

CORPORATE SOCIAL RESPONSIBILITY POLICY

Version 2.0
Fujitsu Public

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1 Objective:

The objective of this policy is to define broad guidelines in relation to the Corporate Social responsibility (CSR) activities of Fujitsu Research of India Private Limited (hereinafter referred to as 'FRIPL') in conformity with the provisions of the Companies Act, 2013 and guidelines mentioned in link - <http://www.fujitsu.com/global/about/csr/community/policy>. Chief Operating Officer of FRIPL will identify the persons to be a part of CSR team ("CSR Team") and appoint the CSR lead ("CSR Lead").

2 Scope & Applicability:

Every company in India having net worth of Rupees Five Hundred Crore or more, or turnover of Rupees One Thousand Crore or more or a net profit of Rupees Five Crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more Directors, out of which at least one director shall be an independent director. Provided that where a company is not required to appoint an independent director under sub-section (4) of section 149, it shall have in its Corporate Social Responsibility Committee two or more Directors. Where the amount to be spent by a company under sub-section (5) does not exceed Rupees Fifty Lakh, the requirement under sub-section (1) for constitution of the CSR Committee shall not be applicable and the functions of such Committee shall, in such cases, be discharged by the Board of Directors of the company.

Provided further that a company having any amount in its Unspent Corporate Social Responsibility Account as per sub-section (6) of section 135 of the Companies Act, 2013 shall constitute a CSR Committee and comply with the provisions contained in sub-sections (2) to (6) of the said section.

This policy applies to all FRIPL locations in India and the Company may pursue the activities to achieve Global Responsible Business (GRB) Goals of Fujitsu which are in line with Schedule VII under section 135 of the Companies Act, 2013 (and includes any amendment made hereafter) listed in Annexure 1 to the policy.

Any CSR activity proposed to be undertaken as a CSR initiative, but not specifically covered in the aforesaid, may be undertaken only with the prior approval of the Board/CSR Committee as may be applicable.

3 CSR Strategies & Governance

- a) CSR activities shall be governed through the defined CSR process.
- b) FRIPL reviews its social responsibility fundamentals by utilizing ISO26000 framework in line with Global Responsible Business (GRB) Goals.

4 CSR Committee & its Roles and Responsibilities:

CSR Committee members shall consist of 2 or more Directors. Till the time the amount to be spent by a company in a financial year does not exceed fifty lakh rupees, the functions of CSR committee shall be discharged by Board of Directors.

The primary roles and responsibility of Board of Directors/CSR Committee members encompasses activities including but not limited to:

- a) Formulate a CSR Policy and recommend it to the Board, which shall indicate the CSR activities to be undertaken by the company.
- b) Recommend the amount of expenditure to be incurred on the CSR activities.
- c) Monitor the CSR Policy of the company from time to time.

As per Rule 5(2) of the Rules- The CSR Committee formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following:

- 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 utilization of funds and implementation schedules for the projects or programmes.
- d) Monitoring and reporting mechanism for the projects or programmes; and
- e) Details of need and impact assessment, if any, for the projects undertaken by the company:

5 Quorum and Meetings

- a) The quorum for a CSR Committee meeting shall be one-third of its total strength or two members, whichever is higher.
- b) The CSR Committee to discuss and review CSR projects, programs, activities and Policy.
- c) The CSR Committee members may attend the meeting physically or via such audio-visual means as permitted under the Companies Act, 2013.
- d) In the meeting, the Committee shall have the authority to invite such employee(s), senior official(s) and or externals, as it deems fit. The committee shall also have the authority to obtain professional advice from external sources for the purposes of accomplishments of overall CSR objectives laid down in this CSR Policy.

Till the time the amount to be spent by a company in a financial year does not exceed Rupees Fifty Lakh, the functions of CSR committee shall be discharged by Board of Directors.

6 FRIPL's CSR Lead and Team & Its Roles and Responsibilities

- a) The primary roles and responsibility of CSR Lead and Team encompasses activities such as:
 - i. To identify, evaluate and recommend the CSR implementation partner, managing and utilization of CSR budget, presenting the proposed projects to CSR Committee/Board of Directors, monitor the CSR implementation and ensure that the CSR funds are utilized by the CSR Partner for the designated purpose. To update the progress of CSR Projects to the CSR Committee/Board of Directors from time to time and to satisfy the queries and concerns thereof.
 - ii. To ensure that the proposed CSR projects are as mentioned in the CSR Policy of the company
 - iii. To ensure the CSR projects are undertaken through the Implementing Agencies which are duly registered under FCRA Act having valid FCRA certificates duly renewed on timely basis.

