
CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

SILABS INDIA PRIVATE LIMITED

(Formerly known as SWARUSHI TECHNOLOGIES INDIA PRIVATE LIMITED)

[Pursuant to Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014 as may be amended from time to time]

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OVERVIEW

As required under the provisions of The Companies Act, 2013 (“**Act**”) and The Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**Rules**”), Silabs India Private Limited (“**Company**”) is pleased to announce its Corporate Social Responsibility Policy (“**CSR Policy**” or “**Policy**”).

CSR FOCUS AREAS

The focus areas for the CSR activities to be undertaken by the Company under this Policy shall be in the following areas:

- 1 Eradication of poverty, hunger and malnutrition;
- 2 Making available safe drinking water;
- 3 Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled;
- 4 Improve the standard of living of poor people in rural / urban areas through livelihood enhancement projects, rural development projects, etc.;
- 5 Promoting gender equality, empowering women, setting up homes and hostels for women and orphans;
- 6 Setting up old age homes, day care centres and such other facilities for senior citizens;
- 7 Creating awareness and adopting various measures for reducing inequalities faced by socially and economically deprived / backward groups;
- 8 Ensuring environmental sustainability, ecological balance, protection of Flora and Fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water;
- 9 Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
- 10 Development of Slum Area, which is declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force;
- 11 Rural development projects;
- 12 Disaster management, including relief, rehabilitation and reconstruction activities;

13 Any other activity as may be clarified, from time to time, by the Ministry of Corporate Affairs or the Central Government to be included under the CSR Regulations; and

14 Any other activity which may be covered by the CSR Regulations as amended from time to time.

Every activity to be undertaken by the Company under the above-mentioned areas shall be recommended by the CSR Committee and approved by the Board of Directors of the Company. For the purpose of carrying out the CSR Activities, preference shall be given to the local area and the areas around which the Company operates.

IMPLEMENTATION OF CSR ACTIVITIES

The Company may carry out the CSR activities in accordance with the terms of this Policy, either on its own, or through:

- a) a company established under section 8 of the Act or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- b) 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 any entity established under an Act of Parliament or a State legislature;
- c) 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;

If the Company chooses to carry out the CSR Activities through a registered trust or registered society or a section 8 company incorporated under the Act as referred above, which is established by a third party ("**CSR Partner**"), guidelines mentioned hereunder are required to be followed in choosing such CSR Partner.

Company may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as well as for capacity building of their own personnel for CSR.

Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.

GUIDELINES FOR CHOOSING A CSR PARTNER

- 1 CSR Partner shall be either a registered trust or a registered society under the applicable laws or a company incorporated under Section 8 of the Act with an established track record of at least 3 years in undertaking activities in the focus areas in which the Company intends to carryout CSR Activities.
- 2 CSR partner shall have registered itself with the Central Government (Ministry of Corporate Affairs) by filing the form CSR-1.

- 3 The Board of Directors or the trustees or the management committee members or the governing body members, as the case may be, of the CSR Partner, shall have at least three years of experience and expertise in carrying out CSR activities in the focus areas in which the Company intends to carry out CSR Activities.
- 4 The Board of directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner or the CSR Partner itself, shall not in any way be, directly or indirectly, connected with any political parties and the CSR Partner should not be, directly or indirectly, promoted by political parties.
- 5 CSR Partner shall not engage in religious or political activities, for the private benefit of the CSR Partner, discriminate on the basis of race, color, religion, sex, age, national origin, citizenship status, disability, sexual orientation or veteran status.
- 6 The Board of Directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner should not be adjudicated as an insolvent or convicted by a Court of any offence involving moral turpitude.
- 7 CSR Partner should not be or should not have been a party at any time to bankruptcy or insolvency or winding up proceedings or to proceedings involving a composition of creditors or should not make or should not have at any time made an assignment for the benefit of creditors. Custodian, receiver or any other person with like power should not have been appointed to take charge of or liquidate all or a part of its business, property or assets or no order should have been made or a resolution should have been passed for the winding-up or liquidation or any corporate proceedings for its liquidation, winding-up or dissolution.
- 8 CSR partner shall fulfill other criterias /conditions as specified under the Act from time to time.
- 9 The Company may conduct a due diligence as applicable on the CSR Partner and satisfy itself of its credibility, compliance status and ability to carry out CSR Activities on behalf of the Company.
- 10 The CSR Committee shall discuss the CSR Policy and the objectives of the Company in this regard with the proposed CSR Partners.
- 11 The Company shall shortlist CSR Partners for the CSR Activities. The Company shall procure sufficient details from the shortlisted CSR Partners regarding the course of action that they intend to undertake, if chosen to implement a particular CSR Activity on behalf of the Company.

