

FIRSTSOURCE SOLUTIONS LIMITED CORPORATE SOCIAL RESPONSIBILITY POLICY

Master List Ref HR-P-060	Release Date December 2014	Review Date February 2022	Next Review Date February 2023
Version: 1.1	Process Owner Human Resources	Reviewed by Sankara Mahalingam, Lead - CSR	Approved by Shuchika Sahay, CHRO

This document is the sole property of Firstsource Solutions limited. Any use or duplication of this document without express permission of Firstsource Solutions limited is strictly forbidden and illegal.

Index

THE RP-SANJIV GOENKA GROUP.....	2
FIRSTSOURCE SOLUTIONS CSR POLICY.....	3
PREAMBLE.....	3
OBJECTIVE & SCOPE	3
VISION	4
MISSION	4
DEFINITION	5
GOVERNANCE.....	5
ROLES AND RESPONSIBILITIES: BOARD OF DIRECTORS	6
CONSTITUTION OF THE CSR COMMITTEE.....	6
CSR BUDGET	7
IMPLEMENTATION	8
MONITORING	9
REPORTING.....	9
AMENDMENT IN CSR POLICY	9
AREAS FOR CSR INTERVENTION	9
ANNEXURE 1: SCHEDULE VII, COMPANIES ACT 2013	15

THE RP-SANJIV GOENKA GROUP

Since its establishment as a family business by Ramdutt Goenka in 1820, the Goenkas have constantly innovated and diversified, adapting to changing times and laws, evolving from the domains of banking, textiles, tea and jute, to new-age industries such as Retail, IT and Communications, Entertainment, Power, Transmission, Tyres and Life Sciences. The RP-Sanjiv Goenka Group has diversified business interests across multiple sectors, such as Power & Natural Resources, Carbon Black, Retail, Media & Entertainment and IT & Education, and includes the Groups flagship companies such as CESC Ltd, Spencer's Retail Ltd., Firstsource Solutions Ltd, Phillips Carbon Black Ltd and Saregama India Ltd, among others.



The RP-SG Group Companies are market leaders across diversified segments and its entities are listed hereunder:

- **Calcutta Electric Supply Corporation or CESC Ltd.**, a flagship Group Company, is the fourth largest private sector power utility company in India and is distributing power to the city of Kolkata and adjoining areas
- **Firstsource Solutions Ltd.**, is among the top three pure play BPO companies in India and offer services across different verticals like BFSI, Telecommunication & Media, Healthcare and Publishing
- **Phillips Carbon Black Ltd.**, is the largest producer of Carbon Black in India and seventh largest in the world
- **Noida Power Company Ltd.**, has been distributing power in Greater Noida, UP, that is fast developing as an industrial hub and urban settlements
- The Group is the master franchisee of **Au Bon Pain**, USA in India and has cafes spread across high street and malls, business & IT parks, hospitals and universities
- **Spencer's Retail Ltd.**, is a pioneer in organized retail in India

Through the values and principles inherent within the Group, we strive to positively impact the community by promoting inclusive growth in the areas of education, healthcare and environmental sustainability & conservation.

FIRSTSOURCE SOLUTIONS CSR POLICY

Firstsource Solutions Limited [“Firstsource” or “the Company”] seeks to be a good corporate citizen in all aspects of its operations and activities. We commit to operating in an economically, socially and environmentally responsible manner whilst balancing the interests of diverse stakeholders. The way Firstsource does business reflects its commitment to profitable growth, sustainable development and integrity.

PREAMBLE

It is our constant endeavour to work towards building sustainable livelihoods and for the development of the underserved in our society. We wish to transcend the boundaries of conventional business and industry modalities and integrate good business practices with community development.

The Group has upheld its tradition of community service across the country and reached out to the underserved in order to empower their lives and provide holistic development. CSR activities and efforts are constantly being made by Group Companies in the core focus areas of providing quality educational support to students from the disadvantaged sections of society; improved access to healthcare services, and awareness building regarding efficient use of energy resources. Thus, we strive to reach out to the community at large and provide services that create holistic development and operate in alignment with the Group’s philosophy. With this in view, we have framed this Policy which will be called as Firstsource Solutions Corporate Social Responsibility Policy (the “CSR Policy”).