- iv. To act as point of contact between FRIPL Stakeholders & CSR implementation partner for ensuring that the statutory obligation of CSR is fulfilled.
- v. Ensure that CSR Partner spends CSR expenditure on CSR projects, programs, and activities in accordance with applicable laws and to ensure that documents mentioned in section 11(b) are obtained and submitted to concerned stakeholders in a timely manner.

7 Geographical Reach

FRIPL should give preference to the local areas and areas around it where it operates, for spending the amount earmarked for CSR activities. However, the CSR Committee can identify such areas other than stated above, as it may deem fit, and recommend it to the Board for undertaking CSR activities.

8 Annual Action Plan

The CSR Committee, if applicable, shall formulate and recommend to the Board, an annual action plan which shall include the following:

- (a) the list of CSR projects or programmes that are approved and to be undertaken by the company
- (b) the manner of execution of such projects or programmes
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programmes;
- (d) monitoring and reporting mechanism for the projects or programmes; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company. The Board of Directors are empowered to alter the annual action plan during the financial year, if so recommended by the CSR Committee, based on the reasonable justification for such change.

9 Execution of CSR Activities

- a) The CSR committee/Board of Directors on recommendation and in consultation with CSR Team, will identify, evaluate and approve suitable projects for implementation in line with the thrust areas identified. These projects will be executed directly by FRIPL or by implementation partner or by collaboration with other corporates. These agencies would work singly or jointly with other agencies. Such agencies would include:
NGO's, Community based organizations, Government Bodies, Semi-Government or Autonomous Organizations, Institute/ Academic Organizations, Individual Developmental Resource Person, Other Non-profit/Charitable Organization, or any other organization, as may deem fit and approved by the CSR Committee/Board of Directors & CSR Team.
- b) There will be criteria for selection of CSR Partner(s): The CSR Team, will obtain the required documents from CSR partner(s) organization who will execute the projects at the grass root levels. At a minimum, they need to meet requirements (including but not limited to) of
 - i. Permanent office / address in India
 - ii. Registration as Trust, Society or section 8 companies having an established track record of minimum three years in undertaking similar CSR programs or projects in pursuance with the relevant and updated regulations.
 - iii. CSR-1 Registration under Companies Act, 2013
 - iv. FCRA certification under Foreign Contribution Regulation Act, 2010
 - v. 80G certificate under Income Tax Act, 1961
 - vi. 12AA certificate under Income Tax Act, 1961
 - vii. List and contact details of key officers

- viii. The antecedents/ background of the CSR Partner is verifiable. CSR partner(s) organization should provide the supporting documents and information for the same
 - ix. 3PDD clearance of CSR partner organization.
 - x. Should be able to offer the various project proposal options in focus area of Global Responsible Business (GRB) Goals and Schedule VII of the Companies Act, 2013 with detailed breakup in different line items of expenditure in which administrative expenses with less than 5% of the project cost
 - xi. Readiness to submit the documents as per requirements in timely manner e.g., signed MOU, photographs of activities undertaken, utilization certificates, etc.
 - xii. Should have requisite framework to report progress / status of the projects on agreed parameters. Maintain a required level of auditable records on the CSR initiatives conducted.
- c) Once the project Proposal is approved by Board of Directors, Fujitsu CSR Team and the CSR partner will be required to initiate for entering into an agreement as per the standard MoU requirement and take it till closure.
 - d) CSR implementation partner to execute the approved CSR projects in co-ordination with CSR Team. CSR Team to track the progress and monitor the activities undertaken by CSR implementation partner. The CSR Team shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved.
 - e) CSR implementation partner on completion of CSR project to submit signed completion report, photographs of CSR activities and Utilization certificate issued by Chartered Accountant along with any other evidence for completion as may be required.
 - f) CSR Team shall submit the signed completion report, photographs of CSR activities and Utilization certificate issued by Chartered Accountant along with any other evidence for completion as may be required to Finance Director for issuing CFO Certificate.
 - g) Finance Director shall present the CFO Certificate to CSR Committee/Board of Directors.
 - h) CSR Team to present to CSR Committee the updates on CSR activities, completion of projects, proposed projects and to address concerns and queries of CSR Committee/Board of Directors.

10 Annexure 1

- a) Eradicating hunger, poverty and malnutrition ["promoting health care including preventive health care"] 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.;
- b) Promotion education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.;
- c) Promotion 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;
- d) 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]

- e) 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 art and handicrafts
- f) Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows]
- g) Training to promote rural sports, nationally recognised sports, paralympic sports and Olympic sports
- h) Contribution to the Prime Minister's National Relief Fund [or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES 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;
 - (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and
 - (b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defence Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).]
- i) Rural development projects
- j) Slum area development 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.]
- k) Disaster management, including relief, rehabilitation and reconstruction activities
- l) Such other matters as may be prescribed under the law.