



• Industrial Internship Support

In addition to NAPS, REC welcomed 32 paid interns across engineering, finance, data science, and CSR disciplines for mid course internships spanning 8–12 weeks, as mandated by AICTE/UGC curricula. Their experiences and insights were highlighted through our new social media series, #InternDiary, reflecting REC's commitment to a culture of learning by doing.

8.11 Performance Management

Effective performance management forms the foundation of our human capital strategy. Our system is carefully structured to align individual goals with the company's broader strategic priorities, ensuring that every employee's efforts contribute meaningfully to organizational success. This alignment not only drives business growth but also supports personal development.

Goal Setting: We emphasise a collaborative approach to goal setting, where employees work together with their managers to establish clear, measurable, and achievable goals. This process encourages open communication, ensuring that employees have a clear understanding of expectations and how their contributions impact the company. Managers are encouraged to facilitate discussions that not only clarify workplace objectives but also resonate with employees' career aspirations.

Regular Feedback: Our system incorporates continuous feedback mechanisms that foster an environment of recognition and improvement. Employees receive ongoing feedback that highlights their achievements and celebrates their successes while also identifying areas where they can grow and develop further. This regular interaction enables timely adjustments and fosters a culture of transparency and open dialogue.

Performance Reviews: We conduct comprehensive performance reviews on an annual or bi-annual basis. These reviews serve as a formalized opportunity to assess individual progress against set goals, provide constructive feedback, and evaluate overall performance. During these reviews, managers collaborate with employees to reflect on their accomplishments and challenges, setting clear and actionable objectives for the upcoming period. This process not only fosters accountability but also encourages continuous professional development.

Career Development Plans: We believe in nurturing our employees' talents and ambitions through personalized development plans tailored to each individual's career goals. These plans are crafted collaboratively and focus on identifying the skills and competencies necessary for career advancement. By offering resources such as training programs, mentorship opportunities, and professional development workshops, we aim to support employees as they navigate their career paths within REC, ultimately leading to greater job satisfaction and retention.

Through these structured processes, our performance management system not only enhances individual performance but also significantly contributes to the strategic growth of our organisation as a whole.

100% of the employees received performance appraisal during the year FY2025-26 & FY2024-25.

8.12 Employee Satisfaction Survey

REC Limited's organisation-wide pulse survey underscores a healthy and inclusive work environment. Nearly all employees (97%) indicated that they feel safe and comfortable at work, while 88% acknowledged the organisation's commitment to fostering diversity and inclusion. A significant 87% also felt that REC's culture reflects their values, highlighting a strong connection between employees and organisation.

The survey further revealed high levels of engagement, with 88% of employees reporting that they are motivated in their roles. Recognition and growth opportunities also received positive feedback, as 84% felt appreciated for their contributions and 86% believed they have been able to grow professionally within the organisation.

- **97% of employees feel safe and comfortable at work, reflecting a strong culture of trust, well-being, and inclusion.**
- **88% acknowledged the organisation's commitment to fostering diversity and inclusion**
- **86% believed they have been able to grow professionally within the organisation**

8.13 Employee Safety, Health & Wellbeing

Safeguarding the health, safety, and overall well-being of our people is fundamental to our role as a responsible employer. At REC, we place employee welfare at the heart of our workplace culture, striving to create an environment where individuals feel supported, valued, and empowered. We recognize that a motivated, healthy, and engaged



workforce is vital to achieving sustainable success. Our commitment to employee well-being is reflected in a broad range of initiatives and comprehensive benefits designed to encourage work-life balance, strengthen alignment with our vision and values, maintain transparent communication with leadership, and provide meaningful opportunities for professional growth and development

Occupational health and safety management system

REC Limited has built a strong occupational health and safety framework, reflecting its commitment to maintaining a safe and healthy workplace for all employees. While the nature of REC's operations as a Non-Banking Financial Company generally involve minimal occupational hazards, the organisation takes proactive measures to safeguard its workforce. To uphold workplace safety, REC conducts thorough inspections and ensures proper maintenance of critical fire safety equipment. This includes routine checks of fire extinguishers, keeping fire exits clear and accessible, and maintaining fully stocked first aid kits. In addition, regular inspections are carried out to verify compliance with electrical and fire safety standards, with any issues promptly addressed to reduce risks and protect employees.

To bolster awareness and preparedness among its employees, REC organises periodic internal communications that emphasise safety protocols, alongside conducting informative safety training sessions. These training sessions encompass a range of critical topics, including fire safety procedures and first aid techniques, ensuring employees are well-equipped to handle emergencies. To further enhance preparedness, the company also conducts mock evacuation drills that simulate potential emergency scenarios.

Moreover, REC has instituted a comprehensive medical policy designed to support its employees' health needs. This policy offers medical expense coverage and facilitates access to medical leave, further reinforcing the company's commitment to the health and well-being of its workforce. Employees can find detailed information about this policy readily available for their reference.



A fire mock drill was conducted on March 20, 2026 at REC's headquarters in Gurugram, in which the personnel were told in detail about the important aspects related to rescue and fire safety in emergency situations.

