CG Adhesive Products Limited

Corporate Social Responsibility Policy

Preamble

The Murugappa Group is known for its tradition of philanthropy and community service. The Group's philosophy is to reach out to the community by establishing service-oriented philanthropic institutions in the field of education and healthcare as the core focus areas.

CG Power and Industrial Solutions Limited, Holding Company is committed to upholding the Group's tradition by earmarking a part of its income for carrying out its social responsibilities. We believe that social responsibility is not just a corporate obligation that has to be carried out but it is one's dharma. Therefore, our philanthropic endeavours are a reflection of our spiritual conscience and this provides us a way to discharge our responsibilities to the various sections of the society.

Accordingly, CG Adhesive Products Limited will be carrying out Corporate Social Responsibility ('CSR') activities for the benefit of the local community in the States in which we operate.

Corporate Social Responsibility Purpose Statement

The Company shall seek to impact the lives of the underprivileged by supporting and engaging in activities that aim to improve their well-being. We are dedicated to the cause of empowering people, educating them and in improving their quality of life. While we will undertake programme based on the identified needs of the community, education and healthcare shall remain our priority. Across the different programme areas identified by the Company, it would be our endeavour to reach the underprivileged and the marginalised sections of the society to make a meaningful impact on their lives.

We are committed to identifying and supporting programmes aimed at:

- Empowerment of the underprivileged sections of the society through education, access to and awareness about financial services and the like;
- Provision of access to basic necessities like healthcare, drinking water & sanitation and the like;
- Work towards eradicating hunger and poverty, through livelihood generation and skill development;
- Supporting environmental and ecological balance through afforestation, soil conservation, rain water harvesting, conservation of flora & fauna, and similar programmes;
- Promotion of sports through training of sports persons;
- Undertake rural development projects;
- Any other programme that falls under our CSR Policy and is aimed at the empowerment of underprivileged sections of the society;
- Any other programme that falls under Schedule VII of the Companies Act, 2013

Accordingly, the programme areas may include *but not limited to* the following:

1. Providing basic health care facilities to economically backward societies across geographical areas,
2. Improving access to education,
3. Provision of Skill Development/Vocational Training,
4. Rural Development,
5. Environmental sustainability,
6. Promoting Sports, arts & culture,
7. Sustainable livelihood

Scope

This policy will apply to all projects/programmes undertaken as part of the Company's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices.

The policy will maintain compliance and alignment with the activities listed in Schedule VII and Section 135 of the Companies Act 2013 ("**Act**") and the Companies (Corporate Social Responsibility) Rules, 2014 ("**CSR Rules**") framed there under.

Governance

The approval of the CSR policy and oversight is the responsibility of the Company's Board of Directors. The responsibility of the Board of Directors is to formulate the CSR policy and to administer the policy through implementing partner(s) or via self-implementation. The Board shall provide guidelines for projects/partner selection, wherever applicable. The Board ensures that projects/ programmes are compliant with regulations and are monitored and reported effectively.

CSR Spend

The Board shall approve the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company in areas or subject specified in Schedule VII of the Companies Act 2013, as amended from time to time.

a) Unspent CSR amount

Any amount remaining unspent pursuant to any ongoing project shall be transferred within the time limit as specified in the Act and CSR Rules (as amended from time to time) to a special account 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 as specified for utilisation in the Act and CSR Rules (as amended from time to time), failing which the amount remaining unspent at the end of the 3 financial years in 'Unspent Corporate Social Responsibility Account' shall be transferred to a Fund specified in Schedule VII, within the time limit as specified in the Act and CSR Rules (as amended from time to time).

Unspent CSR amount other than the amounts related to ongoing projects, shall be transferred to a Fund specified in Schedule VII within the time limit as specified in the Act and CSR Rules (as amended from time to time).

Explanation:

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 and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification. However, the Board shall monitor the implementation of the ongoing project on approved timelines, year-wise allocation and shall make modification if any, ensuring smooth implementation of the project.

b) Surplus arising out of CSR Spend

Any surplus arising out of CSR activities shall not form part of business profits of the Company. The Surplus amount shall be ploughed back into the same project or shall be transferred to the Unspent Corporate Social Responsibility Account and spent in

pursuance to this policy and annual action plan (or) transfer such surplus amount to the Fund specified in Schedule VII of the Companies Act, 2013 within the time limit as specified in the Act and CSR Rules (as amended from time to time).

c) Excess CSR Spend

In case the Company spends an amount in excess of the requirement under Section 135 of the Companies Act, 2013, such excess amount may be set off against the future CSR spend up to immediate succeeding three financial years subject to the conditions prescribed under the Rules.

d) Capital Asset

The CSR amount may be spent for creation or acquisition of a capital asset to be held by the entities as specified under Rule 4 of the CSR Rules, as amended from time to time.

Implementation

The Company shall undertake CSR project/programmes identified and approved by the Board of Directors in line with the CSR Policy.

The Company shall implement its CSR programmes/projects by itself or through an implementing partner as specified under Rule 4 of the CSR Rules, as amended from time to time and registered with the Central Government.

External organisations including international organisations may be engaged for designing, monitoring and evaluation of the CSR projects or programmes as per the CSR policy as well as for capacity building of the Company's own personnel for CSR.

The Company may also implement programme in collaboration with other company(ies), if feasible and the Companies are in a position to report separately on such projects or programmes.

The Company shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners.

In case of ongoing projects, the Board shall also monitor the implementation with reference to the approved timelines and year-wise allocation. The Board is empowered to make modifications for implementation of on-going projects within the overall permissible time period.

Monitoring of CSR Activities

The Board will oversee the implementation and monitoring of all CSR projects/ programmes and periodic reports shall place it before the Meeting for approval.

The Annual Action plan will be placed before the the Board of Directors of the Company for its approval.

The Company will institute a well-defined, transparent monitoring and review mechanism to ensure that each CSR project/programme has:

1. Clear objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary);
2. Clear targets, timelines and measurable indicators, wherever possible;
3. A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act, 2013 and the CSR Rules.

The Chief Financial Officer or the person responsible for financial management shall certify that the CSR funds disbursed have been utilised for the purposes and in the manner as approved by the Board.

Reporting and Disclosures

- The Board's Report of the Company shall include the annual report on CSR containing particulars as specified under the Act and Rules.

- If the average CSR obligation is ten crore rupees or more in the three immediately preceding financial years, the Company shall undertake an impact assessment through an independent agency, of the projects having outlay of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study. The impact assessment report shall be placed before the Board and annexed to the Annual report on CSR.

- The CSR Policy of the Company and Projects approved by the Board shall be displayed on the Company's website.

Policy Review

- In case of any subsequent changes in the provisions of the Companies Act or any other regulations, which makes any of the provisions in the Policy inconsistent with the Companies Act or such other regulations, such provisions of the Companies Act or such other regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

- This Policy shall be reviewed by the Board. Any changes or modification on the Policy would be presented for approval of the Board. The Board can from time to time authorise Directors to make changes in the policy due to regulatory or legal requirement and such changes made to be brought to the attention of the Board at the first meeting following the amendment.

This Corporate Social Responsibility Policy has been adopted by the Board at its meeting held on 30th April, 2026.

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