

# TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY ('POLICY')

## Purpose and scope

This Policy is prepared pursuant to the requirements of Section 135 of the Companies Act, 2013 (hereinafter referred to as 'the Act'), Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('Rules') including any amendment(s) / modification(s) thereof. The scope of this Policy is to set out the guiding principles for selection, implementation and monitoring of Corporate Social Responsibility ('CSR') activities for TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED ('Company') and for formulation of the Annual Action Plan for CSR activities. This Policy shall guide the CSR programs conducted by TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED in the geographies that we operate in.<sup>1</sup>

## Vision

**'Creating connected societies to advance the well-being of people and planet'**

Recognising the systemic, global challenges of equitable resource distribution, social inequality, environmental degradation and climate change, Tata Communications Transformation Services Limited envisions a future which has at its heart, both, social and planetary well-being.

Tata Communications Transformation Services Limited believes that the spread of technology and global interconnections has great potential to accelerate human progress. The United Nations recognises Information and Communications Technology as a 'means of implementation' for all the 17 Sustainable Development Goals ('SDGs').

In pursuit, Tata Communications Transformation Services Limited's focussed CSR programme seeks to translate its expertise in digital enablement to advance well-being that promotes inclusive growth, builds cohesive communities, and supports a healthy, harmonious co-existence respectful of our planetary boundaries.

## Preamble

CSR at Tata Communications Transformation Services Limited derives inspiration from Tata group's mission 'to improve the quality of life of the communities we serve globally through long term stakeholder value creation based on Leadership with Trust'.

Tata Communications Transformation Services Limited serves to *deliver a New World of Communications™* which, can and should create social value. It is also committed to making a positive, tangible impact on the environment and the society. Guided by this purpose and Tata group's philosophy, Tata Communications Transformation Services Limited shall leverage its core expertise, partnerships, infrastructure and other resources to facilitate sustainable development and create long term shared value for the communities it serves, focussed primarily on underserved, socially and economically backward groups, including, but not limited to, women, children, youth, Dalits & Tribals.

Complementing India's national priorities and policies which reflect the spirit of the SDGs, all efforts at Tata Communications Transformation Services Limited shall be aligned to complement action on the following 7 SDGs in accordance with our vision and ambition:

SDG 1- End poverty in all its forms everywhere

SDG 3- Ensure healthy lives and promote well-being for all at all ages

SDG 4- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

SDG 5- Achieve gender equality and empower all women and girls

SDG 8- Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

SDG 13- Take urgent action to combat climate change and its impacts

SDG 17- Strengthen the means of implementation and revitalise the global partnership for sustainable development

Home to nearly one-sixth of humanity, India's active participation is crucial in striving to achieve the SDGs by 2030. While CSR activities in India are aligned with activities as laid down in Schedule VII of the Companies Act, 2013, programs conducted outside India are selected based on the needs of the local community and alignment with Tata Communications' purpose and core competencies.

### Key focus areas and driving principles

Tata Communications Transformation Services Limited is committed to conducting its CSR activities in a manner which is rooted in ethics, promotes well-being, imparts resilience and supports regeneration. Keeping the community at the centre of development while recognising its inter-connectedness with natural environment, Tata Communications Transformation Services Limited identifies **Education, Sustainable Livelihoods, Healthcare and Environment** as priority areas for its CSR work, the driving principles of which are summarised below:

- 1. Sustainable Livelihoods:** Empowering youth and rural communities (especially women) economically and socially through vocational, entrepreneurship and life skills training which enhance access to resources, new technology and financial services thereby supporting them in becoming active contributors to the economy
- 2. Environment:** Integrating action on Climate Change, biodiversity, water, and energy into community initiatives and creating partnerships which promote environment restoration and regeneration

Tata Communications Transformation Services Limited would synergize with the programs and initiatives of Tata group wherever possible in a meaningful manner and provide support for disaster rescue, relief and rehabilitation in close co-ordination with the Tata group.

### Governance structure & management

The Board-appointed CSR Committee oversees the Company's societal obligations and its reputation as a responsible corporate citizen. The CSR Committee shall formulate and

recommend a CSR Policy and an Annual Action Plan to the Board which shall, among other things, include the following:

1. The list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act
2. The manner of execution of such projects or programs
3. The modalities of utilisation of funds and implementation schedules for the projects or programs
4. Monitoring and reporting mechanism for the projects or programs
5. Details of need and impact assessment, if any, for the projects undertaken by the company

The Annual Action Plan may be altered by the Board of Directors of the Company ('Board') as per the recommendation of the CSR Committee at any time during a financial year to provide scope for mid-course correction basis reasonable justification.

