for the satisfaction of the Board of FNI that the funds disbursed for CSR have been utilised for the purposes, within approved time lines and in the manner as approved by it, the monitoring and evaluation can be done in any of the following manner by the Senior management/Sub-committee:

- A transparent monitoring mechanism for ensuring implementation of CSR projects undertaken or proposed to be undertaken as CSR Activities, and implementation schedule for the same.
- For monitoring on project basis, if required, a monitoring / reporting process will put be in place, for each of the projects or categories of projects, depending on the specifications and modalities of such projects.
- To obtain utilization certificate from Chartered Accountant or Statutory Auditor of Implementing / executing agency on such interval as may deem fit by the concerned FNI department(s);
- To obtain necessary expenditure proofs, videography, photos proving the CSR;
- Chief Financial Officer or the person responsible for financial management shall give certificate on annual basis certifying the utilization of funds;
- CSR Committee to submit a report to the Board, for the financial period ending 31st March of every year, on the CSR Activities and projects undertaken by the Company.
- The said CSR Activities and projects will also be reported, in the Annual Board's Report of the Directors.
- Chief Financial Officer or the person responsible for financial management shall give certificate on annual basis certifying the utilization of funds.

IX. Resources - Funding & Allocation:

For achieving its CSR objectives through implementation of CSR projects, FNI will allocate, in every financial year, CSR Funds, i.e. the funds for expenditure on CSR projects of the Company, as follows (**hereinafter “Annual CSR Budget”**):

- (a) Minimum two percent (2%) of the average net profits of the Company made during the three financial years immediately preceding the concerned financial year.
- (b) Any income arising therefrom
- (c) Surplus arising out of CSR activities*.
- (d) CSR expenditure done over and above the statutory obligation of CSR in a financial year may be set off against the CSR obligation up to immediate succeeding three financial years;
- (e) Donations received by the Company from any sources.
- (f) Any unspent / unutilized CSR Funds of a particular year, will be transferred by the company to any fund included in schedule VII of the Act Until a fund is specified in Schedule VII for the above purposes and within such time period as may be specified concerning the nature of project.

** [Surplus is required to be ploughed back into the same project or transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the company or transfer such surplus amount to a Fund specified in Schedule VII, within a period of 6 months of the expiry of the financial year Further, Surplus arising out of the CSR projects shall not become part of the business profit of the Company].*

X. Exclusion:

- a. The CSR projects that benefit only the employees of the Company and/ or their families shall not be considered as CSR Activities, within the purview of this Policy and section 135 of the Act read with the CSR Rules;
- b. Any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;

- c. Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- d. Activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- e. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- f. Activities carried out for fulfilment of any other statutory obligations under any law in force in India.

XI. Composition/ Appointment/ Removal of Member of CSR Committee

Appointment and removal of the members of the CSR Committee shall, at all times, be at the sole discretion of the Board of Directors of the Company (**hereinafter the “Board”**).

The Board may also, at its discretion, vary the composition of the CSR Committee, its role, powers, functions and duties, as it considers fit from time to time. The members of the Committee as on the date of the Policy are as under:

Dr. Mark Ostwald

Mr. M V R Sai Krishna

Mr. Altaf Mohammad (Member w.e.f May 01, 2026)

XII. Role and Responsibilities of the CSR Committee

The CSR Committee shall be required to:

- Formulate/amend and recommend to the Board, a CSR policy, inclusive of the details and specifications as required under the Act read with CSR Rules;
- Formulate Annual Action Plan and recommend the same to the Board for approval;
- Review/ monitor the CSR Policy from time to time and, as and when required, suggest amendment(s) for Board’s consideration;
- Make recommendations to the Board and seek approval, regarding the amount/ expenditure to be incurred on each of the CSR projects to be undertaken by the Company, relating to the CSR Activities;
- Ensure optimum utilization of CSR Funds for CSR projects relating to CSR Activities, bearing in mind that as per proviso to section 135 (5) of the Act Company is required to give preference to the local area(s) around which it operates for spending the CSR Funds;
- Ensure that CSR projects undertaken by the Company, fall within the purview of the CSR Activities, as provided in the CSR Policy and under the applicable law;
- Institute a transparent monitoring mechanism for ensuring implementation of CSR projects undertaken or proposed to be undertaken as CSR Activities;
- Review/ monitor progresses of CSR projects and implementation schedule for the same.
- Implementation and monitoring of CSR Policy so as to ensure that it is in compliance with the Company’s CSR mission and objectives;
- Constitute sub-committees for implementation of the CSR Policy or any part thereof, if required; Consider that the CSR projects focus on integrating business models with social and environmental priorities and processes in order to create shared value;
- Ensure that administrative overhead shall not exceed 5% of total CSR expenditure of the Company for the financial year.

If the Annual CSR statutory obligation does not exceed Rs. 50 lacs, the board of FNI may dissolve the CSR committee and shall discharge the above and/or such other roles and responsibilities, as may be required for the purpose of CSR.

XIII. Reporting of CSR Activities:

- CSR Committee to submit its report to the Company's Board, for the financial period ending 31st March of every year, on the CSR activities and projects undertaken, by the Company as may be prescribed by the Ministry of Corporate Affairs at the end of every Financial Year.
- The said CSR activities and the projects will also be reported, in the Annual Board Report of the Directors.
- The CSR policy of the Company as amended from time to time, and approved by the Board, shall be posted on the website of the Company.

XIV. General Provisions in terms of Applicable Law:

- The Board of directors shall have power to amend the CSR Policy, at any point of time, as they deem appropriate, with recommendation from the CSR Committee.
- CSR projects with area of operation within India shall only be taken into consideration and preference shall be given to area in which the FNI has operations.
- FNI may also collaborate with other companies for undertaking CSR projects, in such a manner that the CSR committee of respective companies are able to report separately on such projects, in accordance with the CSR Rules. Further, each company has to individually comply with all the requirements under applicable law, including, without limitation, spending of at least two percent (2%) of its average net profit of three immediately preceding financial years.