CSR Policy means a statement containing the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

Our CSR policy focuses on leveraging the full range of the company's resources — people, skills, expertise and funding — to broaden access to basic facilities for the underserved in India.

OBJECTIVE & SCOPE

The objective of this CSR Policy is to formalize and institutionalize our efforts in the domain of corporate social responsibility. This CSR Policy shall serve as a guiding document to help identify, execute, and monitor CSR projects in keeping with the spirit of the CSR Policy. Further to the RP-SG Group philosophy, in accordance to compliance with Section 135 and other related clauses, schedule VII and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the “CSR Rules”) under the Companies Act, 2013 (“the Act”):

1. The RP-SG Group and Firstsource recognize the importance of good corporate governance and corporate social responsibility. We seek to promote and strengthen the trust of our shareholders,

other stakeholders and the public; operating in accordance with good corporate governance and corporate social responsibility practices is inherent in the Group's philosophy

2. Our CSR Policy shall be governed and guided by our Group's corporate vision to enable inclusive growth, and our aspiration to be India's leading business group serving multiple market segments, for our customers, shareholders, employees and community
3. To this endeavour, we shall strive to demonstrate the highest standards of ethics and act in accordance with the applicable law for the best interests of our shareholders, stakeholders and society
4. This CSR Policy will apply to all projects/programs undertaken as part of Firstsource's Corporate Social Responsibility and will be developed, reviewed and updated periodically with reference to relevant changes in corporate governance, international standards and sustainable and innovative practices
5. The Group's and Firstsource's CSR Policy have been framed and formulated in accordance with Section 135 and Schedule VII of the Act, and the CSR Rules (Kindly refer Annexure 1 for activities under Schedule VII of the Act)
6. This CSR Policy applies to all stakeholders of Firstsource India, including all directors, employees (permanent, contract and part-time) and share holders

RP- SG GROUP CSR VISION

To be a leading and socially responsible Indian Group empowering lives by providing access to healthcare facilities, education, skill development, livelihood opportunities including in sports, arts, etc to improve the overall quality of life.

RP- SG GROUP CSR MISSION

The Group's mission is to implement CSR programmes that assist to create a nurturing and empowering environment in the Indian society for honourable livelihood, pursuit of inherent human talents, all of which lead to social and economic development of the community. Our strategy is to enhance, empower and integrate the activities in healthcare provision, community development, social responsibility and sustainable livelihoods, and encourage each business unit or function to include these considerations into its operations. To achieve the same, the RP-SG Group will constantly strive to review and improve its efforts to positively contribute towards the well-being and welfare of the people across the country, especially across its area of operations. It would ensure the same by continually reviewing and improving its efforts to conduct responsible business practices, uphold the highest ethical standards in all its engagements, and take the extra initiative to reduce damaging impacts on the environment and to nurture a workplace of diversity and inclusion.

DEFINITION:

‘Act’ means the Companies Act 2013 and Rules made thereunder, including any amendment or modifications thereof.

‘Board of Directors’ or **‘Board’** means the collective body of the Directors of the Company.

“Administrative overheads” means the expenses incurred by the company for ‘general management and administration’ of Corporate Social Responsibility functions in the company but shall not include the expenses directly incurred for the designing, implementation, monitoring, and evaluation of a particular Corporate Social Responsibility project or programme.

“Ongoing Project” means a multi-year project undertaken by a Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced, and shall include such project that was initially not approved as a multi-year project but whose duration has been extended beyond one year by the board based on reasonable justification.

“International Organisation” means an organisation notified by the CG as an international organisation under section 3 of the United Nations (Privileges and Immunities) Act, 1947, to which the provisions of the Schedule to the said Act apply.

GOVERNANCE

The approval of the CSR policy and oversight is the responsibility of Firstsource’s Board of Directors. The responsibility of the CSR committee is to promote the strategy and to administer the CSR Policy through implementing partner(s) or via self-implementation or via own Foundation. The CSR Committee shall provide guidelines for projects/partner selection to the respective HR or CSR teams, wherever applicable. The CSR committee is to ensure that projects/programmes are compliant with regulations and are monitored and reported effectively. As the Group’s CSR activities evolve, the CSR Policy may be revised by the CSR committee and approved by the Board of Directors.

