

## **CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **Preamble**

The Board of Directors (the “Board”) of Allsec Technologies Limited (the “Company” or “Allsec”), has adopted the following policy and procedures striving for economic and social development that positively impacts the society at large; and more specifically communities in which Allsec operate. In so doing build a better, sustainable way of holistic life for the community of families and workers of small and medium sized enterprise and raise the country's human development index.

The Corporate Social Responsibility Committee will review and may amend this policy from time to time. This policy will be applicable to the Company and guide its obligations as a responsible member of society along with enhancing its relationships with all its stakeholders and communities including its employees based on the laws and regulations applicable on the Company.

### **Purpose**

While this Policy is the stated position of the Company in the area of Corporate Social Responsibility and finds its independent justification under the Philosophy and business objectives of the organization, this Policy is also framed as per requirement of Sections 135 of the Companies Act, 2013 (“Act”) read with applicable Rules and Regulations under the Act.

The main objective of the CSR Policy is to lay down guidelines for Allsec to make CSR a key business process for sustainable development of the Society. It aims at supplementing the role of the Government in enhancing the welfare measures of the communities and enterprises linked directly or indirectly to business activities of the group and its subsidiaries. It is to ensure that the community receives good quality health care and education facilitates to help them grow, which in turn would lead to sustainable growth of the enterprises they are engaged with, the society and the country at large.

### **Philosophy**

Allsec being a responsible corporate citizen strives to bring about overall positive impact in societies/local communities living in cities where it has business footprint. It will take up a wide range of issues relevant to the local underprivileged /marginalised communities and make a lasting and sustainable impact.

### **Definitions**

**“Act”** means the Companies Act, 2013.

**“Company or Allsec”** means the Allsec Technologies Limited.

**“Chairman”** means Chairman of CSR Committee.

**“CSR Committee or Committee”** means Corporate Social Responsibility Committee of Board of Directors of the Company constituted under Section 135 of Companies Act, 2013.

**“Board”** means Board of Directors of the Company

**“Employee”** means employee of the Company whether employed in India or outside India.

**“Policy”** means Corporate Social Responsibility Policy.

Words and expressions used and not defined in this Policy but defined in the Act and rules and regulations made there under shall have the meanings respectively assigned to them in the Act and rules.

### **CSR Policy**

The Companies Act amendment for mandatory Corporate Social Responsibility measures is well thought out considering that despite so many advancements, India lags behind its peers in providing basic necessities like healthcare and education to its citizens. These two sectors are very pillars for uplifting the entire nation.

### **CSR Vision**

To contribute positively to the society and bring about sustainable change in the lives of the marginalized communities especially that of small and medium sized enterprise employees and their families aiming towards holistic development through innovative interventions in the area of health and education.

### **Guiding Principles**

- Sustainable and holistic community development comprising workers and employees of small and medium sized enterprises
- Special focus on women, youth and children.
- Adopting communities in cities where Allsec has business footprint.
- Preference to work with the most underprivileged section of the society.
- Compliance with local regulations

**Thematic Areas to support through CSR interventions are as under. The list of activities under the thematic areas is indicative and the actual activities on ground would be as per community's need which comes out of baseline survey.**

**EDUCATION** To equip out of school/in school children from the community with adequate educational skills, social values, communication skills, life skills, ethics and citizenship. Promote computer literacy and English language skills. As per need undertake school development activities to upgrade local schools for better quality education to community children

**HEALTH** To promote the health and wellbeing of the women, girls, men and youth in the community through clinics, health camps, awareness on institutional deliveries, immunization,

reproductive & child health, TB, HIV/AIDS, Malnutrition, Anemia, communicable & vector borne diseases etc.

VOCATIONAL TRAINING To impart skill building/vocational training to the family members of the SME workers thereby increasing their family income and bring them into main stream.

WOMEN EMPOWERMENT through educational skills and financial literacy to ensure that they are literate and financially independent. Imparting appropriate skill training to women and girls for enhancing their employability prospects.

CIVIC ISSUES To understand the community dynamics and challenges around local issues such as waste management, drinking water, women & child safety, improvement in sanitation, piping , drainage and disaster preparedness in situations such as fire and implement local and realistic solutions.

SOCIAL SECURITY empowering community access various government welfare schemes across health, education, food security, pensions & saving schemes etc.

