TECH MAHINDRA LIMITED CSR POLICY

Version 3

ABSTRACT

The document outlines the Vision and Policy of Tech Mahindra Limited towards Corporate Social Responsibility, in accordance with Section 135 of the Companies Act 2013 and the Rules thereunder.

Rakesh Soni

Contents

Introduction

Tech Mahindra Limited (TML) is a leading global enabler of digital transformation, consulting and business re-engineering services and solutions. Part of the eminent Mahindra Group, TML has a presence across 90+ countries with more than 125,000 employees. The company strives to deliver seamless and integrated experiences across digital, physical, and convergent dimensions.

Tech Mahindra Limited has been a socially responsible company since inception, and has been contributing towards CSR activities to benefit socioeconomically disadvantaged communities in India.

Abstract

The document outlines the Vision and Policy of Tech Mahindra Limited towards Corporate Social Responsibility, in accordance with Section 135 of the Companies Act 2013 and the Rules thereunder. It also incorporates the provisions of the amendments made to the said Act & the Rules made thereunder by the Government of India including the Amendments made in January 2021.

Short Title and Applicability

This Policy is titled as the 'TML CSR Policy' and it shall apply to all social responsibility initiatives and activities taken up by the Company & its subsidiaries in India for the larger benefit of the society.

CSR Vision and Objectives

CSR Vision

The CSR vision of Tech Mahindra Limited is **_"Empowerment through Education."_**

The company strongly espouses the belief that Education is the cornerstone for the progress of any individual, community, or nation. Hence, in its CSR vision, the company commits itself to creating a better world, in alignment with the Mahindra Group's overarching credo of "RISE",

through the invincible force that Education is. However, we define Education in a way that is much broader than it is normally held connotation of being associated with learning at an early stage of life through a formal association with an institution. For us, Education denotes a lifelong continuum of learning, development, growth, and progression that can span an entire lifetime.

In addition, Corporate Social Responsibility for us also means responsible business practices through the involvement of all stakeholders in the decision-making process and in operations. It entails having business policies that are ethical, equitable, environmentally conscious, gender sensitive, and empathetic towards the differently abled.

Tech Mahindra Limited thus commits itself to creating a more equitable and inclusive society by supporting processes and programs that lead to sustainable transformation and social integration.

Objectives of the Policy

The objectives of this policy are to:

● Demonstrate commitment to the common good through responsible business practices and good governance;
● Actively support and be aligned to the State's development agenda as well the Sustainable Development Goals adopted by the United Nations Member States in order to ensure sustainable change;
● Set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models;
● Engender a sense of empathy and equity among employees of TML to motivate them to give back to the society.

Scope of Activities

The scope of the CSR Activities of TML will include, but not limited to, the following:

(1) promoting education, including teacher education/training, special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

(2) Promoting educational institutions including private universities to promote technical education.

(3) promoting gender equality and empowering women, and measures for reducing inequalities faced by socially and economically backward groups.

(4) promoting healthcare including preventive healthcare

The above list is illustrative and not exhaustive. The CSR Committee constituted by the Board of Directors is authorized to consider CSR activities which are not included in the above.

It is clarified that, all the aforesaid activities or programs shall be undertaken in India only and also that such programs and activities shall not be designed for benefiting the employees of the Company and their families.

