

CORPORATE SOCIAL RESPONSIBILITY POLICY- HOPE INITIATIVE BY BRADY COMPANY INDIA PRIVATE LIMITED

BACKGROUND AND VALUES

Business enterprises are economic organs of society and depend on the resources, direct or indirect, provided by the society in common and at large. A business enterprise is also dependent on the social, environmental, educational, health and economic status of the society in which it is functioning and the deep symbiotic relationship is clearly evident.

This document lays down the framework of Corporate Social Responsibility at Brady Company India Private Limited (hereinafter referred to as the 'Company') and defines the policy for the same. This document shall be under the authority of the "CSR Committee" of the company.

Mission

Brady Corporation manufactures complete solutions that identify and protect people, products and places, this being our business the company embraces responsibility to support less privileged sections of the society together with conserving the environment thereby ensuring that they are protected safely, securely and nonetheless get identified independently.

Vision

Brady has a dedicated team working towards providing a sustainable environment to future generations. The Hope team is a ray of hope to the future citizens of this society, team is striving to provide a quintessential smile along with a clean, renewable, and safe environment while children embark on journey to their various stages of life.

LEGAL FRAMEWORK

In conformance with Section 135 of the Companies Act, 2013 and the applicable rules and regulations thereof ('the Act'), the Board of Directors of the 'Company' are required to form a Corporate Social Responsibility Committee ('CSR Committee') and approve a policy formulated and recommended by the CSR Committee on corporate social responsibilities of Company ('CSR Policy').

In line with the above requirements, it is therefore, required for the Company to frame and adopt a "**Corporate Social Responsibility Policy**" of the Company

DEFINITIONS

"Act" means the Companies Act 2013 and the applicable rules and regulations thereof

"Board of Directors" or **"Board"** in relation to a Company, means the collective body of the Directors of the Company. (Section 2(10) of the Companies Act, 2013).

"Corporate Social Responsibility or CSR" means the activities undertaken by the Company in pursuance to its statutory obligation laid down in the Act but it shall not include the following:

- (i) activities undertaken in pursuance of normal course of business of the company
- (ii) any activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (iii) contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- (iv) activities benefitting employees of the company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- (v) activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) activities carried out for fulfilment of any other statutory obligations under any law in force in India;

"Corporate Social Responsibility Committee or Committee" means the Committee of the Board of Directors of the Company constituted under the provisions of the Companies Act, 2013.

"CSR Team or HOPE Team" means a team of employees of the Company, who make suggestions and proposals to the Committee and are directly involved in the planning and execution of all the activities undertaken by the Company towards CSR.

"CSR Policy or Policy" means this Corporate Social Responsibility Policy which is a statement containing the approach and direction given by the Board of the Company on the basis of recommendations of its CSR Committee and includes the guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

"Implementing Agency" means and includes the following:

- I. a registered public trust or a registered society or a company established under Section 8 of the Act, registered under section 12A and 80G of the Income Tax Act, 1961 established by the company, either singly or along with any other company, or
- II. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

- III. any entity established under an Act of Parliament or a State legislature; or
- IV. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

“Schedule VII” means the Schedule VII as defined under Companies Act, 2013.

OBJECTIVE AND FOCUS

India's growth relies on a well-educated and skilled workforce. Improving education is a critical area of investment. Providing education, healthcare facilities and infrastructure to underprivileged children in India can lay the foundation, which can overturn the lives, careers and productivity of millions of its citizens.

The company strongly feels that providing basic and adequate funds and facilities to the underprivileged children plays a key role in building a better future of our country.

Another focus is involvement in activities relating to environmental protection. Brady believes it is important to protect the environment because man-made disruptions to ecosystems can cause extinction, because pollution creates dangers for both animals and people, and because mankind owes the natural world a moral obligation. Brady involves various activities like tree plantation and their maintenance, lake rejuvenation in association with NGOs.

While the company's CSR will ensure that all communities benefit from our CSR activities, it would primarily focus on providing education, health facilities and infrastructure to underprivileged, socially and economically marginalized children. The company may also support initiatives in other focus areas, as approved by the CSR committee from time to time.

STRATEGY- Selection, Implementation and Monitoring of Projects

- I. The CSR Team shall identify various projects in accordance with the focus areas of the Company as covered under Schedule VII.
- II. The CSR Team shall obtain the proposals for these identified projects from the respective implementing agencies and shall have an internal due diligence of these implementing agencies.
- III. Post due diligence the CSR Team has have an internal discussion and finalize the projects along with the timelines of its implementation which shall be implemented as per the annual action plan.
- IV. CSR projects will be implemented through Implementing Agencies and these agencies shall also be registered with the Ministry of Corporate Affairs, by filing e-Form CSR 1 (where required) and should have a minimum 3 (three) year track record in undertaking similar activities.
- V. The Company may also establish an Implementing Agency in the form of a registered public trust or registered society or Section 8 company, and undertake CSR activities through it.

