

CSR Policy

ACUITY KNOWLEDGE CENTRE (INDIA) PRIVATE LIMITED

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Introduction

Acuity Knowledge Partners is a leading provider of high-value research, analytics, and business intelligence to the financial services sector. We support 350+ financial institutions and consulting companies with our team of 3,000+ subject-matter experts who work as an extension of client teams from our global delivery centres.

We EMPOWER our clients to drive revenue higher. We INNOVATE using our proprietary technology and automation solutions. We enable our clients to TRANSFORM their operating models and cost bases.

Social Responsibility Statement

Acuity Knowledge Partners extends its responsibility towards the development of communities in which it operates. It understands that a business can grow through a healthy society and its educated workforce, and that businesses should contribute towards the empowerment of communities. Acuity Knowledge Partners is a responsible corporate and believes that sustainability of its community is essential for ensuring business sustainability. Acuity Knowledge Partners promotes ethical and sustainable practices to create thriving community and build social capital.

Aims and Objectives

We believe every human is entitled to a world of opportunity and access. We recognize the value and potential each life holds in shaping a thriving ecosystem. Our approach to corporate social responsibility reflects our effort to propel community growth by harnessing individual's strength and enhancing community's knowledge capacities. By integrating skills with resources and promoting cross-sector collaboration, we work towards enabling communities to realize their acuity. As a responsible corporate, we aim to collaborate and integrate for a sustainable tomorrow.

Applicability and Scope of Policy

- This Policy is made pursuant to and shall be subject to section 135 of the Companies Act, 2013 ("**Act**").
- The CSR Policy shall be applicable only to Acuity Knowledge Centre (India) Private Limited ("**Acuity**" or "**the Company**").
- All the CSR programs and activities shall be conducted as per the CSR Policy in accordance with the Section 135 of the Act.

Composition of CSR Committee

CSR Committee shall comprise of minimum two directors of the Company or such number as prescribed by the Act and applicable to the Company from time to time.

Roles and Responsibilities of the CSR Committee

The CSR Committee shall be responsible for the following activities:

- To form, recommend, review and oversee the CSR Policy and CSR annual Action Plan;
- To recommend the amount of expenditure to be incurred on the CSR activities;
- To ensure that the CSR Policy, activities, annual action plans, and recommendations to the Board are in accordance with the applicable laws and rules;
- To ensure that there are adequate monitoring mechanisms and processes in place to enable effective implementation of the CSR activities and programs;
- To suggest amendments to CSR Policy as and when required after review and evaluation;
- To undertake all such other duties, assigned by the Board from time to time with regard to the CSR activities;
- To ensure that the CSR activities and programs are effectively implemented with the help of a specialized team; and
- To report on CSR initiatives undertaken during a financial year and justify to the Board any failure to spend the CSR budget.

Roles and Responsibilities of the Board

The Board of the Company shall be responsible for the following:

- To constitute a CSR Committee comprising of minimum two Board of Directors;
- To ensure that the CSR activities are undertaken by the Company;
- To ensure that CSR activities undertaken by the Company shall exclude those activities undertaken during the normal course of business. All CSR activities shall be within the broader framework of activities listed in Schedule VII of the Act;
- To approve the CSR Policy and disclose its contents in its report and on the Company website;
- To earmark at least 2 per cent of the average net profit of the preceding three years to CSR budget every financial year;
- To ensure that the Company spends, in every financial year, at least 2 per cent of the average net profits made over 3 preceding years;
- To ensure that the administrative overheads shall not exceed 5 percent of total CSR expenditure for the financial year;
- To approve the CSR Action Plan and Budget placed by CSR Committee;
- To monitor implementation of ongoing projects with respect to approved timelines and year-wise allocation;
- To ensure that the Company reports the CSR initiatives undertaken during a financial year;
- To report the reasons for inability to spend the stipulated CSR Budget, in case such amount is not spent during a financial year;
- To ensure the CFO certifies CSR fund utilized for the purpose and manner approved by the Board; and
- To approve carry forward of excess CSR spending to succeeding 3 financial years.

Utilization of CSR Funds

CSR funds allocated during a financial year (April 01 – March 31) shall be utilized within the same financial year (April 01– March 31) to avoid carry forward of funds to next financial year. Any amount remaining unspent from the CSR Budget shall not form part of the business profit of the Company. The surplus shall, within a period of 6 months of the expiry of the financial year, be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company. Or else, transferred within a period of 6 months of the expiry of the financial year to a Fund specified in Schedule VII of the Act.

