

Exl Service Policy: CSR POLICY	Policy No: Pol/india/CSR/04
Review Date: 30 th of March 2015	This Revision Supersedes: None
Issue Date: 4 th of Dec, 2014	Issued by: Board of <i>exl Service.com India (Private) Limited</i>
Effective Date: 4 th of Dec, 2014	Policy Category: Compliance Policy

CSR POLICY (version1.0)

exl Service.com India (Private) Limited

Contents

Corporate Social Responsibility	3
Corporate Responsibility Vision	3
Scope	4
Definitions:	4
Geographic Reach:.....	5
Objectives of CSR Policy:	5
Governance Structure:	5
Approval of CSR & Sustainability Projects/Activities:.....	7
Monitoring Mechanism:.....	8
Amendments to the Policy:	8
Key Initiative to be undertaken:.....	9
Annexure 1: CSR reporting format:	10

Corporate Social Responsibility

EXL is a business process solutions company that integrates operations management services, analytics and technology to deliver immediate results and long-term business impact. As a socially and environmentally conscious organization, EXL understands its larger responsibility toward its stakeholders. We have identified and adopted social issues which we can impact the most by leveraging our expertise and core competence. We look deeper into these issues to be able to design and implement programs that bring about definitive change in the community.

Corporate Responsibility Vision

EXL would like to position as an ethical and responsible company, by adopting responsible and inclusive business practices that recognize and respect the interest of its stakeholders.

Approach

- EXL strongly believes in building human capital for creation of employability in society. We as a learning organization engage with youth in skilling and up-skilling of their capabilities to secure meaningful livelihoods.
- EXL engages with communities in and around its operations base for securing education to underprivileged communities.
- EXL engages in ethical business practices with its partners, customers and vendors by maintaining highest standard of environmental, social and governance norms in its operations.
- EXL encourages strong and meaningful volunteering for its employees for sustainable outcomes in partner NGO's.
- To empower and enable our stakeholders to bring about positive change in their life and communities where they live.

Scope

EXL's (hereby referred to as the Company) CSR policy is developed in consonance to Section 135 of the Companies Act 2013 (referred to as the Act in this policy) on CSR and in accordance with the CSR rules (hereby referred to as the Rules) notified by the Ministry of Corporate Affairs, Government of India in 2014.

- The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act.
- This policy shall be applicable to exl Service.com India (Private) Limited including all its subsidiaries and all their employees.

Definitions:

In this Policy unless the context otherwise requires:-

- a) 'Act' means Companies Act, 2013;
- b) 'Corporate Social Responsibility' means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act 2013 and Companies Corporate Social Responsibility Policy) Rules 2014;
- c) 'Ministry' means the Ministry of Corporate Affairs
- d) 'Net Profit' means net profit as defined in Section 135 of the Companies Act 2013 and Companies Corporate Social Responsibility Policy) Rules 2014 as set out below:
- e) Net Profit as per financial statements prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:
 - i. any profit arising from any overseas branch or branches of the Company, whether operated as a separate company or otherwise; and
 - ii. any dividend received from other companies in India, which are covered under and complying with the provisions of Section 135 of the Act
- f) Words and expressions used in this CSR Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.

Geographic Reach:

In India Company shall undertake its CSR initiatives in its operational centers located at Delhi NCR and Pune. However, CSR initiatives are not just limited to the above geographies and the company may pursue them on the wish and need of stakeholders.

Objectives of CSR Policy:

This Policy shall be read in line with Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and such other rules, regulations, circulars, and notifications (collectively referred hereinafter as 'Regulations') as may be applicable and as amended/notified from time to time and will, inter-alia, provide for the following:

- > Establishing a guideline for compliance with the provisions of the Regulations to dedicate a percentage of Company's profits for CSR activities.
- > Ensuring the implementation of CSR initiatives in letter and spirit through appropriate procedures and reporting.
- > Creating opportunities for employees to participate in socially responsible initiatives.

Governance Structure:



Work group members to be identified by owners of respective regional working committees, members of work group should have concerns for social issues; he/she should be team player a team player with zeal to drive volunteers on ground.

Charter of the Board of Directors

- > Approving the CSR policy as formulated and recommended by the CSR Committee.
- > Ensuring that in each financial year the Company spends at least 2% of the average net profit before taxation excluding profits arising from overseas branches made during the three immediate preceding financial years. If the Company fails to spend such amount, the Board shall in its report, specify the reasons.
- > Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively and implementation is regularly monitored.
- > Disclosing in its Directors' Report the composition of CSR Committee, the contents of the CSR policy and place the CSR policy on the Company website in the manner prescribed.
- > Ensuring annual reporting of CSR policy to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.
- > Ensuring that the activities as are included in the CSR policy of the Company are undertaken by the Company.

CSR Committee

In compliance with section 135 of Companies Act 2013 your company has formed a Corporate Social Responsibility committee on 10th March 2014, Board committee comprises of

1. Mr. Pavan Bagai (Board Member)
2. Mr. Vishal Chhibbar (Board Member)
3. Mr. Vikas Bhalla (Board Member)
4. Ms. Shruti Jain (Permanent Invitee)

Charter of board committee:

- > Formulate and recommend a CSR policy to the Board
- > Recommend activities and the amount of expenditure to be incurred
- > Monitor the CSR policy from time to time

Executive Committee for CSR implementation:

An executive council is formed under the aegis and approval of CSR committee, the executive council on its part shall undertake day-to-day implementation and supervision of CSR projects/programmes.

