

TELSTRA TELECOMMUNICATIONS PRIVATE LIMITED
POLICY: CORPORATE SOCIAL RESPONSIBILITY (CSR)

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1 PREFACE

- 1.1 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.
- 1.2 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.

2 PHILOSOPHY AND VISION

- 2.1 Telstra Telecommunications Private Limited primarily recognizes that, a Company, being a business citizen should go beyond having profit-making objective and 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. Telstra Telecommunications Private Limited vision is to align with that of the society and integrate sustainable development of the community and society into its business model.
- 2.2 In alignment with its vision, Telstra Telecommunications Private Limited through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and Community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

3 CSR OBJECTIVES

The CSR Objectives of the Company are to build long term and sustainable partnerships with the communities around the Company based on the CSR activities that would be undertaken by the Company from time to time.

4 CSR IN INDIA

Section 135 of the Companies Act, 2013 (hereinafter referred to as the "Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the "Rules") as amended from time to time lays down the frameworks and modalities for carrying out CSR activities by the qualifying companies.

5 OBJECTIVES OF CSR POLICY

Objectives of this CSR Policy is to define the framework for undertaking CSR activities for achieving the CSR objectives of Telstra Telecommunications Private Limited and to lay down the guiding principles with respect to the following-

- CSR Spend
- Identification of CSR Projects
- Mode of implementation of the CSR Projects
- Formulation of an Annual Action Plan
- Manner of implementation of CSR Projects
- Manner of monitoring Mechanism of the CSR spend with respect to the CSR Projects undertaken by the Company

6 CSR Spend

6.1 CSR Budget

- 6.1.1 The Board of Directors shall ensure to spend at least two per cent of the average net profit made during the three immediately preceding financial years towards CSR activities / programs. The computation of average net profits shall be in accordance with the Act.
- 6.1.2 The Annual CSR Budget shall be approved by the Board of Directors of the Company on recommendation of the CSR Committee.
- 6.1.3 Any change in the CSR Budget already approved by the Board will have to be placed before the CSR Committee and the Board of Directors for further approval.
- 6.1.4 Any surplus arising out of the CSR activities and programmes shall not form a part of the business profits and shall be utilized for CSR activities in accordance with the Act. However, this spend shall not be considered for calculating the minimum 2% CSR spend as required under the Act.

6.2 Excess CSR Spend

- 6.2.1 Subject to the provisions of the Act, CSR spend in excess of the statutory requirement, may be set off against the requirement to spend towards CSR activities for the subsequent years with the approval of the Board.

7 IDENTIFICATION OF CSR PROJECTS

7.1 Areas for undertaking CSR activities

- 7.1.1 The Company shall identify suitable CSR activities and programs to be undertaken by the Company in the areas enumerated under Schedule VII of the Act as amended from time to time.

7.1.2 CSR Activities shall be undertaken strictly in conformity with the activities specified under Schedule VII and such other CSR activities as may be notified by the Ministry of Corporate Affairs from time to time.

7.1.3 Telstra Telecommunications Private Limited mainly focuses on below projects:

- Education
- Gender
- Environment/ Sustainability
- Health and
- Employability

7.2 For undertaking CSR activities and programmes, preference to the local areas and the periphery around which it is operating. It may also be opted to undertake CSR activities and programmes at other places in India. Depending on the programmes, activities and needs long-term, medium-term and short-term CSR activities may be undertaken.

8 MODE OF IMPLEMENTATION

The CSR activities are undertaken by the company itself or through:

- 8.1.1 company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company, or
- 8.1.2 company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
- 8.1.3 any entity established under an Act of Parliament or a State legislature; or
- 8.1.4 company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

9 CSR COMMITTEE

The Board shall constitute a CSR Committee of the Board of Directors (CSR Committee) consisting of at least two or more directors for reviewing and recommending the CSR budget and the Annual Action plan with respect to the CSR activities to be undertaken and to monitor the CSR spend and implementation of CSR activities by implementing agencies. The main functions of the CSR Committee shall be:

- i. Formulating CSR Policy and recommend the same to the Board of Directors for approval;
- ii. Recommending any modifications to the CSR Policy;
- iii. Recommending annual CSR Budget to the Board of Directors;

- iv. Review of the Annual Action plan and recommending the same for the approval of the Board of Directors;
- v. Periodic review of CSR spends and utilization reports issued by the implementing agencies;
- vi. Submitting periodic summary to the Board of Directors