A film was also presented to raise awareness about fire safety, effectively explaining prevention techniques and necessary precautions.

Employee participation, consultation and communication on occupational health and safety

Effective communication demonstrates dedication, addresses concerns and inquiries, raises awareness, conveys information, inspires, and fosters improvement. Communication channels are established, both within the organisation and externally, to ensure an adequate flow of information related to occupational health and safety. Internal communication systems are created and upheld throughout the organisational hierarchy.

Initiatives are in place that allow employees to pose questions about the organisation, voice their opinions, and encourage dialogue while addressing concerns and disseminating information. Sharing knowledge with colleagues, both inside and outside the organisation, across all levels, is vital to our success and is actively encouraged. The decisions, actions, and results of all evaluations are documented and shared with all stakeholders who are involved or affected by the review or incident. If necessary, regulatory or legal authorities are also notified.

Employee training on occupational health and safety

Health and safety management is a fundamental pillar of maintaining a secure and productive workplace, including within the financial sector where physical hazards may be less evident. Our commitment to maintaining the highest standards of health and safety extends beyond regulatory compliance; it is a fundamental part of our operational excellence and sustainability strategy.



REC engages employees in advancing health and safety through workshops, awareness campaigns, and training sessions that encourage safe practices at work and at home. Strong safety protocols and regular training reinforce our commitment to employee well being and embed a culture of health and safety across the organization.

Employee Engagement:

Education and awareness are crucial to maintaining a safe working environment. We engage employees in health and safety through regular communication, training, and involvement in safety meetings. Employees are encouraged to take ownership of their safety and the safety of their colleagues.

Continuous Improvement:

Our commitment to constant improvement involves regularly reviewing and refining our health and safety protocols. We actively seek feedback from employees and incorporate their suggestions into our safety initiatives.

Audits & Procedures:

Regular audits are conducted to assess electrical and fire safety parameters, including daily checks of emergency exits and related equipment, quarterly mock fire drills, and first-aid training. Rigorous procedures are also in place to address electrical and fire hazards, which include regular testing and training for emergency response activities.

1

2

3

4

5

6

Induction

Training: All new employees undergo comprehensive induction training that includes an overview of our ESG policies and other safe work practices.

Onsite Medical

Facilities: Our onsite medical facilities provide immediate healthcare services, including consultations with healthcare professionals, vaccinations, and treatment for minor illnesses and injuries.

Leadership

Commitment: Our leadership teams (ESG Committee and Risk Management Committee) are dedicated to promoting and overseeing a culture of safety. They lead by example, prioritise health and safety in decision-making, and allocate resources to support safety initiatives.



97% Employees Trained on Health & Safety

Hazard Identification, Risk Assessment, and Incident Investigation

While the nature of our business may limit direct applicability, REC conducts routine workplace inspections. We have established procedures to address electrical and fire hazards, supported by regular testing and emergency response training. Electrical and fire safety are assessed through periodic audits and daily checks of emergency exits and equipment. In addition, quarterly mock fire drills and first aid training are also conducted.

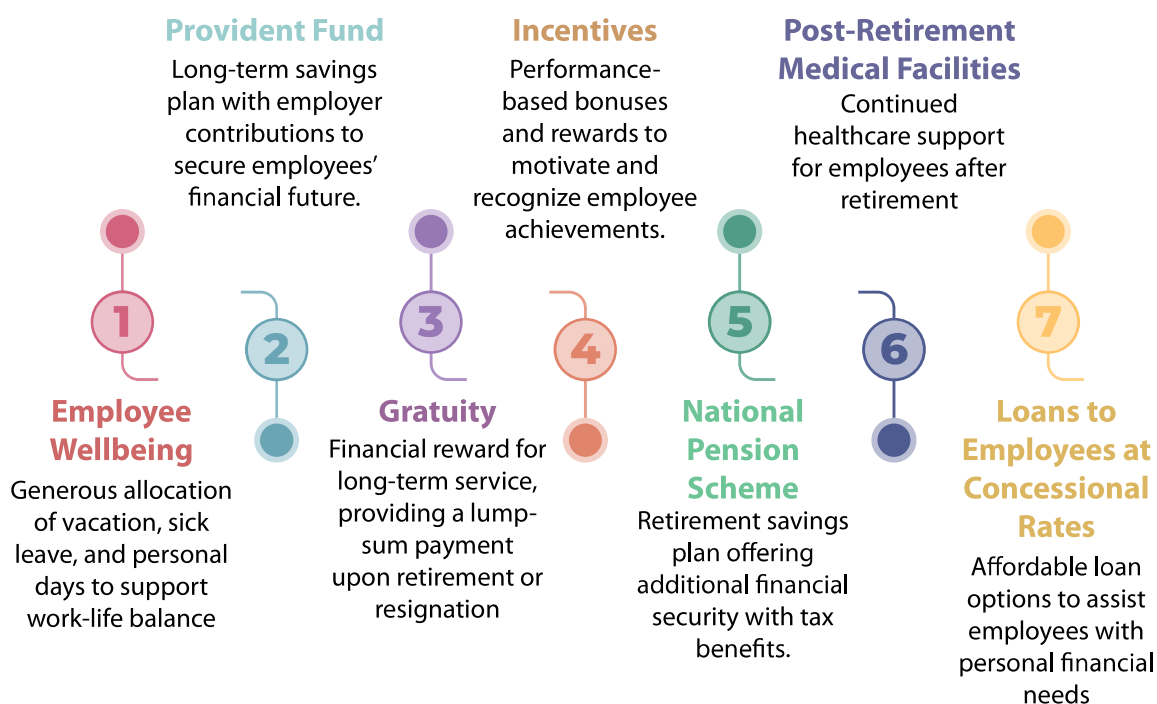
Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High-consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