### **Project Cycle**

The Company shall endeavour to spend on the CSR activities as prescribed under the Act and rules framed there under, as may be amended from time to time.

For the purpose of achieving its CSR objectives, the Company may partner with organizations like NGOs, Academic and Training Institutions, companies, the Government and other stakeholders for project implementation and facilitation of CSR Policy.

The selection of implementing partner and the due diligence parameters shall be conducted as per the internal policies of the Company as also as per the applicable regulatory requirements from time to time.

The implementation modalities may be modified from time to time, as per recommendations of the CSR Committee of the Company. Where required a needs assessment or baseline study will be conducted for initiating any project/program.

Based on the findings of the baseline / needs assessment, the project is developed defining the goals, objectives, project interventions, time lines, resources, indicators and roles and responsibilities of the community and the implementing partner(s).

All projects will have Key Performance Indicators (KPIs) to measure progress toward those goals and objectives set at the time of project definition. Based on the nature of the project, the KPIs will be defined and measured across various stages such as Inputs, Outputs, Outcome and Impact. A prime focus shall be to ensure a degree of self-sustainability of the initiative even after Allsec exits the specific project.

The project will define the beneficiary group as per the goal and the needs assessment / baseline study.

In case the funds are not exhausted in a financial year they will be carried forward by the Company.

The CSR Committee will perform a periodic assessment of the relevance, performance, efficiency and impact of the projects / programs.

The implementing partner will report on the program(s) and the expenditure on a regular basis in addition to a yearly report which will include programs undertaken along with the expenditure incurred on it, future plan of action for the subsequent financial year and balance carried forward, if any. In cases where there is co-funding in the project or multiple partners, the implementing partner will report to all.

The surplus funds arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

### **Corporate Social Responsibility Committee**

As per the requirements of recently enacted Act and rules framed there under, the Board of Directors on April 25, 2014 constituted CSR Committee. The mandate of the CSR Committee is essentially:

- To Formulate and recommend to the Board of Directors, the CSR policy
- Expenditure on CSR activities
- Monitoring of CSR policy from time to time
- Recommending CSR projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company
- Recommending the amount of expenditure to be incurred on CSR projects
- Monitoring Mechanism for the implementation of the CSR Projects or programmes or activities undertaken by the Company

### **Undertaking CSR activities & mode of implementation:**

The focus areas and projects will be prioritized by assessing their needs & potential impact. The Company shall undertake its CSR activities (projects, programs or activities) approved by CSR Committee through eligible Organizations or directly as approved by the CSR Committee.

Based on the need company may identify and implement multi-year CSR projects/programs ("Ongoing Projects") approved by CSR Committee & will be monitored by the CSR Committee and the Board of Directors of the Company ("the Board"), as required under Applicable Law.

CSR programs will be undertaken by the Company to the best possible extent within the defined ambit of the identified 'Thrust Areas'. The time period/duration over which a particular programme will be spread, will depend on its nature, extent of coverage and the intended impact of the programme.

The Company will implement the projects/programs either directly or through such eligible organization as per the need of the project/programs.

**CSR annual action plan:**

Further, as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 effective from 22nd January, 2021, the CSR Committee shall formulate and recommend to the Board, for the approval of an annual action plan which shall contain all matters which are required under Applicable Law and any other matters as the CSR Committee may deem fit from time to time. In pursuance of its CSR policy as required under Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the 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.

A certificate from the Chief Financial Officer or the person responsible for financial management shall be obtained confirming that the funds so disbursed have been utilized for the approved purposes, to be submitted to the Board.

**Monitoring:**

To ensure effective implementation of the CSR program undertaken, a monitoring mechanism will be put in place by the Company and/or Implementing Agency. The progress of CSR programs under implementation will be reported to the CSR committee periodically.

**Reporting & Disclosures**

Company will disclose the CSR Committee and its functions, CSR Policy approved by the Board, CSR reports in Company's annual report and also disclose the reason for not spending 2% of average net profit, if the Company fails to spend. In furtherance, CSR Policy shall also be displayed on the Company's website.

**Amendments to the policy:**

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The Board based on the recommendations of the CSR Committee of the Company may, subject to compliance with applicable law, at any time alter, amend or modify the CSR Policy as it deems fit to comply with the statutory obligation of the Company to undertake the CSR Activities.

**Effective Date of the Policy**

This Policy will come into effect from the date of approval of the same by the Board of Directors of Company.