
Policy For Corporate Social Responsibility

Overview

Sagility Operations Inc., its parent companies, affiliates, and subsidiaries (the “Company” or “Sagility”), as a socially responsible corporate entity, is committed to carrying out its Corporate Social Responsibility (“CSR”) through activities and initiatives that are aimed at the overall development of society with a major thrust on upliftment of the economically and socially weaker communities.

Sagility has a presence in various geographies around the world and actively strives to strengthen the CSR programmes across its various locations in all applicable geographies. Sagility embraces the power of change to create value and shared success for our clients, people, shareholders, partners, and communities. Corporate citizenship is fundamental to Sagility and the way the Company drives business. All of the Company’s CSR initiatives are driven by a partnership and engagement with the community.

The Company believes that engagement with social issues must be deep, meaningful and with long-term commitment. The Company’s CSR programmes are run on a strong foundation of ethical principles, good governance, and sound management along with a framework of transparent and rigorous reporting.

Sagility has been an early adopter of CSR initiatives as economic progress is closely linked to social and environmental stewardship here. CSR activities / initiatives by the Company will essentially focus on the following core areas such as Education, Sustainable Development, Youth Skilling, Water, Community Development, and other philanthropic and humanitarian activities. To carry out its CSR activities, the Company partners with various kinds of implementation partners with established track records in these areas of the Company’s interests.

Purpose

Enhance the Company’s identity as a responsible organization that leverages its organizational capabilities and enterprise to create positive impact for economically and socially weaker communities globally. The Company seeks to collaborate with multiple stakeholders including communities, customers, governments, and employees to achieve our goals.

Objectives

- a. To help engage in outcome-based CSR programmes that will impact and transform the lives of the communities with an additional focus on the Company’s operational locations globally
- b. To help Identify constituencies of economically and socially disadvantaged sections of the community and causes to work with, for undertaking CSR activities to attain sustainable development and all-round social improvement
- c. To encourage employees to participate in the Company’s CSR initiatives and to promote a unified and strategic approach towards CSR activities in an organized manner
- d. To enable funding or carrying out charitable and socially responsible activities
- e. To strive for business growth that positively impacts the community and has a minimal resource footprint
- f. To create a global impact through alignment with the United Nations Sustainable Development Goals (UN SDGs)

Governance

- a. The Global CSR programme will be governed by the Chief Administrative Officer of Sagility through the creation of a global CSR Forum comprising cross functional leaders across all geographies (“CSR Forum”)
- b. The CSR Forum will annually decide upon (not more than 4 CSR) themes for each year and ensure localized design and implementation of localized activities in line with the pre-decided themes
- c. The global DE&I and CSR Lead will create a central repository of CSR plans and progress and ensure the availability and distribution of reports and status updates
- d. The CSR Forum will meet every quarter, or as and when required, to study the progress and performance of the various CSR plans and initiatives and course correct if and where necessary.

India CSR Programme

The CSR programme of Sagility Limited (“SL”) will be carried out in accordance with Section 135 of the Companies Act, 2013 (“Act”) and related rules made thereunder (“Rules”)

1.1 CSR Activities

SL proposes to adopt one or more of the following CSR Activities in India as prescribed by applicable laws, including Schedule VII of the Act, as amended from time to time:

- i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.
- ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
- iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- iv) Ensuring environment sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- v) Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- vi) Measure for the benefit of armed force veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
- vii) Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- viii) Contribution to the Prime Minister’s National Relief Fund or Prime Minister’s Central Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;

- ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
(b) 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)
- x) Rural development projects;
- xi) Slum area development;
- xii) Disaster management, including relief, rehabilitation and reconstruction activities;
- xiii) Such other activities as may be prescribed in Schedule VII of the Act from time to time.

The following activities shall not be considered as CSR activities:

- a. Activities undertaken in pursuance of normal course of business of the company
- b. 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
- c. CSR activities that benefit only the employees of the Company and their families
- d. Contributions of any amount directly or indirectly to any political party under Section 182 of the Act
- e. Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services
- f. Expenses incurred by companies for the fulfilment of any Act/ Statute or regulations.

