

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY For Addverb Technologies Private Limited (“Addverb”)

1. Introduction

1.1. Addverb Philosophy

At **Addverb**, we are committed to the **Addverb** Group’s ‘Good & Green’ vision of creating a more inclusive and greener India. We never lose sight of our responsibility to the environment and society. Our commitments towards **Corporate Social Responsibility** include but not limited to, promotion of education and healthcare, energy and climate change, and betterment of the society through respect for universal human rights and the environment, acting with integrity and accountability and operating responsibly and sustainably.

1.2. CSR in India

Corporate bodies’ involvement in CSR activities is not a new concept in India. Industrial majors are engaged in social development activities since long back. However, the **Companies Act, 2013** has brought it under the legal purview. The concept of CSR is introduced through “Comply-or-Explain” mandate. It mandates qualifying companies to constitute Corporate Social Responsibility Committee to effectively monitor CSR activities of the Company. Further the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as “the CSR Rules”) lay down the framework and modalities for carrying out CSR activities which are specified in Schedule VII of the Act.

2. Objective and Scope

2.1. Objective

The main objective of the CSR Policy is to lay down guidelines for **Addverb** (hereinafter referred to as ‘the Company’) to make CSR as one of the key focus areas to adhere to **Addverb**’s global interest in environment and society that focuses on making a positive contribution to society through effective impact and sustainable development programs.

This Policy covers the proposed CSR activities to be undertaken by the Company and ensuring that they are in line with Schedule VII of the Act as amended from time to time. It covers the CSR activities which are being carried out in India only and includes strategy that defines plans for future CSR activities.

2.2. Scope & Coverage

The CSR activities of the Company shall include, but not limited to any or all of the sectors/activities as may be prescribed by Schedule VII of the Companies Act, 2013 amended from time to time. Further, the Company will review the sectors/activities from time to time and make additions/ deletions/ clarifications to the above sectors/activities.

3. Corporate Social Responsibility (CSR) Committee

3.1. Constitution

Pursuant to the provisions of Section 135 of the Act, the Board of Directors shall constitute the **Corporate Social Responsibility (CSR)** Committee. The Members of CSR shall be appointed by the Board of Directors of the Company which must consist of at least two or more Directors, out of which at least one director shall be an independent director.

3.2. Functions and Powers of Committee

To effectively implement the objectives of the Company with respect to CSR, the Committee is vested with the following functions and powers:

1. To formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company in compliance with the provisions of the Companies Act, 2013 and the rules made thereunder;
2. To recommend the amount of expenditure to be incurred on the activities referred to above;
3. To monitor the implementation of the Corporate Social Responsibility Policy of the Company from time to time;

4. To approve annual report on Corporate Social Responsibility activities to be annexed to the Board's Report; and
5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

3.3. Meetings of the Committee

For smooth functioning of the Committee, the members shall meet as below to discuss such matters and to take such decisions as may be necessary;

- a. The CSR Committee shall hold a minimum one meeting in a financial year.
- b. The members of the Committee may mutually agree between them regarding time and place for the said meetings.
- c. The quorum for the CSR Committee Meeting shall be two members.
- d. The Members of the Committee may participate in the meeting either in person or through video conferencing or other audio visual means as may be convenient.

4. CSR Spend

The Companies Act, 2013 prescribes that the companies which meet the criteria specified U/s. Sec. 135 shall allocate certain portion of its annual net profits (calculated as per Sec. 198) during the three immediately preceding financial years to be spent on CSR Activities that fall under the categories specified under Schedule VII of the Act.

4.1. CSR Expenditure

Net profit for the purpose of allocation towards CSR means profit more fully described under Section 135 of Companies Act read with rules made thereunder. The CSR expenditure shall include all expenditure including contribution to corpus or on projects or programs relating to CSR activities approved by the Board of Directors on the recommendation of its CSR Committee but does not include any expenditure on an item not in conformity or not in line with activities stated under Schedule VII of the Act.

4.2. Failure to spend the CSR Money

If the Company fails to spend the required amount in a particular financial year, it is the duty of the Committee to submit a report in writing to the Board of Directors specifying the reasons for not spending the amount, which in turn shall be reported by the Board of Directors in their Annual Report pertaining to that particular Financial Year.

Surplus, if any, arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

5. CSR Initiatives

Pursuant to Schedule VII of the Act and the CSR Rules, the Company shall undertake CSR activities included in its Annual CSR Plan, as recommended by the CSR Committee at the beginning of each year. The Committee is authorized to approve any modification to the existing Annual CSR Plan or to propose any new program during the financial year under review.

5.1. Annual CSR Plan

The Annual CSR Plan is a yearly plan of CSR activities that would be placed before the Board of Directors of the Company based on recommendation of its CSR Committee which outlines inter alia the following aspects of CSR initiatives of the Company:

- Project Proposals
- Targeted Beneficiaries and their key needs
- Alignment with Schedule VII
- Project Goals and milestones
- Activities and Timelines including expected closure dates
- CSR Budget with projections
- Monitoring mechanism
- Progress reporting and frequency of reports
- Risks and mitigation strategies

- Any other information as may be required by the CSR Committee

5.2. Collaboration

It is expressly allowed under the CSR Rules that the Company may collaborate with any other Company or association formed in this regard subject to approval by CSR Committee, to implement CSR activities and the same shall form a part of the Annual CSR Plan.

6. Reporting and publication of CSR policy

As per the CSR Rules, the contents of the CSR Policy shall be included in the Directors' Report and the same shall be displayed on the Company's website.

7. Monitoring Mechanism

An Internal Working and Monitoring Team may be set up by the Committee to ensure effective implementation and monitoring of the projects approved by the CSR Committee from time to time.

7.1 Reporting by Internal Working and Monitoring Team

The Internal Working and Monitoring Team, if any, will report / give feedback to the CSR Committee for all CSR projects undertaken.

The Internal Working and Monitoring Team, if any, shall submit reports to the CSR Committee of the Company at least once in six months on the progress of the various projects approved by the Committee and entrusted to the Group for implementation and monitoring.

8. Policy review and future amendment

The administration of the CSR Policy of the Company and the execution of identified CSR projects, programs and activities under it shall be carried out under the control and overall supervision of an internal monitoring group formed for this purpose.

Further, the Board of Directors may revise/ amend this CSR Policy based on the recommendations of the CSR committee or to bring the same in line with the guidelines or amendments issued from time to time by Government on the subject.

Motion
Reimagined.