CSR POLICY

NOVATEUR ELECTRICAL & DIGITAL SYSTEMS PVT LTD

Introduction

Novateur Electrical & Digital Systems Private Limited, India (Novateur), a wholly owned subsidiary of Legrand Group, France, has developed a CSR Policy in alignment with its mission, objectives and values, for delineating its responsibility as a socially and environmentally responsible organization. The Policy lays down the principles and mechanisms for undertaking various projects time to time, as per the project scope and in accordance with Section 135 of the Companies Act 2013.

CSR Vision

In alignment with the Group's CSR vision and Roadmap, Novateur will contribute through the CSR initiative to the society to improve quality of life through integrated and sustainable development actions in every possible way.

CSR Objective

The main objective of the policy is to establish and laydown the basic principles and general framework of actions for

- Novateur to undertake and to fulfill its CSR responsibility. The policy will function as built in self-regulating mechanism to monitor and ensure its active compliance with the spirit of law, ethical standard and requisite norms.
- Generate, through its CSR initiatives, community goodwill for Novateur and help reinforce a positive & socially responsible image of Novateur as a corporate entity.
- Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders.

Thrust Areas

The thrust areas as far as possible, shall be related to Novateur's business areas and should integrate with its social and business goals.

Strategic Focus Domain for CSR

In accordance with the primary CSR philosophy of the Group, the following thrust domains were identified for Novateur's CSR initiatives, from amongst all possible domains, as per Section 135, Schedule VII, Companies Act 2013:

- **Education**: Acknowledging that education is the building block of a free society, our goal is to inspire students in India to seek learning and knowledge starting from the primary level up to higher education, under our CSR.

- **Skill Development**: Novateur intends to support the Nation's larger vision of skill development of youth through developing their market-oriented skills and linking them to potential employers and livelihoods. This seeks to benefit school dropouts and those unable to go into higher education, among others.

- **Healthcare**: We would promote and support preventive healthcare and sanitation that will improve the health and medical well-being among communities.

- **Environment**: Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining the quality of soil, air and water, would also form another option under our CSR.

- **Technology Innovations**: We are living at a time when great advances have been made, and are continuing to be made, in many areas of science and technology, having a major impact in making lives better and easier. We tend to support new innovations under our CSR.

- **Disaster Management**: Being a socially responsible organization, Novateur supports the nation by joining hands to manage disaster situations by directly reaching to affected communities to provide relief, rehabilitation and reconstruction activities or Novateur may contribute some of its CSR budget to Government of India notified, eligible schemes, such as, the Prime Minister's National Relief Fund and/ or any other similarly notified eligible scheme of Government of India.

Novateur shall make efforts to take up long gestation, high impact projects from the budget allocated for Corporate Social Responsibility activities. Novateur shall avoid taking up ad hoc, one-time philanthropic activities. Exception could be only for natural calamities and disasters.

Novateur may join hands and resources for undertaking projects in corporate partnership mode for long-term mega projects for greater social impact.

Amendments in CSR Policy

All provisions of the CSR Policy would be subject to revision/ amendment by the Board of Directors of the company, based on the recommendations of the CSR Committee, in accordance with the Companies Act, 2013 and rules made there under. The company reserves the right to modify, cancel, add, or amend any of the provisions of the CSR Policy.

CSR Governance Structure

The Company follows a structured governance mechanism for all CSR activities, including project selection, project implementation, and project monitoring, project completion report preparation, and output, outcome and impact evaluation.

The Governance Structure shall consist of the following:
1. Board of Directors at Board Level
2. CSR Committee at Corporate Level
3. CSR Team for monitoring and coordination

Roles and Responsibilities

Board of Directors

The Board of Directors of Novateur is responsible for:

- Approving Novateur's CSR Strategy and Policy enumerating the CSR Projects recommended by the CSR committee for the specific financial year.
- Ensuring that the selected CSR projects indicated in the CSR Policy are pursued by Novateur.
- Novateur budgeting and investing on CSR Projects at least 2 percent of the average net profits made during the three immediately preceding financial years in every financial year.
- Ensuring that in case it is unable to spend the earmarked amount during the year, it specifies the reasons in its report for not spending the same.

Constitution of CSR Committee

For effectively carrying out the above-mentioned objectives, the company has constituted the Corporate Social Responsibility Committee (CSR Committee) in accordance with Section 135 of the Companies Act, 2013 read in conjunction with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, to ensure that the purpose of this Policy is being achieved.

