



NACL INDUSTRIES LIMITED

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

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.

NACL Industries Limited (NACL) act in accordance with the principles of responsible, care and sustainable development to safeguard our employees, customers, stockholders, society and environment. In doing so, we ensure compliance with globally accepted social and ethical standards and values. 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.

Corporate Social Responsibility Purpose Statement

The Company shall seek to impact the lives of the disadvantaged by supporting and engaging in activities that aim to improve their wellbeing. 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 disadvantaged and the marginalized sections of the society to make a meaningful impact on their lives.

NACL is committed to identifying and supporting programmes aimed at:

- Empowerment of the disadvantaged sections of 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, rainwater harvesting, conservation of flora & fauna, and similar programme;
- Promotion of sports through training of sports persons;
- Undertake rural development projects;



Any other programme that falls under our CSR Policy including those listed in schedule VII of the Companies Act, 2013 as may be amended from time to time or as may be permitted by MCA from time to time and is aimed at the empowerment of disadvantaged sections of the society.

Scope

This policy will apply to all projects/programmes undertaken as part NACL'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 and rules of Schedule VII and Section 135 of the Companies Act 2013.

Governance

The approval of the CSR policy and oversight is the responsibility of NACL's Board of Directors. The responsibility of the CSR Committee is to promote the strategy and to administer the policy through implementing partner(s) or via self-implementation.

The CSR Committee shall provide guidelines for projects/partner selection to the respective HR or CSR teams, wherever applicable. The CSR Committee shall ensure that projects/programmes are compliant with regulations and are monitored and reported effectively. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of this policy.

As the Company's CSR activities evolve, the policy may be revised by the CSR Committee and approved by the Board of Directors.

CSR Expenditure

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

The amount spent on CSR activities in excess of mandatory requirement, may be set off against the requirement to spend towards CSR under the Act up to immediate succeeding three financial years subject to the conditions prescribed in the Act and the Rules made thereunder.

Unspent CSR:

The unspent amount of CSR during a financial year, if any, not pertaining to any ongoing project shall be transferred by the company to any fund specified in Schedule VII of the Act within six months from the expiry of the financial year.

On-going project for the purpose of this policy means an on-going project as defined under the Rules. The unspent amount of CSR during a financial year, if any, pertaining to any ongoing project, fulfilling such conditions as may be prescribed under the Act or the Rules made thereunder,



and under the Policy, shall be transferred to a special bank account to be opened in this behalf for that financial year in a scheduled bank to be called “Unspent CSR Account” and such amount shall be spent by the Company towards CSR activities within a period of three financial years from the date of the transfer, failing which the Company shall transfer the same to a fund specified in Schedule VII of the Act within 30 days from the expiry of the third financial year

Surplus arising out of the CSR Expenditure:

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account. The same shall be spent in pursuance of CSR policy or transfer such surplus amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

General

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter.

In case of any amendment(s), clarification(s), circular(s) etc. issued by therelevant authorities, not being consistent with the provisions laid down underthis Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc.

This code of conduct was modified on 29.01.2026.