Specific Focus Areas

The focus area for TML's CSR is the promotion of Education. Within this broad theme specific areas such as school education, higher education including College & University education, education for employment, and technical education are included. Disability and Women's Empowerment are cross-cutting themes within these focus areas. The interventions in these thematic areas are prioritized to reach the under-served segments of population: people from socioeconomically and geographically disadvantaged communities, marginalized communities such as persons with disabilities, migrant workers in the informal sector, transgenders, women in vulnerable situations etc. The company also lays emphasis on employee volunteering in all its CSR efforts.
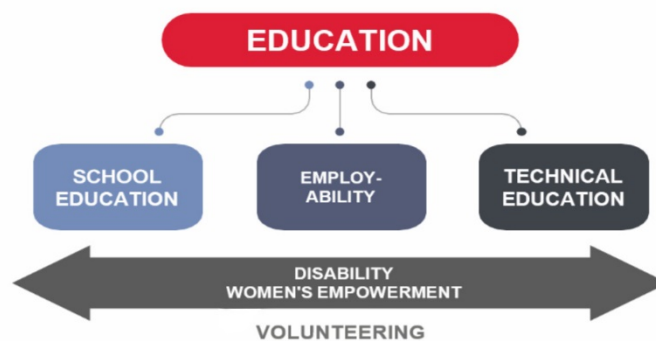
School Education: Education is the tool for creating an empowered, enlightened society capable of rising to its full potential. Availability of Quality Education for all classes is the way to ensure an equitable and just social system. TML, through TMF, aims to improve the quality of school education in India by primarily focusing on enhancing capacities of teachers in the government school system, and also working on a few school improvement projects.

Employability: Tech Mahindra Limited intends to support the Government of India's Skill India mission for skill development of youth through Tech Mahindra Foundation's initiatives in Skill Development. TMF has been doing this through the SMART Program which seeks to benefit school drop-outs, people with disabilities, and those unable to go into higher education, among others with specific focus on women.

Technical Education: Mahindra Educational Institutions (MEI) shall establish institutions of higher learning, promote research and development and collaborate with other renowned institutions to contribute towards the goal of high-quality technical education systems in India. MEI has established Mahindra University, a private university set up under The Telangana State Private Universities (Establishment and Regulation) Act, 2018.

For each of the thematic areas, working with women and persons with disabilities will be an important focus area. It will be aspired that at least 50% of the beneficiaries of CSR programs of the company are women and at least 10% of the beneficiaries are persons with disabilities.

Promotion of Volunteering is one of the core human resource strengths at all the Mahindra Group companies. Tech Mahindra encourages its associates to volunteer time in CSR activities being carried out by Tech Mahindra Foundation and its NGO partners. Also, the CSR activities are closely aligned to the Sustainability goals of the company, as well as its objective of promoting Diversity and Inclusion.

Funding and Allocation

For achieving its CSR objectives, Tech Mahindra Limited shall allocate such amount of its average Net Profits as may be approved by the Board of Directors, and not less than 2% of the average net profits of the previous three financial years as prescribed by Section 135 of the Companies Act 2013, as its annual CSR budget in each Financial Year.

It is clarified that the surplus arising out of CSR projects or activities, if any, shall not form part of the business profits of the company and will be utilized for CSR projects/activities only in compliance with the provisions made under CSR Rules

Implementation

CSR Programs of Tech Mahindra Limited shall be undertaken by Tech Mahindra Limited directly, or by the Tech Mahindra Foundation (including NGOs designated by TMF to do so) and/or the

Mahindra Educational Institutions or Mahindra University, as may be decided by the CSR Committee and the Board of Directors of the company.

Tech Mahindra Foundation (TMF) is a wholly owned subsidiary of Tech Mahindra Limited, and was registered as a charitable company in March 2006 under section 25 of the Companies Act 1956. TMF has filed Form CSR-1 with the Ministry of Corporate Affairs and registered itself for undertaking CSR Activities. It has been established as a distinct entity to ensure effective and professional implementation of the Corporate Social Responsibility activities of Tech Mahindra Limited.

Mahindra Educational Institutions (MEI) is a wholly owned subsidiary of Tech Mahindra Limited and was set up in April 2013 under section 25 of the Companies Act 1956 with the objective of promoting high quality technical education in India. MEI has filed Form CSR-1 with the Ministry of Corporate Affairs and registered itself for undertaking CSR Activities. It will establish new institutions of higher technical learning and collaborate with existing academic institutions to promote quality learning.