The present composition of the CSR committee of the Board is as under:

S. No.	Name	Designation/Category	Designation for CSR Committee
1	Tony Marcel Christian Berland	Managing Director	Chairman
2	Amit Kumar Singh	Director	Member
3	Sameer Saxena	Director	Member
4	Deepak Barikrao Patil	Director	Member

For the relevant financial year, the Board's report shall disclose the composition of the CSR Committee.

Role of CSR Committee

The CSR Committee of Novateur is responsible for:

- Formulating and recommending the CSR Policy and putting it up to the Board for approval.
- Continuous monitoring of the implementation of the Policy from time to time calculating and recommending the amount of expenditure to be incurred on CSR projects.
- Budgeting and approval of all the existing or new project every financial year in line with the recommended thrust areas and within the CSR Budget year on year.

- Instituting a transparent monitoring mechanism leading to an effective and efficient implementation of the CSR projects.
- -Allocation of the approved budget within different heads of spending for a particular CSR Project as and when required for the respective Financial year.
- Re-allocation of overall Budget of a CSR Project. Such re-allocation of budget limits would be allowed within the approved projects if it confirms to the overall annual 2% CSR spending limits of the Company in aggregate of all CSR projects of the Company at the end of each Financial Year.

CSR Team

The CSR team of Novateur will be responsible for:

- Seeking guidance from the CSR Committee regarding policy, budget and implementation guidelines.
- Spreading awareness regarding the approved CSR policy and ensure to implement as per the given guidelines.
- Recommending projects to be undertaken during the financial year to the CSR Committee.
- Apprising CSR Committee with the project performance and status of CSR expenditure periodically.
- Identifying the right implementation partner, due diligence and facilitating effective implementation of all the approved CSR projects incompliance with CSR Act 2013.
- Allocating appropriate resources to achieve desired performance in alignment with CSR targets and initiatives.
- Documentation and reporting of all CSR projects of the company to the CSR committee in periodically with the Companies Act and the CSR Rules.

Project Implémentation

- The Company would implement the CSR projects through Company personnel and partnership with expert agencies, NGOs and Government. In cases where the implementation is through external implementing agencies, the Company would monitor the implementation.
- The investment in CSR would be project based and every project will have clear deliverables, measurable outcomes and periodic milestones which will be defined at the outset.
- Each project will also have a budget assigned with modalities for utilization of funds.
- Projects identified and approved under the CSR Policy will be implemented either directly by the company through our employees, CSR personnel or through NGOs having an established track record of implementation experience of at least three years.
- The CSR Projects identified in this policy will be executed and implemented in accordance with the implementation schedule.
- Minimum eligibility criteria will be ensured for selecting NGOs for project implementation, i.e. it should be either a Registered Society or a Public Charitable Trust or a Not for Profit Company established under Section 8 of the Companies Act 2013 or as per the MCA guidelines.
- Additionally, each of the implementing agencies/NGOs will be evaluated on a set of criteria identified by the Company and dependent on the project scope as a part of the pre- approval due diligence process.
- The implementing partners shall be required to have necessary accreditation.

- The Company may also collaborate with other companies to implement joint CSR projects where there is a possibility of each organization being able to report separately on such projects and programs. This would be undertaken after due approval from the CSR Committees of the respective organizations.
- Novateur may use the services of internal teams, expert agencies, consultancy firms etc., wherever required for carrying out baseline surveys, guidance on project design and implementation, due diligence of implementation partners, impact assessment surveys, etc.

Monitoring and Reporting

A result-based monitoring and periodic reporting mechanism will be put in place for all the CSR projects, and a periodical status report would be submitted to the CSR Committee.

CSR Budget/ Total Outlay

- The Company will specifically contribute, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years towards the CSR projects identified under this policy. The net profit and average net profit shall be calculated in line with the provisions of the Companies Act.
- In the unlikely scenario of the Company failing to spend the target amount within the specific financial year due to any unforeseen situation, the CSR Committee shall submit a report in writing to the Board of Directors
- The **surplus arising** out of the **CSR projects** or programs, or **activities shall not** form part of the business profit of a company". Any unspent or unutilized will be carried forward and will ensure to utilize as per the MCA guidelines.

Current CSR Projects:

Sr. No.	Trust Areas	Project
1.	Education/Skill Development	a. Legrand Scholarship Program
		b. Skill Development/ Vocational trainings
		c. Apprentice Vocational Training Program
2.	Healthcare/Environment	a. Legrand Telemedicine Center
		b. PWD Aid
		c. Green energy/ Carbon offset projects/ circular economy project/ Water conservation
3.	Technology innovation	Technology innovation - (for SUP elimination)
4.	Disaster Management	a. Disaster Relief for School reconstruction
		b. Other Disaster Management Projects