POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)

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1 Objectives

As a Corporate Citizen, Expleo Solutions Limited ("EXPLEO") (Formerly known as SQS India BFSI Limited) is committed to contribute to the welfare of the Society through a comprehensive CSR framework. EXPLEO is committed to promote activities leading to a sustainable infrastructure and environment in the areas in and around the place in which it has its offices.

The focus of EXPLEO's policy is:

- To Promote Education for poor and/or children with disabilities
- To Cement relationships with the local community
- To Contribute to preservation, promotion and support of local traditional handicrafts
- To Support the initiatives of not for profit agencies who are working for improvement in quality of life of the target communities and whose activities align with the vision of the EXPLEO's CSR objectives.
- To Sensitize employees on their responsibilities towards society and encouraging them to take active part in various company initiatives
- To promote activities targeted at Green & Clean environment

2 Resources

Funding & Allocation: For achieving its CSR objectives through implementation of meaningful & sustainable CSR programmes, EXPLEO will allocate at least 2% of the average net profits of the Company made during the three immediately financial years, calculated as prescribed under Companies Act, 2013, Schedule and the Rules made thereunder, as amended from time to time.

From the funds available under the CSR, EXPLEO shall allocate funds to provide support under the following heads, on a year on year basis:

- Education in Science, Technology and Maths for poor and/or children with disabilities including support for creation or upgrade of infrastructure

- Traditional Handicrafts
- Sports
- Activities promoting Ecological Awareness and betterment of living environment
- Disaster Relief Fund
- Prime Minister's National Relief Fund

While the main focus of the CSR activity of EXPLEO shall be education, including of education of differently abled, EXPLEO shall also support other activities as highlighted above.

Any unspent / unutilised CSR allocation of a particular year, will be carried forward in the manner as prescribed in the Companies Act, 2013 and shall be spent in the subsequent years.

3 Constitution of Committee

A Committee shall be formed by the Board of Directors called **Corporate Social Responsibility Committee** ("CSRC"). CSRC of the Board shall be constituted with *three or more directors*, out of which *at least one director shall be an independent director.*

A Committee called "**CSR Standing Committee**" be formed consisting of Members to be decided by the Managing Director & CEO, as per the Rules and Regulations of the said Committee framed therein, which shall consist of at least 8 executives from across the organisation.

4 Implementation

a) An annual budget providing allocation for ongoing projects and provision for new projects under various project areas will be submitted to the CSR committee of the Board and approval obtained.
b) The investment in CSR shall be project based and for every project the objectives, action plan, execution time frame, periodic milestones and budget, funds release plan should be agreed between the executing not for profit organisation and the Company. This shall be presented to the CSR committee of the Board and approval obtained.
c) Project activities identified under the CSR shall be implemented through not for profit organisations. In addition, the CSR funds may also be used to provide grants to an ongoing activity of a not for profit organisation, if such donation or grants are approved by the CSR Committee.
d) Project proposal for any CSR activity shall be examined by the Standing Committee consisting of 8 executives from across the organisation and submit report / recommendations to the CSR Committee, which shall be a Board Committee.
e) The CSR Committee shall analyse the same and make out a proposal to the Board committee for approval.
f) The CSR initiatives of the Company can be pursued in the district in which its offices and workplace of employees are located and the revenue districts surrounding these districts. Currently, the offices and workplaces are located in Chennai, Tambaram and Mumbai.

The Standing Committee's responsibility shall be as follows:

1) Each member would understand the CSR initiatives for the year, support in its implementation and also evangelize CSR as a way of life within Expleo Solutions Limited.
2) Individual Committee members would prepare a detailed implementation plan for each of the focus areas and the same shall be discussed by the standing Committee before submitting the report to the CSR Committee.
3) Shall coordinate with external entities / NGO's / social organisations for collation of information required for the initiative.
4) Shall enlist the support of volunteers for each of the activities under the implementation plan.
5) Shall ensure that the planned activities are executed as per the agreed schedule, else escalate reasons for delay.
6) Shall obtain Utilisation certificate with statement of expenditure duly certified by an authorised auditor to the CSR Committee where the expenditure is through any other organisation or institution.
7) Report monthly on the progress on the initiatives under the focus area to the CSR Committee highlighting the cumulative outlays and outcomes of the programme in specific details.
8) Provide a monthly update on the CSR initiatives for the year to the CSR Committee.
9) Meticulous documentation of the CSR approaches, programmes, expenditures, procurement, etc., should be available and made available to the CSR Committee in their meetings.

The CSR Committee shall:

1) Formulate and recommend CSR Policy, for approval of the Board of Directors of EXPLEO. The Committee shall further monitor the CSR activities of the Company from time to time.
2) Take up the relevant proposals for the approval of the Board. The proposal should carry cost benefit and justification including the amount of financial involvement and a detailed project report.
3) Shall monitor and review the progress of activities undertaken/completed.
4) All expenses for project proposals needs to be approved by the CSR Committee.
5) Review the Report on CSR activities submitted by the Standing Committee.

The Board of Directors shall periodically review the CSR activities and take note of all the updates periodically given by the CSR Committee and advise the Committee as appropriate.

5 Modalities of execution of Projects

Each of the projects identified for support as part of this policy would undergo the following steps:

1. Ensure approval is in place obtained from the CSR committee
2. Official communication confirming the mandate in the event of external entity is engaged for execution of the project
3. In the event of direct execution – project plan with each area of activity assigned to people to be submitted
4. Periodic tracker to be maintained & circulated
5. Status / closure report as required to be submitted

6 Approval

This CSR policy shall be approved by the Board of Directors of the Company. The implementation of the CSR policy shall be the responsibility of the CSR committee through the Standing Committee.

7 Tracking & Review Mechanism

Each focus area would be tracked by the Standing Committee to monitor progress. Once the initiatives are finalised, the Standing Committee member responsible for the respective initiative would work on the plan and place before the CSR Committee. On approval of the CSR Committee, shall implement the same and update on the progress to the Standing Committee and the CSR Committee.

The Standing Committee would convene periodically to review the progress of each initiative covering the following:

- Progress of each initiative from the last review meeting
- Overall status of the initiative
- Any concern areas/ issues / support required for progressing
- Once the initiative is launched reporting on the effectiveness and benefits derived by the target group
- Have the overall objectives been met and reasons for any variance.
- Budget vs actual spend

The CSR Committee shall meet periodically and as and when required. The highlights of this policy shall also be made available in the website of the Company.