METSO INDIA PRIVATE LIMITED

POLICY FOR CORPORATE SOCIAL RESPONSIBILITY (CSR)

This policy in relation to the Corporate Social Responsibility (CSR) of Metso India Private Limited is titled as the “CSR Policy”.

MIPL – CSR Policy

The CSR Policy sets out our commitment to ensuring that our efforts extend beyond business and include initiatives and endeavours for the benefit and development of the community and society. The CSR Policy lays down the guidelines for undertaking projects geared towards social welfare activities or initiatives for positive change.

This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act, 2013 ("Act") and the rules issued under Schedule VII and Section 135 including the recent amendments.

GUIDING PRICIPLES

The guiding principle of CSR Policy shall allow CSR committee to design and undertake the projects considering the below guiding principles propelled within the need of the local community.

Collaborative – In partnership with the government and experts, placing community at the center.
Extensive – Beneficiaries are reached with project replicability and scalability.
Measurable – The outcome is based on qualitative and quantitative data and monitoring.
Sustainable – Ownership, transparency and positive change.

CSR ACTIVITIES

A board approved area of intervention is the below mentioned activity:

1. **Health, Sanitation & Nutrition:** The company is strived to deliver the quality healthcare services (preventive & Curative), supporting the last mile delivery through facility improvement and behaviour change activity around, Health, sanitation and Nutrition.
2. **Education, Skill Development & Livelihood**: The company promote and support in upgrading the education including special education in government schools or identified villages. The company support in the scholarship to the meritorious students and leverage the youth’s knowledge through vocational and skill development training. The company also promote the farm and non-farm-based livelihood.
3. **Environment Sustainability**: The company make efforts for environmental sustainability and in this initiative water conservation, Soil Health improvement and increased green cover shall be promoted. These activities will be done either directly or third party in association with Forest department if possible.
4. **Rural Development:** The company shall focus on activities, essential for rural. It will cover the development / upgradation of public spaces for leveraging the accessibility of services & schemes by the community. These activities will be undertaken in association & participation of the local community & authority.

However, The Board shall have the rights to initiate any project with the recommendation of CSR committee considering the activities of the project must be specified in the schedule VII of the Companies Act 2013.

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CSR COMMITTEE

The CSR Committee shall be responsible for finalising annual/long term projects, determine the amount to be incurred in the thematic area/project, Monitor the progress of the project, suggest the modalities of the projects, and formulate the reporting mechanism of the projects.

The CSR Committee shall be responsible for providing recommendations which include need, objectives, expected results, sector and the nature, area/ location, amount to be allocated, timelines, mode of execution & Impact to be created for any new CSR Activity. CSR Committee shall also share such other details as it may deem necessary to the Board. With respect to finalised/ running / ongoing projects the CSR Committee may provide update and progress in relation with the target and impact with relevant data. No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy. The Committee shall also conduct the need and impact assessment, based on the requirement of company act and CSR Rules and approval of Board.

CSR EXPENDITURE

The company shall spend the prescribed CSR amount in accordance with the Company Act and the CSR Policy. The CSR Committee shall recommend in a manner so that the CSR Expenditure shall be incurred within the project year. The Board shall be responsible for sanctioning the CSR Expenditure and the CSR Committee shall be responsible for taking steps to ensure that the amount for the CSR Expenditure is available to the Implementation Group. Any surplus arising out of the CSR Activities shall not form part of the business profit of the company and may only be re-allocated to the CSR Activities. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year. In order to count towards CSR Expenditure, CSR Activities must be undertaken in compliance with the applicable laws.

The committee shall ensure If any unspent and overspent coming out of approved budget shall be utilised as per the pursuant to the company act.

MONITORING PROCESS

A robust monitoring mechanism maybe created to run/monitor each project. A high-level quality parameter should be identified to determine the project achievement based on the recommendation of the CSR committee. Every time the project shall be assessed on the agreed strategy against decided target and budget. Also, in consideration of community need and efficient and effective outcome, whenever required the project shall be re-strategies and fresh monitoring mechanism maybe developed. It shall include the suggestion provided in the assessment conducted by the third-party by board recommendation.
For the purposes of monitoring, the site/field visit may be carried out by the implementation group.

REPORTING AND RECORD KEEPING

Upon receipt of progress report by the Implementation Group, the CSR Committee may review and deliberate upon such reports and provide inputs or recommendations, as it may deem necessary, to the Board. The CSR Committee shall maintain proper minutes of all its meetings. The Board's report of the Company shall include an annual report, CSR Policy, CSR committee and projects approved under the Act and the CSR Rules. In respect of the reporting, the Board will be responsible to ensure the contents of the latest and updated version of the CSR Policy, composition of the CSR committee and projects approved by the Board made available on the website (if any) of the Company. A detailed reasons for the unspent should also be adequately disclosed in the Board Report.

IMPLEMENTATION

The CSR Activities will be carried out in a manner that the preference is to be given to the geography around the local areas where the company operates. It shall be undertaken by the company directly through its Implementation Group OR with any entities as “Implementation Agency” being duly registered with the

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Central Government and having a unique CSR Registration Number. The company may engage National/International organizations as knowledge partner for designing, monitoring and evaluation of the CSR projects as well as for capacity building of their own personnel for CSR.

The Board shall ensure that appropriate designated staff or personnel provide adequate assistance (viz. data collection, survey, quotations, and costs involved etc.) to the CSR Committee to enable it to make necessary recommendations to the Board. For this purpose, the CSR Committee may also approach external consultants for necessary assistance as it may deem fit at such costs as may be approved by the Board.

The Company may also collaborate with other companies for undertaking projects in such a manner that the CSR committees of respective companies are able to report separately. The Company may collaborate with the group companies / affiliates in consultation with the CSR committee, to identify, conduct due diligence and contribute to CSR projects. As part of such collaboration, any one of the Metso collaborating group companies / affiliates may engage with Implementation Agencies (including execution of the appropriate memorandum of understanding or any other documents as approved by the CSR Committee) on behalf of the Company.

The Board shall empower the Implementation Group to finalize, approve and execute various agreements, deeds, writings, confirmations, undertakings, or other documents, as may be necessary, or otherwise, with any party including Implementing Agencies and/or others for the purposes of the CSR Policy and accept modifications, changes, and amendments to any such documents/ agreements as it may deem fit.

Such clause not mentioned above in implementation shall be in accordance with the Companies Act 2023 and the rules issued under Schedule VII and Section 135 including the recent amendments.

AMENDMENT

The Board of the Company may, subject to compliance with applicable law, at any time alter, amend, or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

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