ROLES AND RESPONSIBILITIES: BOARD OF DIRECTORS

The Board of Directors (Board) of Firstsource Solutions Limited will be responsible for:

1. Approving the Company’s CSR Policy
2. Disclosing the CSR Policy’s content in its report and placing the CSR Policy on the Company’s website in such a manner as prescribed under Section 135 of the Act read with the CSR Rules

3. Ensuring that the Company spends, in every financial year, at least two percent of the Company's average net profit, made during the three preceding financial years towards CSR activities
4. In an unlikely circumstance wherein the Company fails to spend the stipulated CSR amount during a financial year, the Board is responsible for ensuring that it specifies the reasons in its report for not spending the earmarked amount
5. The Board shall have the power to make any change(s) in the constitution of the CSR Committee

CONSTITUTION OF THE CSR COMMITTEE

For effectively carrying out the CSR objectives, the "Corporate Social Responsibility Committee" (the "CSR Committee") will be constituted by the Board as per the provisions mentioned under the Act, read together with the CSR Rules, 2014, as amended from time to time, to ensure that the purpose of this CSR Policy is being effectively served.

Composition of the CSR Committee

For the relevant financial year, the Board's report shall disclose the composition of the CSR Committee which is as follows:

The CSR Committee shall consist of at least 3 (three) Directors, amongst whom, one director shall be an "Independent Director"

The composition of the CSR Committee of the Board is as under.

S No	Name	Designation/ Category
1	Mr. Shashwat Goenka	Chairman
2	Mr. Vipul Khanna	Committee Member
3	Mr. Subrata Talukdar	Committee Member

Roles & Responsibilities of the CSR Committee

The roles and responsibilities of the CSR Committee are as follows:

1. Prepare, revise and modify the CSR Policy and place the same with the Board of Directors for its approval
2. Ensure that the programmes/projects undertaken by the Company on its own or through the implementing partner are aligned with the approved CSR Policy of the Company and are also aligned to Section 135 of the, Act read with Schedule VII to the Act and the CSR Rules

3. Will provide guidelines for selection of projects/programmes or implementing partners to the respective HR or CSR teams, wherever applicable
4. Review and approve annual budgets with respect to CSR programmes
5. In case the Company is not able to spend the stipulated two percent of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board; the reasons shall also be included in the Board's report
6. Receiving reports from Implementing Partners to assess the performance and effectiveness of projects supported by the Company
7. Reviewing the findings and recommendations regarding the CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants
8. Respond to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Company's CSR supported initiatives
9. Ensure that Firstsource's website displays the approved CSR Policy
10. Develop and institutionalize a CSR reporting mechanism in light with Section 135 of the Act and Rule 8 of the CSR Rules
11. Formulation of Annual Action Plan.
12. And any other responsibility, as may be suggested by the Board of Directors

CSR BUDGET

The CSR Committee shall recommend the amount of expenditure to be incurred on the CSR activities to be undertaken by the Company as specified in Schedule VII of the Act, subject to a minimum of two percent of the Company's average net profit, made during the three preceding financial years.

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of the Company.

Treatment of surplus arising out of the CSR activities and excess amount spent on CSR shall be as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 or any modifications or amendments made from time to time.

To transfer the unspent CSR amount to any fund included in schedule VII of the Act, as per the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 or any modifications or amendments made from time to time.

IMPLEMENTATION

Firstsource Solutions Limited shall undertake CSR project/programmes as listed in 'Areas for CSR intervention' below that are closely linked with the principles of sustainable development, with the involvement of local institutions and the community at large.

Firstsource will tie up with NGO's to create a multiplier effect of its CSR programmes/ projects.

The CSR Committee will oversee the implementation and monitoring of all CSR projects/programmes and periodic reports shall be provided for review to the CSR Committee.

In case of ongoing project, the Board of a Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer ("CFO") or the person responsible for financial management shall certify to the effect.

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- (a) the list of CSR projects or programmes that are approved to be undertaken;
- (b) the manner of execution of such projects or programmes;
- (c) the modalities of utilisation of funds and implementation schedules;
- (d) monitoring and reporting mechanism; and
- (e) details of need and impact assessment, if any,

Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

MONITORING

The Company will institute a well-defined, transparent monitoring and review mechanism to ensure that each CSR project/programme have:

1. Clear objectives developed out of the societal needs that may be determined through need assessment studies and research (secondary or primary)
2. Clear targets, time lines and measurable indicators wherever possible

3. Modalities of execution of such CSR project or programme as well as the implementation schedule
4. A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Act and the CSR Rules

The CSR Committee assigns roles and responsibilities to the relevant team towards monitoring of the CSR activities and would have the responsibility of monitoring approved projects and funds disbursements for such projects. Monitoring mechanisms may include visits, meetings, and progress reports.

