REGAL REXNORD- INDIA CORPORATE SOCIAL RESPONSIBILITY POLICY

REGAL REXNORD INDIA PRIVATE LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

(effective from December 24, 2025)

PREAMBLE

Regal Rexnord India Private Limited (CIN: U31909HR1994FTC032429) (hereinafter "**Company**") having its registered office at Sector 11, Model Town, Faridabad-121006, Haryana, India, wishes to undertake Corporate Social Responsibility (CSR) activities in compliance with the provisions of Companies Act, 2013.

The Corporate Social Responsibility (CSR) Policy ('**CSR Policy**') of the Company envisions the Company's philosophy of fulfilling its duties as a Corporate Citizen towards society and environment. Through this CSR Policy, the Company intends to serve society at large and uphold its ethos of sustainability for all stakeholders. The Company is committed to conducting its business in a socially responsible, ethical, and environmentally sustainable manner, and to continuously working towards improving the quality of life of communities in and around its operational areas and beyond.

This Policy provides the guiding framework for achieving these objectives and ensures that the Company undertakes its CSR initiatives in a consistent, transparent, and compliant manner. The scope of CSR Program to be undertaken by the Company will be in accordance with Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, including any statutory amendments thereto ('**Act**').

The CSR Policy encompasses the guidance below, which will enable realization of the Company's CSR philosophy through selection, implementation and monitoring various projects/activities/initiatives ('**CSR Program**'):

Section 1 → CSR Themes for Projects

Section 2 → CSR Budget and Corpus

Section 3 → Governance Structure with roles and responsibilities

Section 4 → Implementation and Annual Plan

Section 5 → Monitoring and Reporting Framework of the Company's CSR projects/initiatives

Section 6 → CSR Projects undertaken by the Company during the Financial Year.

CSR PROJECT THEMES

The Company will primarily focus on the following areas as part of its CSR outreach,

- **Research and Development**

  Tie-ups with Educational/Research Institutions/ other Partners (in compliance with Schedule VII of the Companies Act, 2013) aimed at capacity building, research activities, healthcare and development plans across various fields.

- **Social Welfare**

  Partnering with various NGOs/Trusts/other non-profit organizations working towards betterment of community at large, education, development of rural areas, healthcare, women empowerment, sanitation, disaster management, environmental sustainability, etc.

- **Any other activity in compliance with Schedule VII of Companies Act, 2013**

Any modification in the focus areas shall be based on recommendations of the CSR Committee and approval of the Board of Directors. The allocation of CSR Corpus to the above areas shall be determined on the recommendations of the CSR Committee as well as the Board and the same shall be approved by the Board during the course of the year.

CSR BUDGET

- The contribution by the Company in any financial year towards CSR Activities shall be a minimum of 2% of its average Net Profits for three immediately preceding financial years as per the provisions of the Act (subject to any amendment in the provisions of laws) ("**CSR Corpus**").

- The Board of Directors, along with the CSR Committee of the Company shall ensure that in each financial year, the Company spends the CSR corpus as per the provisions of the Act.

- The Company may collaborate with CSR Partner(s) and/or pool resources with other Regal Rexnord India region entities to undertake CSR activities. The CSR Budget shall be non-lapsable in nature, to the extent permitted under the Act.

- Any unspent CSR amount remaining at the end of a financial year shall be dealt with in accordance with Section 135 of the Act and the applicable CSR Rules.

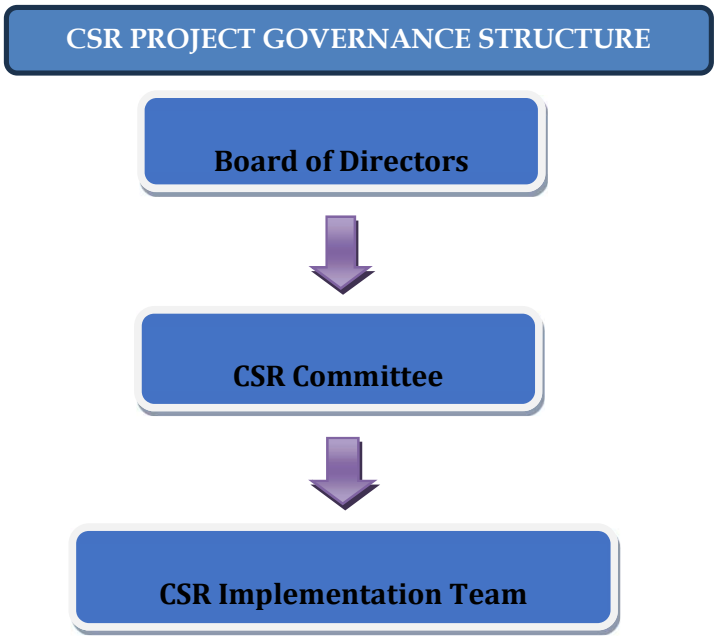
- Any surplus arising out of the CSR activities undertaken by the Company shall not form part of the business profit and shall be dealt with as per the provisions of the Act, as amended from time to time.