Approach and Strategy

The Company approaches its CSR activities through a specific, measurable, achievable, realistic and time-bound manner. It believes in investing in development models that are sustainable and effective to address various social needs of communities. The Company shall engage the implementing agencies eligible under the Act for execution of CSR projects. The criteria for selection of such agencies will be based on their local connect, knowledge and experience in executing social projects in an effective manner. CSR Projects will be allocated to these agencies based on track record, expertise, strategic thinking and manpower to facilitate extensive social change. In addition, Company shall encourage its employees to contribute towards social causes through volunteering their time and skills.

Selecting Implementing Agency

The implementing agency shall make the Grant proposals in a specified Grant Proposal format along with the documents mentioned below:

- Registration certificate
- FCRA registration certificate
- 12A registration certificate
- 80G tax exemption certificate
- Last three years annual reports
- Last three years audit report
- Any third party assessments
- Action plan

Submission of grant proposal shall not imply that the proposal will be approved. Only the proposals submitted by nonprofits registered with the Central Government and received OFAC clearance shall be shortlisted. Proposals that are innovative in its approach and align with Acuity's CSR strategy shall hold priority over others.

After the proposals are shortlisted, respective nonprofits will be assessed. This will include a field visit and meeting with the nonprofit heads, board members and staff. The CSR team shall assess the following aspects of the nonprofit and proposed project:

- Community impact: Will the intervention benefit the broad community in a positive way and help them move towards sustainable economic independence?
- Financial need: Does the proposal demonstrate that there is a real need for financial assistance for the project being proposed?
- Management capability: Is the organization capable in administering the proposed program in a fair and transparent manner?
- Innovative solutions: Is the organization and the proposed project innovative in its strategy in delivering the intervention?
- Results: Will the organization monitor and evaluate the progress of the intervention with specific outcome indicators? Are the results measurable?
- Sustainability: Does the organization have a sustainability plan for the intervention?
- Exit: Does the organization have a clear exit strategy?

Implementation and Monitoring

- A separate CSR team at Acuity or at any of its associate companies shall be responsible for effective execution of all CSR activities;
- The CSR team shall assess eligibility of the activities, consolidate action plans and CSR proposals;
- The CSR team shall administer the CSR budget in compliance with the Act and with appropriate approvals from the CSR Committee and the Board;
- The CSR team shall conduct impact assessment by reviewing and monitoring the project by visiting the project area, as and when required. It may, at its sole discretion, also appoint an external agency to monitor and evaluate the project's progress;
- The CSR team shall update the CSR committee regularly on the progress of the CSR projects and activities; and
- The CSR team shall prepare the annual CSR Report and placing it before the CSR Committee.

Priority Areas

Acuity shall undertake CSR activities under the following areas as per Schedule VII of the Act:

- Eradicating hunger, poverty and malnutrition, promoting health care including 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.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- 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 art and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports
- Contribution to the prime minister's national relief fund or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defense Research and Development Organization (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- Rural development projects
- Slum area development.
- Disaster management, including relief, rehabilitation and reconstruction activities.
- Any other falls within the broader framework of activities listed in Schedule VII of the Act

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About Acuity Knowledge Partners

Acuity Knowledge Partners, formerly part of Moody's Corporation, is a leading provider of bespoke research, analytics, staffing and technology solutions to the financial services sector.

Headquartered in London, Acuity Knowledge Partners has nearly two decades of transformation experience in servicing over 300 clients with a specialist workforce of over 2,500 analysts and delivery experts across its global delivery network.

We provide our clients with unique assistance not only to innovate, implement transformation programmes and increase operational efficiency, but also to manage costs and improve their top lines.

Our expertise includes the following:

- Investment Banking: origination and trading support
- Investment Research support: covering all asset classes in terms of ideation, data science, and research support across the buy side and sell side
- Commercial Lending support: across origination, credit assessment, underwriting, and covenant and portfolio risk for all lending types
- Private Equity: origination, valuation and portfolio monitoring support
- Asset Management services support: across marketing, investment research, portfolio management/optimisation, risk and compliance
- Corporate and Consulting services: market and strategic research; survey work; treasury and counterparty risk support; and CEO office support, including M&A, FP&A and investor relations support
- Compliance support: AML analytics, KYC, counterparty credit risk modelling and servicing across banks, asset managers and corporates
- Data Science: web scraping, data structuring, analytics and visualisation These services are supported by our proprietary suite of Business Excellence and Automation Tools (BEAT) that offer domain-specific contextual technology.

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Acuity Knowledge Partners is assisted by Equistone Partners Europe, a leading private equity organisation that backs specialist growth businesses and management teams.