CORPORATE SOCIA RESPONSIBILITY (CSR) POLICY

OF

KG FLEXX PRIVATE LIMITED

KG Flexx- Brief Profile

KG Flexx Private Limited ("the Company") is engaged in the business of manufacturing flexible packaging solutions and specialty films for diverse packaging and industrial applications. Through continuous innovation, advanced manufacturing practices and a commitment to quality, the Company strives to provide packaging solutions that meet the evolving needs of customers while promoting sustainability and responsible resource utilization.

The Company believes that long-term business success is intrinsically linked with the well-being of society and the environment. As a responsible corporate citizen, KG Flexx Private Limited recognizes that sustainable development requires balancing economic growth with environmental stewardship and inclusive social progress.

In furtherance of this commitment, the Company has adopted this Corporate Social Responsibility ("CSR") Policy in accordance with Section 135 of the Companies Act, 2013, Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

"Flexible Solutions for Packaging, Responsible Solutions for Society," reflects the Company's commitment to undertaking CSR initiatives that create sustainable environmental, social and economic value while contributing towards community development and national priorities.

Corporate Social Responsibility(CSR)-Philosophy

Corporate Social Responsibility at KG Flexx Private Limited is founded on the belief that responsible business extends beyond financial performance. The Company seeks to create lasting value by integrating environmental responsibility, ethical governance and community development into its business philosophy.

As a manufacturer of flexible packaging and specialty films, the Company acknowledges its responsibility towards conserving natural resources, encouraging sustainable manufacturing practices and supporting initiatives that improve the quality of life of communities.

The Company shall endeavour to undertake CSR activities which:

- contribute towards environmental sustainability and conservation of natural resources;
- promote education, healthcare, skill development and livelihood opportunities;
- support inclusive growth and the welfare of underprivileged and vulnerable sections of society;
- encourage sustainable and measurable social impact; and

are aligned with the activities, areas or subjects specified in Schedule VII to the Act.

The Company's CSR philosophy reflects its commitment to responsible corporate citizenship by delivering innovative packaging solutions while simultaneously contributing towards a healthier environment, stronger communities and a sustainable future.

CSR Vision

To create sustainable value for society by integrating responsible business practices with environmental stewardship, community development and inclusive growth.

Definitions

In this policy, unless the context otherwise requires:

1. "Act" mean the Companies Act 2013 and the rules made thereunder, including any modifications, amendments or re-enactment thereof.

2. "Agency" (or Agencies) means any Section 8 Company or a registered trust/ society/NGO/ institution, performing social services for the benefit of the society and excluding a registered trust/society/ NGO/institution/ Section 8 Company which is formed by the Company or its holding or subsidiary company/companies.

3. "Approved Budget" shall mean the total budget as approved by the Board of the Company, which is to be utilized for CSR Projects.

4. "Board" shall mean the Board of Directors of the Company

5. "Company" shall mean KG Flexx Private Limited and wherever the context requires, shall signify the Company acting through its Board.

6. "CSR Annual Action Plan" means the annual action plan formulated and approved by the Board in accordance with the Act and the CSR Rules.

7. "CSR Expenditure" means all CSR Expenditure of the Company as approved by the Board, including the following:

    i. contribution to CSR Projects which shall be implemented and/or executed by the Company;
    ii. contribution to CSR Projects (including for corpus as required) which shall be implemented and/or executed by Agencies.
    iii. Any other contributions covered in areas or subjects specified under the Schedule VII to the Act.

8. “CSR Policy” shall mean the present Corporate Social Responsibility Policy of the Company, which covers the activities to be undertaken by the Company [areas or subjects] as specified in Schedule VII to the Act and the CSR Expenditure thereon.

9. “CSR Projects” or “Projects” means Corporate Social Responsibility projects/activities/ programs/ initiatives instituted in India, either new or ongoing, and include but not limited to those undertaken by the Board as per the declared CSR Policy of the Company.

   Projects/activities/ programs/ initiatives undertaken in pursuance of normal course of business of the Company and projects which benefit only the employees of the Company and their families shall not be considered as CSR Projects.

10. “Financial Year” shall mean the period beginning from 1st April of every year to 31st March of the succeeding year.

11. “Implementing Agency” means an entity eligible to undertake CSR activities on behalf of the Company under Rule 4 of the CSR Rules and having obtained the requisite CSR Registration Number through Form CSR-1, wherever applicable.

12. “Net profit” shall mean the net profit as per the Act and Rules based on which the specific percentage for CSR Expenditure has to be calculated.

13. “Rules” shall mean the Companies (Corporate Social Responsibility) Rules 2014, including any re-enactment, modifications or amendments thereof.