- Any excess amount spent on CSR activities during a financial year may be set off against the requirement to spend as per the Act up to immediate succeeding three financial years subject to compliance with the conditions provided under the Act.

- If the Company fails to spend the CSR budget of a year, the reasons for not spending the amount will be specified in the Directors' Report and the unspent amount shall be dealt with as per the Act.

- The Company may use CSR funds for creating or acquiring capital assets, provided such assets are held in accordance with Rule 7(4) of the CSR Rules by a Section 8 Company, Registered Public Trust, Registered Society with a valid CSR Registration Number, by the beneficiaries of the project such as self-help groups or collectives, or by a public authority. The Company shall ensure that these capital assets are owned, maintained, and utilized strictly for approved CSR purposes and in compliance with the Act and applicable CSR Rules.

- The administrative overheads excluding expenditure incurred directly for designing, implementation, monitoring and evaluation of a specific CSR project or program shall not exceed 5% of total CSR expenditure of the Company for the Financial Year.



ROLES & RESPONSIBILITIES

Board of Directors

- Constitution of the CSR Committee and approval of the CSR Policy of the Company.
- Disclosure and dissemination of the CSR Policy as per the Act.
- Effective implementation and monitoring of the projects as per the Policy ensuring that preference is given to the deserving projects including projects/initiatives in the local areas around its operations for spending the amount earmarked for CSR projects.
- Deciding the timelines and yearwise budget allocations, if any, on each of the CSR project/activity/initiative, within the permissble timelines, stated under the said Act.
- Ensuring completion, extension of the CSR-Ongoing project, within the requirements of the Act.
- Oversee the maintenance and operation of the Company's Unspent CSR Bank Account, as per the Act.
- Ensure spending of the CSR corpus/expenditure (including surplus, generated thereof, if any or setoff of excess), each year, in line with the provisions of the Act, including utilisation of surplus arising out of CSR activities and recording of excess expenditure eligible for set-off.
- Ensure timely Transfer of Unspent CSR corpus to Company's Unspent CSR Bank Account or the specified Fund under the Act, as the case may be.
- Manage creation and accquistion of assets, if any from the CSR corpus, in line with the provisions of the Act.
- Ensure mandated CSR disclosures are displayed on the Company's website including but not limited to CSR Policy, composition of CSR Committee, activities, etc.
- Taking on record, the CFO certification regarding the CSR funds disbursement and utilisation, for the purposes and in the manner, approved by the Board, as mandated under the Act.
- Review and implement the Annual CSR plan, proposed by the CSR Committee, each year including alteration, if required.
- Ensure Reporting of the CSR spending in Director's Report of the Company as per provisions of the Act.

CSR Committee

1. **Composition of the the CSR Committee of the Company**:

   - According to Section 135 of the Companies Act, 2013, every Company having a Net Worth of Rs. 500 Crores or Turnover of Rs. 1000 Crores or a Net Profit of Rs. 5 Crores or more during immediately preceding Financial Year or as may be amended from time to time, shall constitute Corporate Social Responsibility Committee (CSR) consisting of two or more Directors.

   - The composition of the CSR Committee of the Company shall be in compliance with the provisions of the Act and shall consist of two or more Directors.

   - The constitution or reconstitution of the CSR Committee shall be approved by the Board of Directors of the Company.

2. **Responsibility of the CSR Committee of the Company:**

   - Formulation and recommendation of the CSR Policy of the Company to the Board of Directors of the Company for approval.

   - Each year- formulate and recommend to the Board, the Annual CSR plan, including steps towards modalities of utilisation of CSR funds, implementation schedules for the CSR projects/programmes, etc.

   - Apprising the CSR projects/inititatives performances of the Company, periodically to the Board.

   - Implementation of monitoring mechanism of the CSR projects, CSR Policy of the Company, from time to time.

   - Recommending CSR projects, which are in line with the activities specified in Schedule VII of the Companies Act, 2013 and the CSR Policy to be undertaken by the Company, from time to time to the Board.

   - Recommending the amount of expenditure to be incurred on CSR projects/initiatives by the Company, in line with the applicable provisions of the Act.

   - Allocating appropriate resources for achieving desired performance in alignment with the Company's CSR initiatives.

   - Discharging any other function/duty as may be delegated to it by the Board of Directors of the Company and falling under the purview of the Company's CSR Policy.

