

CSR ANNUAL ACTION PLAN FOR THE FINANCIAL YEAR 2026-27

The annual action plan for the CSR activities of the Company for the year 2026-27 is approved by the Board at its meeting held on August 11, 2026. The annual action plan is proposed in line with the CSR policy of the Company and the statutory provisions under the Companies Act 2013.

- a) The list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act:** At HIRECT, we implement employability training programs for youth with the objective of enhancing their earning potential. These programs focus on developing core domain skills and empowering trainees for a better future.

Project Name: Skill Development – Enhancing Employability through Training of Apprentices under the National Apprenticeship Promotion Scheme (NAPS) and the Apprentices Act, 1961.

The project is carried out at the Company's manufacturing plants.

- b) The manner of execution of such projects or programs:** Direct
- c) The modalities of utilization of funds and implementation schedules for the projects or programs:** The funds will be utilized directly by the Company, through our partners Yashaswi Academy and Inara Training & Skill Development Academy, for skill development during the financial year 2026-27. Any unspent amount, if applicable, will be transferred to the funds specified in Schedule VII of the Companies Act, 2013, by September 30, 2027.
- d) Monitoring and reporting mechanism for the projects or programs:** The Company will monitor the CSR activities with the help of CSR Committee, and the Chief Financial Officer (CFO) shall certify at the end of the financial year that the funds disbursed have been utilized for the purposes and in the manner approved by the Board. The Board's Report includes the Annual Report on CSR.

The Company also displays the CSR Policy and the CSR Projects approved by the Board on its website for the information of stakeholders.

- e) Details of need and impact assessment, if any, for the projects undertaken by the Company:** The Company will not engage an independent agency to undertake an impact assessment, as the CSR expenditure is below the prescribed threshold. As per the Companies (CSR Policy) Rules, impact assessment is mandatory only for companies with a CSR obligation of ₹10 crore or more and for individual CSR projects of ₹1 crore or above.

This is a continuous project, and the budget allocation is approved annually. The budget is based on 2% of the average net profits of the Company, as calculated under Section 135(5) of the Companies Act, 2013.

Since the training of apprentices is also governed by NAPS and the Apprentices Act, the actual CSR-qualifying amount may vary from the approved budget.