1.2 CSR Committee in India

- i. SL will constitute a CSR Committee in accordance with the requirements laid down under the Act.
- ii. The CSR Committee shall meet as often as necessary subject to the minimum number and frequency stipulated by the Board or as prescribed by the Act and Rules made thereunder.
- iii. The CSR initiatives and activities undertaken by SL will be formulated, monitored, and implemented through the CSR Committee.
- iv. The CSR Committee will set up a CSR Forum comprising of (not more than 10) cross functional leaders in SL, who shall be responsible for the implementation of the CSR activities, which have been approved by the CSR Committee.
- v. The CSR Forum will identify and evaluate various CSR initiatives/ projects and present a shortlist of Projects to the CSR Committee for their recommendation.

- vi. The CSR Committee will review the projects recommended by the CSR Forum and the required funding in accordance with the provisions of the Act and the rules thereunder and further recommend the Projects and expenditure to the Board* for approval.
- vii. The CSR Committee will formulate and recommend to the Board of Directors of SL (the “Board”), an annual action plan in pursuance of the CSR policy.
- viii. The CSR Committee will monitor the administrative overheads in accordance with the threshold prescribed in the CSR Rules.
- ix. The CSR Committee and the CSR Forum will formulate necessary monitoring mechanisms to enable the Board to satisfy itself that the funds disbursed for SL CSR activities and projects have been utilized for the purposes and the manner as approved by it
- x. The CSR Committee will review the Impact Assessment Report (if any) and place them before the Board , for approval.

The CSR Committee will conduct annual review to reassess the CSR policy for its adequacy for SL.

1.3 Implementation of CSR Activities in India

CSR activities may be implemented by SL by building capacities of its own personnel; or through a Registered Trust or a Registered Society; or a Company established by SL or its holding/ subsidiary/ associate company under Section 8 of the Act; or entity established under an Act of Parliament or a State legislature. In the event such Trust/ Society/ Section 8 Company is not established by SL or its holding or subsidiary or associate company, such Trust, Society or Company ('Implementing Agencies') shall have an established track record of three years in undertaking similar programs or projects.

The CSR Committee will recommend to the Board, the project proposals and budgets of the projects to be implemented through such identified Implementation Agencies. In the event CSR activities are undertaken through the Implementing Agencies, SL shall specify the projects undertaken, modalities of utilization of funds and the monitoring and reporting mechanism.

SL may also collaborate with other companies to undertake CSR projects or programs or CSR activities, provided the CSR Committee of the respective companies are in a position to report separately on such projects.

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

1.4 CSR Expenditure

- i. The Board to ensure that SL spends, in every financial year, at least 2% of the average net profit in the previous three years on CSR activities (Net profit to be calculated in accordance with the provisions of the Act and Rules made thereunder)
- ii. As far as possible and practicable, SL shall give preference to the local area and the areas where SL mainly operates to spend the amount earmarked for CSR activities. Further, the CSR activities, projects, or programs undertaken in India only shall be treated as CSR expenditure.
- iii. Surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of SL.

- iv. Any amount spent by SL in excess of requirement provided in any financial year, may be set off against the requirement to spend up to immediate succeeding three financial years, subject to Board approval.
- v. In the event SL fails to spend such amount (percentage) specified above for any reason, an explanation specifying the reasons for not spending the said amount shall be given in the Board's Report as required under the Act.
- vi. All activities/implementation expenditure of CSR are assessed under the agreed strategy and are monitored every quarter/year measured against targets and budgets including necessary corrections if required.
- vii. Treatment for unutilized CSR Funds (if any):
 - a. In case of on-going projects (i.e. multi-year project upto 3 years): SL shall open a special account, called 'Unspent Corporate Social Responsibility Account', for a financial year in any scheduled bank, to transfer the unspent amount w.r.t ongoing project(s) of that financial year, within 30 days from the end of the financial year.
 - b. Other than on-going projects (i.e. projects to be completed within the financial year): SL shall transfer the unspent CSR amount, other than the amount pertaining to ongoing projects, to any fund included in Schedule VII of the Act, within 6 months from the end of the financial year.

1.5 CSR reporting by SL

The Board's Report will include a Report on CSR containing particulars as specified in the Annexure to the Rules. Further, the Company shall disclose the constitution of the CSR Committee and the contents of the CSR Policy in its report and also place the Policy on the website (if any).

1.6 Amendment

The Board reserves the right to amend or modify the CSR Policy in whole or in part at any time without assigning any reason whatsoever. However, no such amendment or modification shall be inconsistent with the applicable provisions of the Act or any law for the time being in force

Disclosure

Updated CSR Policy shall be placed on Sagility's website and informed to all concerned

References

Companies Act, 2013 ("Act") and related rules made thereunder