Composition of Executive Committee:

1. CSR point person (Global Head, CSR & Chief sustainability officer)
2. Core members of CSR team
3. Finance controller
4. Head of internal Audit
5. Business Unit heads
6. HR BPs for businesses and functions

Roles of Executive Committee:

- > On ground execution of CSR projects
- > Financial planning and auditing of the projects
- > Monitoring, review and assessment of the projects
- > Collection and collation of reports from all project locations
- > Timely reporting of the progress to CSR committee

Regional / business working Committees:

1. Regional Head
2. All HR BPs for that region
3. Other members from business/ functions as nominated by the regional heads

Approval of CSR & Sustainability Projects/Activities:

All the corporate social responsibility projects shall be approved by Board Level Committee and ratified by Board of Directors. All subsequent purchase/procurement activities related to approved CSR & Sustainability Projects shall be processed as per “Board Approved Procurement and Disposal Procedure” of the company, as applicable.

It is hereby noted that the surplus arising out of the CSR projects/programs/activities shall not form part of the business profit of a Company.

NGO partner selection procedure:

NGO partner selection process in EXL is transparent and it provides opportunity to NGO's with transparent track record for execution of its CSR objectives.

Monitoring Mechanism:

The CSR Committee shall prepare a transparent monitoring mechanism for ensuring implementation of the projects proposed to be undertaken by the Company.

The CSR Committee shall have the authority to obtain professional advice from external sources and have full access to information contained in the records of the Company as well as the powers to call any employee / external consultant or such other person(s) and for such purpose as may be deemed expedient for the purpose of accomplishments of overall CSR objectives laid down under the Act.

Key components of monitoring:

- Appropriate documentation and amendments of the CSR Policy, annual CSR activities, reports on execution by CSR partner(s) and expenditures will be undertaken on a regular basis and same will be available to the Board of Directors of the Company.
- Initiatives undertaken on the CSR front will be reported in the Annual Report of the Company.
- The CSR Committee and persons / entities authorised by it, will conduct due diligence checks on the current projects/partners on a quarterly basis and report anomalies, if any, immediately.
- Based on analysis of current projects, carry out roadmap planning for allocation of budget and selection of projects. The same will be done at least once in a financial year.
- Plan and publish an annual calendar of major events so as strive for maximum participation of stakeholders/society.

Amendments to the Policy:

The Board of Directors on its own and/or as per the recommendations of CSR Committee can amend this Policy, as and when required as deemed fit. Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the Regulations on the subject as may be issued from relevant statutory authorities, from time to time. The decision of the Board of

Directors on all matters, relating to this Policy, shall be final and binding upon all concerned. This Policy is subject to continuous review and updates as may be required from time to time.

Key Initiatives to be undertaken:

- > Skill Development and employability trainings
- > Incubation centers in key institutions
- > Support to ongoing projects on school education and health

Other areas of intervention:

- > Eradicating hunger, poverty & malnutrition, promoting preventive health care & sanitation & 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 & hostels for women & orphans, setting up old age homes, day care centres & such other facilities for senior citizens & measures for reducing inequalities faced by socially & economically backward groups;
- > Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- > 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;
- > Rural development projects;
- > Reducing child mortality and improving maternal health by providing good hospital facilities and low cost medicines;
- > Providing with hospital and dispensary facilities with more focus on clean and good sanitation so as to combat human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- > Ensuring environmental sustainability, ecological balance, protection of flora & fauna, animal welfare, agro-forestry, conservation of natural resources & maintaining quality of soil, air & water;
- > Protection of national heritage, art & culture including restoration of buildings & sites of historical importance & works of art; setting up public libraries; promotion & development of traditional arts & handicrafts;
- > Measures for the benefit of armed forces veterans, war widows & their dependents;

Annexure 1: CSR reporting format:

Format for the Annual Report on CSR Initiatives to be included in the Board of Directors report on CSR to form part of the Annual Report and website of the Company

1. Brief outline of Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.
2. The composition of the CSR Committee.
3. Average Net Profit of the company for last three financial years
4. Prescribed CSR Expenditure (two percent of the amount as in item No. 3 above)
5. Details of CSR spent during the financial year:
 - a. total amount to be spent for the financial year:
 - b. amount unspent:
 - c. manner in which the amount spent during the financial year is detailed below:

S. No.	CSR project identified	Sector in which the Project is covered	Projects 1.Local area/others - 2.Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project/ program s wise	Amount spent on the project /programs Subheads: 1.Direct expenditure on project, 2.Overheads	Cumulative spend up to the reporting period	Amount spent: Direct /through implementing agency*
1.							
2.							

*Details of implementing Agency

6. In case the Company fails to spend the 2% of the Average Net Profit (INR) of the last 3 financial years, the reasons for not spending the amount shall be stated in the Board report.
7. Responsibility statement, of the CSR Committee, that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Duly signed by Director/Managing Director and Chairman of the CSR Committee

Version History

Preceding Version No	Effective Date of the Change	Approved By	Description of Changes/Revision
0		Board of Company	Introduced/ Released