

# Corporate Social Responsibility (CSR) Policy

## Introduction:

Apex Power Tools India Private Limited (“**Company**”) recognizes its responsibility towards society and aims to conduct business in an economically, socially and environmentally sustainable manner that is transparent and ethical, to make a positive contribution through Corporate Social Responsibility (CSR) initiatives. In compliance with the provisions of Section 135 of the Companies Act, 2013 (the “**Companies Act**”) read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “**CSR Rules**”) (the Companies Act and the CSR Rules are collectively referred to as the “**CSR Regulations**”), this policy (the “**CSR Policy**”) outlines our approach to CSR activities and sets forth the Company's commitment to social welfare.

## Legal Framework:

This CSR Policy has been drafted in accordance with the requirements of the CSR Regulations and circular(s) and notification(s) issued by the Ministry of Corporate Affairs (MCA), from time to time in relation thereto. The CSR Policy shall govern the CSR activities of the Company, including the allocation of resources and reporting of CSR expenditures, as per the CSR Regulations.

## CSR Objectives:

The primary objectives of our CSR initiatives include, but are not limited to:

- Supporting disaster relief, education, healthcare, environmental sustainability, and other areas of public interest; and
- Adhering to the highest standards of ethics, transparency, and accountability in CSR practices.

## CSR Activities:

In accordance with the CSR Regulations, the Company has decided to contribute to the Prime Minister's National Relief Fund (“**PMNRF**”) to aid in cases of natural calamities, national emergencies, and other unforeseen disasters and take other appropriate CSR activities which may include, but are not limited to, contribution to any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women or any other activities as specified in schedule VII of the Companies Act, and as approved by the Board of Directors of the Company (“**Board of Directors**”).

- The Company will contribute 2% out of its average net profits for the 3 (three) immediately preceding financial year as may be prescribed under the CSR Regulations to the PMNRF or towards other CSR activities outlined in Schedule VII of the Companies Act, as part of its CSR expenditure.
- The contribution to PMNRF and other appropriate CSR activities will be considered in line with the Company's CSR spending requirements and shall be determined annually by the Board of Directors. The Board of Directors shall ensure that all CSR expenditure shall fully comply with the U.S. Foreign Corrupt Practices Act and all applicable anti-bribery and anti-corruption laws as well as the Charitable Giving Policy of the Apex Tool Group.

## CSR Committee:

As the amount required to be spent by the Company on CSR does not presently exceed fifty lakh rupees, the constitution of a CSR Committee is not mandatory as per section 135(9) of the Companies Act. Consequently, the Board of Directors will presently assume responsibility for performing the functions typically assigned to the CSR Committee, which include:

- Approving the CSR activities and ensuring they align with the objectives of this CSR Policy.
- Monitoring and reviewing the progress of CSR activities.

- Ensuring proper allocation of funds for CSR activities.
- Reporting on the CSR activities in the Annual Report as per Section 134(3) of the Companies Act.

**CSR Budget:**

The Company shall allocate funds for CSR activities in compliance with the CSR Regulations. The CSR expenditure will be reviewed and approved by the Board of Directors and shall be within the prescribed statutory limits. Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be added to the CSR expenditure in the subsequent year.

**Implementation and Monitoring:**

CSR activities will be implemented directly by the Company. The Board of Directors will monitor the progress of each CSR activity to ensure that the objectives under the CSR Policy are being met and that funds are being utilized in accordance with the CSR Regulations and all applicable laws.

**Reporting and Disclosure:**

The Company will report its CSR activities and CSR expenditure in the Annual Report, as required by the Companies Act. The Annual Report will include:

- A brief description of the CSR Policy and its objectives.
- A list of CSR projects and activities undertaken.
- The amount spent on CSR activities, including contributions to the PMNRF.
- A statement on the reasons for not spending the required CSR amount, if applicable.

**Review and Amendments:**

The CSR Policy will be reviewed periodically and amended as necessary to ensure its continued alignment with legal requirements and evolving Company priorities. Any changes to the CSR Policy will be approved by the Board of Directors.

**Approval:**

This CSR Policy has been approved by the Board of Directors on 20<sup>th</sup> February 2025. This CSR Policy will be placed on the Company's website.