CSR Implementation Team

Composition of the the CSR Implementation Team of the Company: The Company shall consititute Internal Implementation Committee in collaboration with cross functional teams for undertaking/performing the following responsibilities:

- The Team shall seek guidance from the CSR Committee of the Company for formulation/updation of CSR policy and CSR projects/inititiatives budget and implementation guidelines.
- The Team shall ensure that CSR activities are undertaken either directly by the Company or through eligible implementing agencies, in accordance with the Act and CSR Rules. For this purpose, the Team shall carry out due diligence to verify that the proposed CSR partner:
  - (a) is a Section 8 Company, Registered Public Trust, or Registered Society, as permitted under Rule 4;
  - (b) holds a valid CSR-1 Registration Number;
  - (c) is duly registered under the applicable authority (including registration under Section 12A and 80G of the Income Tax Act, where required);
  - (d) has an established track record of at least three years in undertaking similar activities, where applicable; and
  - (e) has provided necessary supporting documents including registration certificates, bank account details, and access for site visits.
- The Team shall further ensure that CSR projects are implemented only through entities permitted under the Act, including Section 8 companies or trusts/societies established by the Company, by the Central/State Government, or entities established under an Act of Parliament or State Legislature.The Team shall recommend to the CSR Committee of the Company, the CSR projects/initiatives which are in line with the activities specified in Schedule VII of the Companies Act, 2013, to be undertaken by the Company, from time to time, as per the requirement of the Act.
- The Team shall assist the CSR Committte of the Company in implementation of the CSR projects/initiatives, including but not limited to the CSR targets and timelines thereof.
- The Team shall duly monitor the implementation of the project and accordingly apprise the project performance, progress and fund utilization of the CSR projects/initiatives periodically to the CSR Committee of the Company.
- The Team shall strive to create awareness amongst its employees about the CSR initiatives with an aim of integration of social and business processes.
- The Team shall provide adequate training and orientation programmes, if necessary, for its employees w.r.t CSR policy and procedures undertaken by the Company.
- The Team shall discharge any other function/duty as may be delegated to it by the CSR Committee of the Company and falling under the purview of the Company's CSR Policy.

CSR PROJECT IMPLEMENTATION

- CSR Program undertaken by the Company will be in compliance with the requirements of the Act including but not limited to the program, its duration, Partners, mode and further engagement of internal and external resources for the same.

- CSR program will be undertaken by the Company in areas selected for maximum social outreach. The Company may choose to undertake need assessments as and when deemed necessary. This may be done on a project-to-project basis.

- The time period/duration over which a particular program will be spread shall depend on its nature, extent of coverage and the intended impact of the program.

- The Company may enter into partnerships with the government, institutions, organizations, NGO's, trusts, business partners and communities to create multiplier effects of its programs.

- The mode of implementation of CSR programs may be direct and/or indirect through various partners including but not limited to Educational/Research Institutions, organizations, NGO's, Trusts, registered societies etc., listed under the Act.

- The Company may use the services of internal teams, expert agencies, consultancy firms etc. wherever required for carrying out various CSR activities including but not limited to base line surveys, guidance on project design and implementation and impact assessment surveys etc.

- As and when the Company reaches the threshold limit of average CSR obligation of Rs. 10 crores or more in the 3 immediately preceding financial years, the Company shall undertake impact assessment, through an independent agency, of the CSR projects having outlays of Rs. 1 Crores or more, and which have been completed not less than one year before undertaking the impact study. The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

- Further the above will be actioned through CSR Annual Plan, detailed in Section 4.1 below.

CSR ANNUAL ACTION PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of the Company's CSR policy and in compliance with the Act, which shall include the following, namely:-

(a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified;

(b) the manner of execution of such CSR projects or programmes;

(c) the modalities of utilisation of funds and implementation schedules for the CSR projects or programmes;

(d) monitoring and reporting mechanism for the CSR projects or programmes; and

(e) details of need and impact assessment, if applicable, for the projects undertaken by the Company.

Provided that Board may alter such plan at any time during the Financial Year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

CSR PROJECT MONITORING & REPORTING

The Company will establish a well-defined monitoring and evaluation mechanism to ensure that each CSR program has:

- Clear objectives developed out of societal needs that may be determined through reasonable research by the Company.

- Clear targets, timelines and measurable parameters, wherever possible w.r.t reporting and tracking fund utilization.

- A progress monitoring and reporting framework that is aligned with the requirements of the Act. The CSR progress monitoring authorities and the suggested frequency of review is as below:

Sr. No.	**CSR Progress Review and Monitoring Authority**	**Frequency of review**
1.	Board of Directors	Half Yearly
2.	CSR Committee	Quarterly

The frequency may be revised by the Board based on the nature and size of CSR projects

Note:

Any subsequent amendment/modification in the Companies Act, 2013 and/or other applicable laws in this regard shall automatically apply to this Policy.

The Company reserves the right to modify, alter, delete or amend the provisions of the CSR Policy of the Company.