10 ANNUAL ACTION PLAN

10.1 On the basis of the CSR activities or programs identified, the company shall prepare an Annual Action Plan including but not limited to the below mentioned details and submit to the CSR Committee:

- i. Details of CSR activities or programmes identified including the details of beneficiaries of the proposed CSR programs
- ii. Evaluating the activity to ensure it is in line with Schedule VII of the Act.
- iii. Location of the project
- iv. Amount allocated for the project
- v. Mode of implementation
- vi. Details of Implementing Agency which shall include the below details:
 - a. Registration Certificate under section 12A
 - b. Registration Certificate under 80G of the Income Tax Act, 1961
 - c. CSR Registration Number allotted by the Ministry of Corporate Affairs
- vii. Project duration which shall include the below details:
 - a. Timeline for contributing the CSR fund to the Implementing Agency
 - b. Timeline for utilization of the CSR fund by the Implementing agency
- viii. Monitoring and reporting mechanism for each CSR Project
- ix. Details of need of impact assessment, if any required to be undertaken for the CSR projects to be undertaken by the company as required under the Act.

10.2 The CSR Committee shall review the Annual Action Plan and recommend for the approval of the Board of Directors.

10.3 Any change in the details mentioned in the Annual Action Plan shall be approved by the CSR Committee and Board of Directors.

11 MONITORING MECHANISM

For an effective implementation of CSR activities and programmes, and monitoring the activities and spend, a monitoring mechanism comprising the following shall be stipulated:

11.1 Prior approval for each spending

- i. CSR activities/programmes shall be approved by the Sustainability office, CSR Committee and the Board of Directors before undertaking any CSR spend. For this purpose, a detailed

Annual Action Plan shall be formulated and placed before the CSR Committee and the Board of Directors for their review and approval.

Any deviation from Annual Action Plan placed before CSR committee and Board in respect of the below details shall be approved by the CSR Committee and Board.

Note: *In case if CSR activities are undertaken and CSR spend is made without prior approval, the same has to be ratified by Board in the next meeting.*

11.2 Execution of CSR Projects/Programs

The company shall work with the respective implementing agencies for making the CSR contribution and shall monitor the execution of CSR projects by the implementing agencies and utilization of CSR fund as per the Annual Action Plan approved by the Board.

For the above purpose, the Company shall enter into an Agreement with the respective implementing agencies which shall clearly mention the proposed CSR contribution, details of the CSR activities/programs including beneficiaries and location of CSR activities/programs, timeline for contribution by the Company and timeline for utilization of the CSR grant by the implementing agencies.

11.3 Periodic meetings of CSR Committee

The CSR Committee shall recommend to the Board of Directors CSR Budget, CSR activities/programs to be undertaken by the Company based on the Annual Action Plan. For effective implementation and monitoring of the CSR activities, CSR Committee shall meet at least once in a year. However, the CSR Committee may meet more frequently, if required.

11.4 Periodic summary to the Board of Directors

CSR Committee shall submit a periodic summary to the Board of Directors which shall include the following details:

- Status of CSR spend
- Status of utilization of the CSR fund by the implementing agencies
- Reason for any delay in utilization of the CSR fund by the implementing agencies
- Impact assessment wherever applicable

11.5 Unspent CSR Amount

- Any unspent CSR amount at the end of a financial year shall be reported by the CSR Committee 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 Report for that particular financial year.

Transfer of unspent amount to be treated in the following manner

In case if it does not relate to an ongoing project, if the CSR amount is not spent by end of financial year, then the unspent amount has to be transferred to government funds specified in Schedule VII within six months from the end of FY.

In case if it relates to an ongoing project then it shall be transferred to UCSRA [Unspent Corporate Social Responsibility Account] within a period of thirty days from the end of the financial year. If Company fails to spend this amount in the UCSRA account in 3 years, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

12 PUBLICATION OF CSR POLICY AND PROJECTS

Contents of the CSR Policy, CSR Projects approved and other details in compliance with the requirement under the Act shall be displayed on the Company's website, if any.

13 AMENDMENTS TO CSR POLICY

The Board of Directors of the Company shall have the powers to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations made by the CSR Committee to confirm to the revision/amendment, if any, to be made to the Act/Rules.

A. Version Control

Version	Date of approval by Board of directors	Description	Ownership
1	15 March 2016	CSR India policy	CSR India Committee
1.0	11 September 2019	CSR India policy	CSR India Committee
1.1	28 June 2021	CSR India policy	CSR India Committee
1.2	27 June 2022	CSR India policy	CSR India Committee
1.3	12 June 2023	CSR India policy	CSR India Committee