MEI sponsored Mahindra University (MU), a Private University established under The Telangana State Private Universities (Establishment and Regulation) Act, 2018 for offering Certificate, Diploma and Degree programs in all areas of higher education and will comprise various Schools in Engineering, Management, Law, Education, Media & Liberal Arts, and Design. MU was notified by the Government of Telangana on 20th May 2020.

Tech Mahindra Foundation

TMF is entrusted with the implementation of programs and activities related to Education and Employability as part of Tech Mahindra's CSR, with Disability and Women's Empowerment being the two cross cutting themes that run across all projects. The Foundation will implement its projects both directly as well as through other registered non-governmental organizations, in accordance with the provisions of Section 135 of the Companies Act 2013 and the amendments thereof promulgated by the Government of India from time to time.

The following table gives the details of Tech Mahindra Foundation's various programs and their mode of implementation:

Name of the Program	Programmatic Area	Beneficiary Profile	Implementation Mode

SMART (Skills-for-Market Training)	Employability Enhancement	Youth from under-served communities	Direct as well as through NGO partners
SMART+	Employability Enhancement for Persons with Disabilities	Youth with disabilities	Direct as well as through NGO partners
ARISE (All Round Improvement in School Education)	School Education	Teachers and Students from government schools as well as low-cost private schools	Through NGO partners
ARISE+ (All Round Improvement in Special Education)	Education for Persons with Disabilities	Children with Special Needs (Disabilities), their Parents, Teachers and Caregivers	Through NGO partners
Shikshaantar	School Education	Teachers and Leaders from Government Schools	Direct as well as through NGO partners

Under all these Programs, TMF will implement a number of projects each year. The selection of projects will be based on a need assessment exercise carried out either internally by the TMF team or externally by an independent agency hired for this purpose, depending on the size and scale of the project. The projects to be implemented over the course of a financial year will be included in the Annual Action Plan prepared by the Management of TMF and submitted to the Board each year. This Annual Action Plan will include:

● List of Projects to be implemented (categorized as New projects or Renewal projects)
● Mode of implementation of each project
● Modalities of Utilization of Funds and implementation schedules for the projects
● Monitoring and Reporting mechanism for the projects, and
● Details of need and impact assessment, if any, for the projects undertaken by the Foundation

Monitoring and Impact Assessment

TMF has always been giving significant emphasis on high quality monitoring of each of its projects. A dedicated team of adequately trained and experienced professionals is responsible for the onsite monitoring of each of the projects implemented by NGO partners, and objectivity is maintained by ensuring that a consistent set of monitoring indicators are applied across similar projects. In addition, TMF invests in robust Management Information Systems to ensure a regular flow and analysis of data and information from the projects so that relevant and timely decisions for the projects can be made.

For the projects that are implemented directly, TMF has an in-house Monitoring & Evaluation unit which keeps a tab on the quality of implementation and ensures that the project and program objectives are being regularly achieved.

The senior management of the team is closely involved in the monitoring of the projects through quarterly project reviews as well as regular visits to the field to get a first-hand impression of the projects.

Impact Assessment of TMF's projects is usually carried out by qualified third party agencies who are selected through an objective and transparent process. As per amendment to Companies Act made in January 2021, the details of projects which are due for impact assessment would be detailed in the annual Action Plan and approved by the Board. The impact assessment reports are published on the Foundation's website.

The CSR Committee of the Board is briefed on a summary of the above findings.

Mahindra University

Mahindra University (MU), a Private University established under The Telangana State Private Universities (Establishment and Regulation) Act, 2018, is sponsored by Mahindra Educational Institutions primarily to improve the Technical Education among the budding young engineers. The CSR contribution spent on this would improve the infrastructure for gaining a competitive technical education and R&D initiatives of the University.