CSR FUND

The Company shall spend such amount every financial year which shall not be less than the amount prescribed under the act and rules in respect of CSR activities. Payments shall be made directly to the CSR Partners and/or the beneficiaries and any surplus arising out of CSR projects or programs or activities implemented by the Company shall not form part of business profits. The CSR projects or programs or activities undertaken in India only shall amount to CSR expenditure. Further, contribution of any amount directly or indirectly to any political party under the provisions of the Act shall not be considered as CSR Activity.

The Company may build CSR capacities of its personnel as well as for its CSR Partners through institutions with established track record of at least three financial years, however, such expenditure

including expenditure on administrative overheads shall not exceed 5% of total CSR expenditure of the Company for the financial year.

The Board of the Company shall satisfy itself that the CSR funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

In the event Company fails to spend the amount earmarked for the CSR Activities in a financial year, the CSR Committee shall submit a report in writing to the Board of Directors of the Company specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors of the Company in their report to the shareholders of the Company for that particular financial year.

REPORTING REQUIREMENTS FOR UNSPENT CSR AMOUNT, EXCESS CSR EXPENDITURE AND CONSEQUENCES OF NON-COMPLIANCE

Ongoing Projects- “Ongoing Projects” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced and shall also include such projects that were initially not approved as a multi-year project but whose duration has been extended beyond a year by the Board based on reasonable justification.

Unspent amount relating to an Ongoing Project-

Any unspent amount relating to an ongoing project, is to be transferred within a period of thirty days from the end of the financial year to a special account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account (UCSRA).

Further, the unspent amount transferred to UCSRA shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII of the Act, within a period of thirty days from the date of completion of the third financial year

Unspent amount not relating to an Ongoing Project-

In case, there is no ongoing project in the Company, the unspent amount is to be transferred to any Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

In case of excess expenditure:

If the company spends an amount in excess of the requirements, such company may set off such excess amount in succeeding three financial years subject to the conditions that –

the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any;

the Board of the company shall pass a resolution to that effect.

Consequences of non-compliance

Penalty of twice the Unspent CSR or Rs. 1 Cr, whichever is less may be imposed on the Company, and penalty of 1/10th of unspent CSR or two lakh rupees, whichever is less may be imposed on all officers in default.

CSR COMMITTEE

CSR Committee shall be constituted by the Board of Directors of the Company. The roles, responsibilities and functioning of the CSR Committee shall be as provided below:

Constitution: CSR Committee shall consist of at least three Directors, if there is an independent director in the Company. However, if the Company does not have an Independent director, then the CSR committee may be formed with two directors.

Quorum: Minimum of Two directors shall form quorum for every meeting of the CSR Committee.

Meetings: The meetings of the CSR Committee shall be held from time to time as decided by the Committee at such time, at such place and on such day, as the members of the CSR Committee may deem fit either through personal meeting or video conference or through any other audio-visual means. However, the Committee shall mandatorily meet at least once in a financial year. In case of any urgent matters, the committee may pass the necessary resolution by way of Circulation.

Notices: Any one of the CSR Committee members, or the Company Secretary or any other person authorized by the Board for the purpose shall be authorized to issue notice to convene the meetings of the CSR Committee. Every notice convening the meeting of CSR Committee shall be accompanied by an agenda listing the matters to be discussed at the meeting.

Matters to be transacted: CSR Committee shall at its meeting discuss the progress of the CSR activities and may also discuss, as applicable, the various requirements of CSR activities such as the activities to be undertaken, budget outlay, modalities of execution, implementation of CSR activities, monitoring of CSR Policy, etc.