With regard to the budget, Firstsource will establish an accounting system that will allocate and account for CSR spend across projects and programmes.

The implementation schedule will make mention of the Focus area and the specific activity which Firstsource will be focusing on. It will also highlight the Time Period, projected as well as Actual spend for the activity. Reasons for the variance will also be captured in the schedule which will be reviewed on a periodic basis.

REPORTING

The Company will monitor progress of CSR projects and expenditure on a quarterly basis and will report impact to the Board/ CSR Committee

The Company will report its CSR performance in its annual Board of Directors' Report as per the structure and format prescribed in the notified CSR Rules of Section 135 of the Act, from time to time.

AMENDMENT IN CSR POLICY

Any modification/amendment in the CSR Policy shall be carried out by the "CSR Committee" with the approval of the Board of Directors of the Company.

AREAS FOR CSR INTERVENTION

Firstsource has adopted a focused and structured approach towards implementing its CSR initiatives. It has identified thematic and programme areas to guide the design, intent and approach of its CSR initiatives. We shall strengthen and enhance our footprint in the areas we are currently working in, and wish to explore opportunities and further expand to new focus areas aimed at community development around our areas of operation.

The CSR Committee will select projects and programmes and will also guide on the execution that will be used to deliver and implement the projects/programmes on time within budget. The broad guidelines for selection of projects are given below and can also expand to various options as mentioned in Annexure I

- The Company will ensure that its CSR projects are non-discriminatory in nature and do not have any restrictive political or religious affiliations

- The programmes/projects will be within the areas recommended and/or listed by the CSR Committee and mentioned in the CSR Policy
- Programmes/projects will not be in pursuance with the Company's normal course of business
- The programmes/projects will be implemented within the country and preferably in areas where the company has its presence
- The Company will consider programmes/projects closely linked with the principles of sustainable development
- The Company will actively consider programmes/projects that have been identified by employees and also those where employees are directly involved through volunteering efforts
- Programmes/projects will not be exclusively for the benefit of the Company's employees or their family members
- Any surplus generated out of the Company's CSR activities will be re-invested back to the CSR initiatives of the Company

Firstsource Solutions Limited Areas for CSR Intervention

In the coming years, Firstsource will attempt to focus on the following areas for CSR Intervention. These are to be considered by the CSR Committee for implementation purposes periodically. We will look to engage employees in our focus areas where possible through programmes like payroll giving, volunteering and fund- raising.

Programme Focus Area 1

Category: **Healthcare**

Mapped to: Clause i, Schedule VII, Section 135 of the Act: "Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare 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"

The CSR initiatives within this programme focus area would be driven to promote healthcare and preventing diseases amongst the community members focusing more on the people who are currently at the bottom of pyramid (BoP) or located in areas (rural or urban) where there are lesser provisions of quality public health services.

a. Setting up Hospitals, health centres and rural dispensaries

Provide support for instituting hospitals/primary health centres that cater to the needs of the community lacking access to basic healthcare facilities and services. These health centres shall reach out to the underprivileged who require good quality and highly subsidized treatment and reduce the prevalence of diseases such as pneumonia, diarrhea, malaria and anemia etc.

b. Providing better sanitation services to the community

Firstsource will attempt to undertake provision of clean and safe drinking water to the communities

c. Collaborating with organizations that deliver localized community healthcare programs and awareness campaigns in nearby villages/municipalities

Firstsource, in consultation and/or collaboration with the community undertake the provision of better sanitation services. Activities may include conducting awareness campaigns on improved sanitation techniques, easy access to safe drinking water and water storage and treatment techniques to reduce the spread of water borne diseases

d. Family Welfare

Firstsource may tie up with NGOs/Organizations dealing with educating the rural population regarding reproductive health, maternal health, pediatrics, etc.