Tech Mahindra CSR Governance Structure
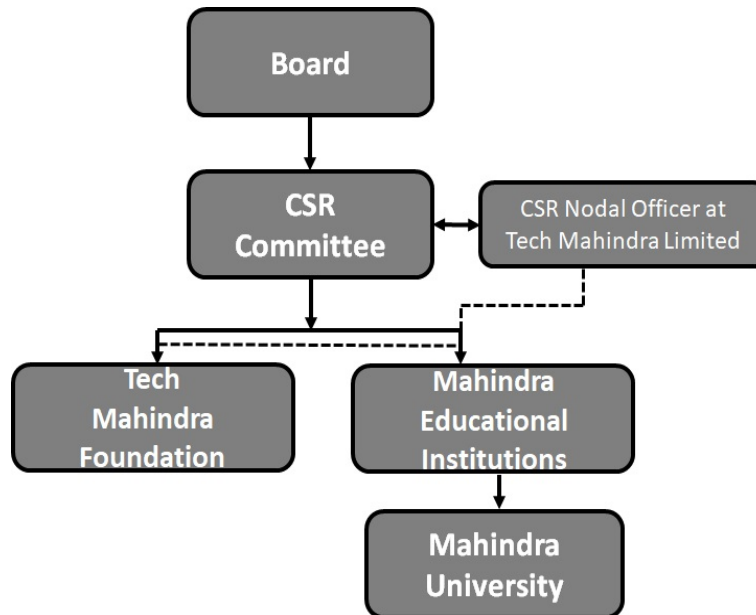
The Board of Directors of Tech Mahindra Limited will be the apex authority responsible for the implementation of CSR projects each year in accordance with the provisions of Section 135 of the Companies Act 2013 and the amendments thereof. A CSR Report will be published as part of the Annual Report of the company which will adhere to the format provided in Section 135. In this report, the annual CSR expenditure as well as the unspent amount will be certified by the CFO of the company or a suitable authority designated by the CFO.

The Board of Directors will constitute a CSR Committee, details of which will be published on the company website as well as in its Annual Reports.

TMF and MEI will be led by their respective heads, who will provide quarterly reports to the Board of Directors through the CSR Committee of Tech Mahindra Limited. Mahindra University will be run by the Vice Chancellor under the guidance of the Governing Body.

Roles and Responsibilities

Board

The Board of Tech Mahindra Limited will be responsible for:

- Approving the CSR policy as formulated by the CSR Committee
- Approving the Annual Action plan recommended by the CSR committee, in pursuance of the CSR policy.
- In case of ongoing project, the Board 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.
- 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, and this is certified by the CFO or the person responsible for financial management.
- Disclosing in its Annual Report the names of CSR Committee members, the content of the CSR policy and ensuring annual reporting of its CSR activities on the Company website.
- Ensuring annual reporting of CSR activities to the Ministry of Corporate Affairs, Government of India, as per the prescribed format.

CSR Committee

Composition of the CSR Committee: The Committee will consist of three or more directors of one of whom will be an independent director.

The CSR Committee of Tech Mahindra Limited will be responsible for:

- Formulating the CSR policy in compliance to Section 135 of the Companies Act 2013
- Formulating and recommending to the Board, an Annual Action Plan in pursuance of the CSR policy
- Recommending to Board the CSR expenditure to be incurred
- Making modifications to the CSR policy as and when required
- Regularly monitoring the implementation of the CSR projects

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Policy Review

The Policy shall be reviewed by the CSR Committee at least once every year or as and when there are any changes.

Document History

Version	Date	Author	Reviewed By	Approved By	Nature of Changes
1.0	31 March 2013	CSR Head, TML	CSR Committee, TML	Board of Directors, TML	CSR Policy Incorporated
2.0	March 2016	CSR Head, TML	CSR Committee, TML	Board of Directors, TML	Addition of Direct Implementation in Employability programs of TMF
3.0	March 2021	CSR Head, TML	CSR Committee, TML	Board of Directors, TML	Revisions in accordance with the provisions of the amendments in the CSR Act promulgated in Jan 2021