Once the Annual Action Plan has been approved by the Board, necessary funds will be disbursed to partner organizations. The disbursed funds shall be utilised solely for the purposes and in a manner as approved by the Board. The Chief Financial Officer or the person in-charge of financial management shall be responsible for certifying to the Board, on an annual basis, that the funds disbursed have been utilised solely for the purposes and in the manner as approved by the Board.

## Reporting

Tata Communications Transformation Services Limited believes transparent reporting on sustainability and CSR is a cornerstone of corporate citizenship. As a practice, Tata Communications Transformation Services Limited shall publish disclosures (including details on fund utilisation, unspent funds, set off amounts and impact assessment of projects or programs) on Business Risk Reduction (BRR) and CSR in the Annual Report of the Company in accordance with the requirements of the Act and the Rules. The company is also committed to make adequate disclosures, as required.

## Implementation

The implementation of the CSR programs approved by the Board in the aforementioned priority areas will be done through eligible entities/organizations, with an established, impeccable track record in their respective domains and the highest sense of ethics and integrity, in accordance with the requirements of the Act and the Rules.

The execution modalities with specific targets, outcome, activities, milestones and responsibilities of each party will be incorporated in the MoU signed between Tata Communications Transformation Services Limited and the implementing partner. As a practice, Tata Communications Transformation Services Limited establishes long term multi-year partnerships, to provide ample time for creating an impact. Tata Communications Transformation Services Limited may implement its CSR activities through ongoing projects as prescribed under the Act and the Rules. The duration, including extensions, if any, for such projects shall be in accordance with the applicable Rules and as approved by the CSR Committee or the Board.

## Monitoring and evaluation of CSR projects

The CSR Committee shall monitor and review the progress of the Annual Action Plan and the execution modalities of CSR programs including the details relating to the time period / duration over which each particular program will be spread and depending upon the nature of the program, the extent of coverage and the intended impact of the program.

All projects undergo quarterly monitoring with a defined, project specific Monitoring and Evaluation framework. Monitoring is done through a cloud-based tool that enables partners to upload real time data along with photographs and case studies. The tool facilitates last mile tracking and impact analysis. Additionally, regular interactions and site visits are conducted by the CSR team to assess the progress of the project and extend support, in terms of expertise, to the partner. The projects are appraised annually by the CSR team, to assess efficacy basis which, project engagements shall be reviewed for the consequent year and drawn in the Annual Action Plan for the approval of the CSR Committee and the Board.

Third party impact assessment is incorporated in project design and shall be undertaken for projects in accordance with the terms prescribed in the Rules. Details of such impact assessments would be presented to the CSR Committee / Board and disclosed in the Annual Report of the Company, as may be required in accordance with the Act and the Rules.

## Budget

The minimum funds allocated for CSR would be as per the Act. This Policy provides that the corpus of funds allocated for CSR activities in India would include at least 2% of the average net profits of the Company during three immediately preceding financial years (computed in accordance with the provisions of Section 198 of the Act read with the Rules). Should the Company's CSR spend in India exceed the requirements of Section 135 of the Act, the excess spend may be set off against the requirement to spend under Section 135 of the Act for up to three immediately succeeding financial years, subject to applicable provisions of the Act and the Rules.

Up to 5% of the total CSR expenditure of the Company in India in a given financial year, may be spent on general management and administration of CSR function in the Company. Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of the Company and shall either be ploughed back into the same project/program or transferred to the Unspent CSR account to be spent in alignment with this Policy and the Annual Action Plan of the Company or shall be applied in accordance with the provisions of the Act, Schedule VII and the Rules.

## Amendments to this Policy

This Policy shall be modified from time to time, to be compliant with any statutory requirements and/or operational changes. Such amendments to the Policy will be carried out in consultation with the CSR Committee and the Board as and when required.

Salient details of the CSR projects to be implemented by the Company, shall be published on the Company's website. This may be revised from year-to-year basis changes in projects.

TATA COMMUNICATIONS TRANSFORMATION SERVICES LIMITED shall follow this Policy, subject to applicability on them under the Act and the Rules.

---

<sup>1</sup> Explanation on geography: Tata Communications Transformation Services Limited recognises that being a Transformation Service Partner of Choice to leading Communications Service Providers, its sphere of influence extends beyond its immediate geographical presence. Thus, the selection of geographies for CSR projects shall be based on both, its business operations (aids in leveraging our infrastructure, network, resources and people) and 'Right thing to do'. The latter indicates Tata Communications Transformation Services Limited intent to reach underserved communities in locations which are in dire need of social interventions, (including due to historical, geographical isolation) with low values on Human Development indicators (such as 'Aspirational Districts' identified by the Government of India).