CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

SAEL INDUSTRIES LIMITED

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1. Background

Corporate Social Responsibility ("**CSR**") is about how companies manage the business processes to produce an overall positive impact on society. SAEL Industries Limited (hereinafter referred to as "**Company**") is committed to creating value. However, we believe that creation of value should not be at the cost of the society. We recognize the significant effect our activities have—on employees, customers, communities, the environment, competitors, business partners, investors, shareholders, governments and others.

Corporate Social Responsibility is strongly connected with the principles of Sustainability; an organization should make decisions based not only on financial factors, but also on the social and environmental consequences. Therefore, it is the core corporate responsibility of SAEL Industries Limited to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

In this regard, the Company has made this policy which encompasses the Company's philosophy for delineating its responsibility as a Corporate Citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for welfare & sustainable development of the community at large and titles as the "Corporate Social Responsibility (CSR) Policy" which is based as per the Companies Act, 2013 ("**Companies Act**"), and rules made there under.

This CSR policy (the "Policy"). has been formulated and recommended by the CSR Committee and adopted by the Board of Directors at its meeting held on October 09,2025, this policy is being modified and all the changes in this policy shall become effective form October 09,2025.

2. Purpose of CSR Activities

We endeavour to protect the interests of all our stakeholders and contribute to society at large, by making a measurable and positive difference through the four causes we support viz.:

- Livelihood & employability
- Health
- Education
- Environment

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3. Implementation, Governance and Function

The Company shall make CSR contribution to the activities as specified under Schedule VII of the Companies Act, 2013 and related rules, as amended from time to time including notifications and modifications made thereto. The CSR activities undertaken outside India will not be considered as 'CSR activity'.

The Company has constituted a Corporate Social Responsibility Committee ("**CSR Committee**") of its board of directors ("**Board**" or "**Board of Directors**") in accordance with the provisions of Section 135 of the Companies Act. The responsibility of the CSR Committee include:

- formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
- review and recommend the amount of expenditure to be incurred on the CSR activities;
- monitor the Policy its implementation from time to time; and
- any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

4. Composition of CSR Committee

CSR Committee shall consist of at least 3 (three) Directors or more, out of which at least (one) director shall be an independent director, as per the requirement of the Companies Act, 2013. The composition of CSR Committee, CSR Policy and Projects approved by the Board shall be displayed on the Company's website.

5. CSR Activities

The scope of activities / focus areas shall be in accordance with the activities mentioned in the Schedule VII of the Companies Act, 2013.

A. The company shall undertake such activities which are broadly related to any of the following:

i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation
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 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 quality of soil, air and water.
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. Rural development projects
ix. Development of area declared as "slum area" by the Government or Competent Authority.
x. Disaster management, including relief, rehabilitation and reconstruction activities.

B. The company may also contribute to the following funds as part of CSR activities:

i. Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
ii. Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
iii. 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 schedule caste, tribes, other backward classes, minorities and women;
iv. 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;
v. 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 Defence 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).

vi. The above areas as enshrined in Schedule VII to the Act and included in this policy aims to provide macro areas in which CSR projects should be undertaken by the company. The CSR Committee should consider details of CSR projects as elaborated in the annual action plan for each financial year.

vii. Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board and CSR Committee.

6. Implementation of CSR Activities

The Company may undertake its CSR activities approved by the CSR Committee, through a registered trust or a registered society or a Company established by the Company or its holding or subsidiary or associate company established under Section 8 of the Act or otherwise.

The Company may also undertake CSR activities through any trust, society or a Section 8 company which is not established by the Company or its holding or subsidiary or associate company, if such trust, society or section 8 company shall be having an established track record of three years in undertaking similar programs or projects or where the corpus is created exclusively for a purpose directly relatable to a subject covered in Schedule VII of the Act.

Impact assessment, if and when mandated, shall be undertaken by an independent agency and such impact assessment report shall be placed before the Board and annexed to the annual report of CSR.

7. Utilization of Funds

The Company shall utilize at least 2 percent of the average net profit of the Company made during the last three immediately preceding financial years in the CSR activities as enumerated above in this Policy, as per the provisions of Companies Act, 2013.

The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR activities.

In any case, if in any year financial year, the Company fails to spend such amount on CSR, the Board will, in its report made under section 134(3)(o) of Companies Act, 2013, specify the reasons for not spending the amount and, unless the unspent amount relate to any ongoing project referred to in Section 134(6) of the Act, transfer such unspent amount to a fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

Any amount remaining unspent, pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by the Company in pursuance of the Policy, shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the Company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three 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 thirty days from the date of completion of the third financial year.

8. Surplus Arising from CSR Activity

The surplus arising from CSR projects, programs or activities shall not form part of the business profits of the Company and shall be disposed of in accordance with the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

9. CSR Reporting

The CSR Committee will prepare the annual CSR report and present for approval of the Board. This report will ensure being properly documented and in the prescribed format. The CSR report shall be part of the Board Report.

10. Amendments to the Policy

The Board on its own and/ or as per the recommendations of CSR Committee can amend this Policy, as and when required. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the provisions of the Act thereunder on the subject, from time to time.