ZERO Lost Time Injury Frequency Rate (LTIFR)

We are proud to report a Lost Time Injury Frequency Rate (LTIFR) of zero for another consecutive financial year. This reflects our unwavering commitment to maintaining a world-class safety culture.

8.14 Employee Benefits

At REC, prioritising the well-being of our employees is fundamental to our dedication to creating a nurturing and efficient workplace. We are convinced that a healthy, engaged, and motivated team is vital to our success. Our strategy for employee well-being encompasses a comprehensive range of benefits and practices designed to create a supportive work environment that promotes a healthy work-life balance, fosters strong connections to the company's mission and values, encourages open communication with management, and provides opportunities for career advancement.





Our benefits are tailored to offer social and financial security for our employees and their families. We offer a comprehensive range of benefits that prioritise health, economic stability, and overall quality of life. To guarantee financial stability and support for our employees, we offer a variety of benefits.

8.15 Wellbeing Practices

REC upholds the highest industry standards in safeguarding the health, safety, and well being of its employees and their families. The organization continually implements measures to foster a safe, supportive, and inclusive work environment. Guidance on occupational health and safety is complemented by comprehensive healthcare benefits and medical coverage, ensuring that all employees have access to essential support and protection. In addition to conventional benefits, we have introduced various wellbeing initiatives designed to enhance the physical, mental, and emotional well-being of our workforce.

These programs foster a comprehensive approach to wellbeing, enabling our employees to reach their full potential and creating an environment where they feel supported, appreciated, and empowered to succeed. Our commitment to employee well-being is at the heart of our mission to foster a sustainable and inclusive future for everyone. To enhance employee productivity, improve work-life balance, and promote mental tranquillity, REC offers a range of wellness benefits that include





During the financial year 2025-26, REC has strengthened employee wellness initiatives, achieving the targets set by the Administrative Ministry. REC organized 7 General Health Check-up Camps against the target of 5, conducted 5 health awareness sessions against the target of 5, facilitated visits of doctors & yoga sessions on all working days, as per the target.

Employee Stock Option Plan

While REC Limited does not have a formal Employee Stock Option Plan (ESOP), the company is committed to fostering a long-term alignment between employees and shareholders. In accordance with SEBI regulations, we have a standing policy to reserve a portion of shares for employees, offering them at a discounted price during public offerings.

This commitment was demonstrated during our 2010 Follow-on Public Offer (FPO), where we successfully offered discounted shares to our employees. This initiative is a key component of our talent attraction and retention strategy. In the event of any future share issuances, we will continue this practice to empower our employees with a direct stake in the company's success.

8.16 Human Rights

REC is committed to upholding human rights as a core aspect of responsible corporate conduct. Through our comprehensive human rights policies and practices, we aim to create a positive impact on our employees, customers, suppliers, and the broader community. This commitment underscores our adherence to ethical standards, social responsibility, and sustainable business practices.

REC prohibits all forms of human trafficking, forced labor, and child labor within its operations and value chain. REC is committed to ensuring equal remuneration for work of equal value and to maintaining non discrimination across all aspects of employment, including recruitment, hiring, promotion, compensation, and termination. Discrimination based on gender, age, religion, disability, sexual orientation, or any other protected characteristic are strictly prohibited.



Human Rights Due Diligence

At REC, upholding human rights is a fundamental value woven into every aspect of our operations and stakeholder engagement. We have instituted a robust human rights policy that defines our commitments and extends to everyone we work with — employees, clients, vendors, and community partners.

To ensure that these standards are consistently upheld, we require our vendors to submit formal declarations confirming their adherence to established human rights principles. This effort is part of our broader initiative to cultivate an ethical supply chain and encourage responsible business practices. Furthermore, starting in January 2025, we have enhanced our commitment by integrating human rights assessments into our evaluation processes for both borrowers and vendors. This incorporation is a crucial element of our overall Environmental, Social, and Governance (ESG) evaluations, underscoring our commitment to socially responsible investment and lending practices.

Within our own corporate offices, we are equally dedicated to upholding robust human rights compliance. This is accomplished through regular assessments and continuous monitoring carried out by our specialized ESG division. Our monitoring activities are directed by clearly defined internal quarterly objectives, which not only facilitate the evaluation of our progress but also ensure the ongoing enhancement of our human rights practices. By establishing these objectives, we aspire to hold ourselves accountable and strengthen our commitment to nurturing a culture of respect for human rights throughout our organisation.