

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

PREFACE

Corporate Social Responsibility (CSR) is a concept whereby organizations serve the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.

CSR is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. CSR is, therefore, closely linked with the practice of Sustainable Development. CSR extends beyond philanthropic activities and reaches out to the integration of social and business goals.

Data Patterns (India) Limited (“the Company”) primarily recognizes that, a Company, being a business citizen should go beyond having profit-making objective, to develop the society within its reach and accordingly, take initiative to contribute towards welfare of various segments of society by undertaking socially and economically useful programs for sustainable development of the community and society at large.

PHILOSOPHY AND VISION

To align the Company's vision with that of the society and integrate sustainable development of the community and society into the Company's business model.

CSR OBJECTIVES

To be decided based on the activities that would be selected.

CSR ACTIVITIES

To attain its CSR objectives in a professional manner and integrated manner, the Company shall undertake the following:

1. eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;

5. 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;
6. measures for the benefit of armed forces veterans, war widows and their dependents;
7. training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
8. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
9. contributions or funds provided to technology incubators located within academic institutions which are approved by the central Government;
10. Rural development projects;
11. Slum area development;
12. Disaster Management, including relief, rehabilitation and reconstruction activities

Explanation: For the purposes of this item, the term “slum area” shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

CSR activities shall not include activities undertaken by the Company during the normal course of its business.

IMPLEMENTATION

Areas for undertaking CSR

For undertaking CSR activities and programmes, the Company shall give preference to the local areas and the periphery around which it is operating. The Company may also choose to undertake CSR activities and programmes at other places in India.

Long-term, medium-term and short-term activities

The Company may, depending on the programmes, activities and needs, decide and undertake long-term, medium-term and short-term CSR activities and accordingly plan the implementation.

Executing Agency

The Company will identify suitable activities and programme for implementation in line with aforesaid CSR activities of the Company.

These activities and programmes may be implemented by one or more of the following modes:

- (i) through a registered trust or society or a company under section 8 of the Companies Act, 2013 (Companies with charitable objects) having an established track record of three years in undertaking similar programs or projects; or
- (ii) through associate companies in India of the Company; or
- (iii) by collaborating with other companies for undertaking projects or programs or CSR activities; or
- (iv) directly undertake CSR activities by building CSR capacities of the Company's personnel.

FUNDING

In a financial year, the Company shall spend at least 2% of the average net profits of the Company made during the three immediately preceding financial years. In case of unspent amount necessary explanation to be given in the Board's Report.

The Annual CSR Budget will be approved by the Board of Directors of the Company upon recommendation by the CSR Committee.

Surplus arising out of the CSR activities and programmes shall not form a part of the business profits.

CSR COMMITTEE

The CSR Committee shall comprise the following Directors as its Members:

- i. Ms. Sabitha Rao, Independent Director
- ii. Mr. Mathew Cyriac, Nominee Director
- iii. Mrs. Rekha Murthy Rangarajan, Whole-time Director

The main functions of the CSR Committee shall be:

- (i) Recommend to the Board of Directors any modifications to this CSR Policy;
- (ii) Annually recommend to the Board of Directors, the amount of expenditure to be incurred;
- (iii) Institute a transparent monitoring mechanism for the implementation of the projects and activities.

MONITORING

For an effective implementation of CSR activities and programmes, an internal monitoring mechanism as approved by the CSR Committee will be put into force.

Internal Monitoring Mechanism shall ensure the following:

- (i) Prior approval of the CSR Committee for each spending
- (ii) Define Process Owners for each Activity/ different levels within each activity

- (iii) Periodic reporting to CSR Committee on the amount spent and activity/ies undertaken
- (iv) Impact measurement
- (v) Report consolidation and communication to the Board of Directors
- (vi) Annual review of CSR activities by the Board of Directors/ the CSR Committee.