14. “Trust” means a Trust created and registered under the India Trust Act, 1882 by the Company and includes a Trust jointly created and registered by the Company with all or any of its Group Companies.

15. “Zero Coupon Zero Principal Instrument” or “ZCZP Instrument” means an instrument declared as a security issued by a Not for Profit Organisation registered with the Social Stock Exchange segment of a recognised stock exchange in accordance with the applicable regulations of the Securities and Exchange Board of India.

16. “Not for Profit Organisation” shall have the meaning assigned to it under the applicable provisions of the CSR Rules.

Guiding Principle

The Company intends to engage in services that empower the community as a whole. The guiding principles to identify suitable CSR activity(ies) are as follows:–

- Projects must make a positive impact on the lives of beneficiaries.
- Implement CSR projects in the vicinity of the area in which the Company operations and in the geographical boundaries where needs arise with a view to create a long term impact and build a better community.
- Provide nutrition support to poor and needy through various mode of feeding programmes.
- Develop skill and build human capacity to make our community employable and generate employment opportunities.
- Collaborate with likeminded organizations that are working towards animal welfare.
- Providing access to primary healthcare and supporting orphanage and shelter homes.
- Collaborate with grass root NGOs and organizations to leverage their reach in implementing CSR activities.
- Encourage projects which have the potential to become self-sustaining movements after an initial catalytic support from the Company

Focus Areas-CSR

The Company shall undertake activities specified under Schedule VII including, but not limited to:

A. Environmental Sustainability

- Environmental protection and conservation;
- biodiversity conservation
- afforestation
- water conservation
- waste management
- plastic waste management awareness
- recycling and resource conservation;
- circular economy initiatives
- renewable energy and environmental awareness.

B. Education

- promotion of education
- scholarships and educational support;
- digital education
- school infrastructure
- vocational education

- special education, and
- educational support for disadvantaged children

C. Skill Development and Livelihood

- vocational training
- entrepreneurship development
- employment-oriented programmes
- youth skill enhancement
- livelihood creation and
- initiatives promoting employability and income generation.

D. Healthcare, Sanitation and Nutrition

- preventive healthcare
- medical camps
- health awareness
- sanitation
- nutrition
- maternal and child healthcare and
- support to eligible healthcare institutions

E. Women Empowerment

- self-help groups
- women entrepreneurship
- financial literacy
- skill development
- livelihood support and
- financial literacy

F. Rural & Community Development

- drinking water
- sanitation
- rural infrastructure
- community halls
- public amenities
- livelihood enhancement and
- other eligible community development initiatives.

G. Rural & Community Development

The Company may contribute towards disaster management, rehabilitation and humanitarian assistance.

H. Disaster Management and Humanitarian Assistance

The Company may undertake activities relating to disaster management, including relief, rehabilitation and reconstruction, in accordance with Schedule VII.

I. Other Eligible Activities

Any other activity, area or subject falling within Schedule VII to the Act, as amended from time to time, including subscription to zero coupon zero principal instruments on the Social Stock Exchange, subject to the applicable provisions of the Act, CSR Rules and other applicable laws.

Governance of CSR Policy

Governing mechanism to oversee the implementation of its CSR activities as per the CSR Policy is as follows:

- Over-all governance of CSR will be responsibility of the Board, the Board will approve the Annual Action Plan every financial year, which will outline the CSR projects or activities to be undertaken by the Company.
- The Board shall examine and satisfy itself that the disbursement and utilization of funds for the CSR projects are utilized for the purpose and the manner as approved by it.
- The Board shall monitor the implementation of "ongoing projects" with reference to the approved timelines and year-wise allocations.
- The Board may alter or modify already approved projects or fund utilization plans during the financial year.
- KG Flexx Private Limited will be responsible for administering and executing the Annual Action Plan approved by Board.
- The Board will ensure that all CSR activities are in accordance with this policy and the applicable provisions of the Companies Act, 2013.

Committee

Pursuant to Section 135(9) of the Act, where the amount required to be spent by the Company under Section 135(5) does not exceed Rupees Fifty Lakhs, the requirement for constitution of a CSR Committee shall not be applicable and the functions of the CSR Committee shall be discharged by the Board.

Accordingly, so long as the statutory conditions for exemption from constitution of the CSR Committee are satisfied, the Board shall discharge the functions and responsibilities otherwise assigned to the CSR Committee under the Act and the CSR Rules.

In the event the Company is required to constitute a CSR Committee under the applicable provisions of the Act, the Company shall constitute and operate such Committee in accordance with the applicable law.