- VI. The Company may, however, also undertake CSR projects/ activities directly or contribute to any of the Funds prescribed in Schedule VII of the Act, to fulfil its annual obligation
- VII. Routine reviews will be undertaken by the CSR Team with the Implementing Agencies based on the materiality of the contribution made to them and the CSR Team shall report the status of the projects to the CSR Committee and Board of Directors on a timely basis.
- VIII. The CSR Team shall obtain a utilization certificate from these Implementation Agencies at the end of each project or annual basis as required.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The CSR Committee will consist of the following members –

- 1) Sushesh Sudhakara Mallya- Whole-Time Director
- 2) Sacheen Sharadrao Lathkar- Whole-Time Director
- 3) Ann Elizabeth Thornton - Director

The responsibility of the CSR committee shall consist of:

- I. To Formulate the Company's CSR policy and projects from time to time to be undertaken by the Company.
- II. To Monitor execution of CSR activities as per the CSR policy and
- III. To Ensure CSR reporting and communication including the legal and regulatory compliance are as per CSR Rules
- IV. To Devise proper implementation/execution schedule in consultation with the CSR team for each project/ program
- V. To Decide whether CSR activities are to be undertaken directly or through an Implementing Agency or in collaboration with any other companies;
- VI. To Formulate and recommend to the Board of Directors, an annual action plan in pursuance of the CSR Policy which should include a list of approved CSR projects, manner of project execution and related implementation schedules, modalities of fund utilization, monitoring and reporting mechanisms and details of need / impact assessments, if applicable.
- VII. To Monitor the CSR Policy of the Company and update the same from time to time in line with changes in the Act or as may be required.

MEETINGS OF THE CSR COMMITTEE

The Committee shall meet as and when required by giving a notice of the CSR meeting which shall to discuss the CSR activities, budget, expenditure, implementation and review. The quorum for CSR Committee meeting shall be minimum two members of the CSR Committee and the Chairperson shall be elected at each meeting of the CSR committee. The CSR Committee meetings can be held physically or via telephonic/electronic mode. The Company Secretary shall keep the Minutes of the Committee Meetings in physical or electronic form. Minutes help in understanding the deliberations and decisions taken at the Meeting.

CSR FUNDS

The corpus for the purpose of carrying out the above-mentioned activities would be 2% of the average net profits of the Company during the three immediately preceding financial years calculated in accordance with section 198 of the Act.

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR programs undertaken in accordance with the CSR programs or projects approved by the CSR Committee.

Any surplus arising from any CSR Programs shall be used for CSR activities only and any income arising from CSR Programs will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure.

The Unspent CSR amount pertaining to annual CSR projects or not allocated to any project shall be transferred in accordance with the provisions of the Act.

RESPONSIBILITY OF BOARD OF DIRECTORS

The responsibilities of Board are as follows:

- a. To Ensure that the Company spends at least 2 (two) percent of the average net profits of the preceding 3 (three) financial years as its CSR obligation for the financial year;
- b. To Approve the annual action plan (including annual budget) every year;
- c. To Approve the CSR Policy and amendments thereto from time to time;
- d. To Approve projects and the implementing agencies to be partnered or associated with;
- e. To Ensure that the funds disbursed for the CSR Projects as part of the Company's obligation for each financial year have been utilised for the purpose and in the manner allocated and approved by it, within the same financial year;
- f. To Ensure that the administrative overheads do not exceed 5 (five) percent of the total CSR expenditure of the Company for the financial year or such other limit as may be prescribed under the Act;
- g. To Monitor the implementation of the ongoing projects with reference to the approved timelines and year-wise allocation;

Annual Action Plan Mechanism

The CSR Governance Committee and Board will formulate and approve the annual action plan pursuant to the Act and the CSR Policy, in each financial year. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following:

- (a) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;

(b) the manner of execution of such projects or programmes as per the Act;

(c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes;

Provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

REVIEW AND AMENDMENT

This Policy shall be reviewed as and when deemed necessary, depending upon the organization's requirements and budgeting policies. The contents of this Policy shall be disclosed by the Board in its report and shall be disseminated on its website and be communicated to all concerned persons of the Company.

For and behalf of Brady Company India Private Limited



.....
Sacheen Sharadrao Lathkar



.....
Sushesh Sudhakara Mallya

DOCUMENT REVISION HISTORY

Version	Financial Year	Department
1	2023-24	Legal