ROLE AND RESPONSIBILITIES OF THE CSR COMMITTEE

CSR Committee shall:

- (i) formulate and recommend the CSR Policy to the Board of Directors of the Company. Any amendments to be carried out to the CSR Policy shall be taken up by the Board only with the recommendation of CSR Committee;
- (ii) recommend the amount of expenditure to be incurred by the Company in each financial year in relation to the CSR Activities to the Board of Directors of the Company. Such expenditure shall be calculated in accordance with the provisions of the Act after consultation with the finance department of the Company;
- (iii) identify and recommend CSR Activities to the Board of Directors of the Company which are covered under this Policy and if deemed necessary, also layout the modalities to carry out such activities;
- (iv) recommend the CSR Partners, to the Board of Directors and procure their approval before engaging the CSR Partner(s) to carry out the CSR Activities on behalf of the Company. The CSR

Partners recommended to the Board shall be selected in accordance with the guidelines mentioned in this Policy;

- (v) undertake all necessary steps to implement the CSR Activities in accordance with the implementation schedule, as approved by the Board;
- (vi) monitor the CSR Activities and the Policy in such manner as prescribed in this Policy;
- (vii) shall specify the CSR Activities to be undertaken on behalf of the Company to the CSR Partner, modalities of utilization of the funds on such CSR Activities, implementation, monitoring and reporting mechanism as provided under this policy;
- (viii) formulate and recommend to the Board, an annual action plan in pursuance of the provisions of the act and prescribed rules;
- (ix) ensure that the CSR Activities do not benefit the Company or its employees and their families;
- (x) ensure that the CSR Activities undertaken by the Company are as per its stated CSR policy as projects or programs or activities (either new or ongoing) excludes those activities undertaken in pursuance of its normal course of business; and
- (xi) forward a report to the Board of Directors annually before finalization of the Board's report, setting therein all activities carried out by the CSR Committee in accordance with the prescribed regulation under the Companies Act 2013.

MONITORING MECHANISM

The CSR Committee shall monitor the CSR Activities that are being undertaken by the CSR Partners and obtain sufficient details from each CSR Partner at periodic intervals as deemed necessary by the CSR Committee regarding compliance thereof.

REPORTING

The Board of Directors of the Company shall provide the information to its shareholders and shall mandatorily disclose the composition of the CSR Committee, CSR Policy and the Projects approved by the Board on their website, if any, as per the provisions of the act and rules, as may be amended from time to time, for public access.

POLICY ON NON-DISCRIMINATION AND CONTROVERSIAL ORGANIZATIONS

The Company seeks to support organizations that are in alignment with the core values of the Company.

The Company is committed to equal opportunity and fair treatment and will not support charitable organizations that discriminate on the basis of race, color, religion, sex, age, national origin, citizenship status, disability, sexual orientation, veteran status, or any other protected status. The Company defines discrimination in connection with its charitable giving program to include (but not necessarily be limited to)

denial of services, employment, or volunteer opportunities to any class of individuals in a manner that negatively restricts opportunities available to that class of individuals.

In addition, to ensure that all recipient organizations are aligned with the Company's values, the Company shall not make charitable grants to any organization or program that in any way is controversial or, implicitly or explicitly, promotes, advocates, or instigates an ideology or environment that is divisive or not otherwise aligned with the Company's values.

SELF GOVERNANCE

The Company, its Board of Directors, employees, officers, CSR Committee members, its invitees, shall not accept any kind of favors and gifts, in any form, from any prospective or potential CSR Partners or beneficiaries as a result of consideration of the proposal to grant funds to such CSR Partners or beneficiaries under this Policy.

POLICY REVIEW AND FUTURE AMENDMENT

The CSR Committee shall review the CSR Policy at periodic intervals as deemed necessary by the CSR Committee and make suitable changes as may be required and recommend the same for the approval of the Board of Directors of the Company. The CSR Committee will further adhere to any applicable charitable contribution policies adopted by the Company from time to time, subject to Schedule VII of the Companies Act, 2013 and The Companies (Corporate Social Responsibility Policy) Rules, 2014.