Implementation of CSR Projects

The Company shall implement the identified CSR Projects by the following menas:

- **Direct Method**

    1. The Company may itself implement the identified CSR Projects presently within the scope as defined in the policy
    2. The Company may also implement the identified Projects presently through its Foundation or Society which is involved in CSR activities, within the scope and ambit of the Thrust Areas as defined in the Policy.
    3. The authorised person may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.
    4. The Company may collaborate with other companies, for fulfilling its CSR objects through the Direct Method, provided that the CSR Committees of respective companies are in a position to monitor separately such CSR Projects.

- **Through Eligible Implementing Agencies**

    1. The Company may implement the identified CSR Projects through Agencies, subject to the condition that:

        - The activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act provided
        - The Agency has an established track record of at least three years in undertaking similar programs or projects, and
        - The Company has specified the Project to be undertaken through the Agency which shall preferably be in Thrust Areas, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism which shall be at least once in three months.

    2. The Company may collaborate with other companies, for fulfilling its CSR objects through the Indirect Method provided that the CSR Committees of respective companies are in a position to monitor separately such Projects

Monitoring of CSR Projects

All CSR Projects/Activities shall be monitored directly by the Board.

Projects directly implemented by Board/Company

I. The CSR Projects taken up by KG Flexx or through other organizations shall be monitored directly by board/company. Objectives, implementation plan, key deliverables and desired impact will be clearly spelt out at the start of the project.

II. In case of "ongoing projects or programmes" yearly implementation, monitoring and evaluation plan shall be fixed and approved by Board and periodic reports shall be shared with the Board.

III. In case progress of CSR Projects is not as per the defined milestones, the project will be evaluated by the board. If the board finds that the project is not sustainable or needs modification, then board can modify the project.

<u>Projects in collaboration with Implementing Agencies</u>

I. CSR Projects taken up through approved implementing agencies shall be evaluated and monitored jointly by board and respective organizations. An evaluation format shall be prepared for this purpose at the start of the project clearly stating the time, cost and deliverables/desired impact.

II. In case progress of CSR Projects is not as per the defined milestones, the project will be evaluated by the board. If the board finds that the project is not sustainable or needs modification, then board can modify the project.

The Company shall have a comprehensive monitoring mechanism to ensure the CSR process functions as mandated by the Companies Act, 2013 and the Rules framed there under.

Fund allocation and others

A. Fund allocation

1. The Company, in every Financial Year, shall endeavor to spend at least the amount required under Section 135(5) of the Companies Act, 2013 as CSR Expenditure, which shall not be restricted by the statutory limit of a specified percentage of its average net profits of the immediately preceding three Financial Years. However, the aforementioned CSR Expenditure in any Financial Year shall be at least 2% of Company's average Net profits for the three immediately preceding Financial Years

2. The board shall prepare a CSR Annual Plan for the above which shall include:
   - Identified CSR Projects
   - CSR expenditure
   - Implementation Schedules

3. Total expenditure in the CSR Annual Plan shall be approved by the Board.

4. In case the Company fails to spend the statutory minimum limit of 2% of Company's average net profits of the immediately preceding three years, in

any given financial year, the board shall specify the reasons for the same in its report in term of Clause (o) of sub-section (3) of Section 134 of the act.

5. Any unspent CSR amount shall be transferred and utilised in accordance with Section 135 of the Companies Act, 2013 and applicable Rules.

B. Other

1. The board shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects as per CSR Objectives. However, there shall not be any preference given to any particulars projects for budgetary allocation and it shall be made purely as per identified CSR Projects on need basis.

2. The Board may authorise any Director or officer of the Company to undertake implementation and administrative functions in relation to CSR projects approved by the Board, within the scope of authority delegated by the Board.

3. Any surplus arising out of the CSR Projects shall not form a part of the business profits of the company.

4. The administrative overheads shall not exceed five per cent of the total CSR expenditure of the Company for the financial year, in accordance with the applicable provisions of the CSR Rules.

Carry forward of excess CSR expenditure

The Board may during any financial year, approve CSR expenditure beyond the CSR obligation for that particular financial year. Such excess CSR expenditure spent shall be carried forward for setting-off against the CSR obligation of the Company for next three consecutive financial years.

Disclosure

The Company shall make disclosures relating to CSR in accordance with the Companies Act, 2013 and the CSR Rules, including disclosures in the Board's Report and on the Company's website, wherever applicable.

Review Periodicity and amendment.

I. The board shall review the policy every three year and whenever required due to changes in law, business circumstances or CSR Requirement or CSR requirement.

Effective Date

This policy is effective from 17th August, 2026.

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