Employee Engagement: Where possible we will try and create avenues for employee participation by partnering with NGOs who can help create and manage payroll giving or volunteering programs

RP-SG Group Initiatives: Where possible Firstsource will provide support to programmes or initiatives being run by the group

Programme Focus Area 2

Category: **Education**

Mapped to: Clause ii, Schedule VII, Section 135 of the Act: “Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects”

- a. Support technical training institutes, skill development centres, non-formal vocational programmes for the purpose of creating livelihood opportunities, soft skill training etc. to the rural youth
- b. Enhancing the access to employment opportunity by providing vocational or special training/ skills training related to the field of IT enabled services, BPO services etc.
- c. Support to or collaboration with technical/vocational training institutions for overall self- development and capacity building of the youth
- d. Undertake adult literacy programmes for the disadvantaged sections of society

Employee Engagement: Where possible we will try and create avenues for employee participation by partnering with NGOs who can help create and manage payroll giving or volunteering programs

RP-SG Group Initiatives: Where possible Firstsource will provide support to programmes or initiatives being run by the group

Programme Focus Area 3

Category: **Environment**

Mapped to: Clause iv, Schedule VII, Section 135 of the Act: “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”

- a. Undertaking tree plantation drives within the community (including taking care of the saplings) and work towards ‘Green Belt Development’
- b. Undertaking projects such as, provision of sanitary landfills and / or other environmentally sensitive waste management techniques
- c. Disaster Relief: We will support disaster relief efforts through NGOs working in this area, where possible

Employee Engagement: Where possible we will try and create avenues for employee participation by partnering with NGOs who can help create and manage payroll giving or volunteering programs

RP-SG Group Initiatives: Where possible Firstsource will provide support to programmes or initiatives being run by the group

Programme Focus Area 4

Category: **Art & Culture**

Mapped to: Clause v, Schedule VII, Section 135, Companies Act 2013: “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”

- a. Preservation of ancient Indian manuscripts
- b. Preserve cultural heritage by protecting the monuments, preserving the archival materials and safeguarding the classical, folk and tribal traditions
- c. Maintenance and conservation of the monuments and sites of archaeological and heritage value
- d. Promotion of literary, visual and performing arts and preservation of ancient traditions such as ancient Indian musical instruments
- e. Collaborate with organizations promoting and propagating Indian art and culture

- f. Maintenance, preservation and conservation of archival records and archival libraries
- g. Promotion and strengthening of regional and local museums

Programme Focus Area 5

Category: **Gender equality and women empowerment**

Mapped to: Clause x, Schedule VII, Section 135 of the Act: “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”

- a. Building and strengthening partnerships with civil society organizations, particularly women’s organizations for spreading awareness in rural areas, regarding the equal rights for women in all spheres – political, economic, social, cultural and civil
- b. Empower women by supporting them in the formation of self-help groups and facilitate establishing linkages with financial institutions for availing loans to start small enterprises

Employee Engagement: Where possible we will try and create avenues for employee participation by partnering with NGOs who can help create and manage payroll giving or volunteering programs

RP-SG Group Initiatives: Where possible Firstsource will provide support to programmes or initiatives being run by the group

Programme Focus Area 6

Category: **Promoting Sports**

Mapped to: Clause vii, Schedule VII, Section 135, Companies Act 2013: “Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports”

1. Build infrastructure and facilities to promote and propagate sports of various kinds, by putting together offices, residential facilities, grounds, etc.
2. Set academies for facilitating sports management.

Employee Engagement: Where possible we will try and create avenues for employee participation by partnering with NGOs who can help create and manage payroll giving or volunteering programs

RP-SG Group Initiatives: Where possible Firstsource will provide support to programmes or initiatives being run by the group

Programme Focus Area 7

Category: Contribution to PM’s National Relief Fund/ any other fund set up by the Central Government

Mapped to: Clause viii, Schedule VII, Section 135 of the Act: “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, and other backward classes, minorities and women”

ANNEXURE 1: SCHEDULE VII OF THE COMPANIES ACT 2013

Clause #	Description
Clause (i)	Eradicating hunger, poverty and malnutrition, promoting health care including 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
Clause (ii)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
Clause (iii)	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
Clause (iv)	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
Clause (v)	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
Clause (vi)	Measures for the benefit of armed forces veterans, war widows and their dependents
Clause (vii)	Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports
Clause (viii)	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, and other backward classes, minorities and women