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**CORPORATE SOCIAL RESPONSIBILITY POLICY OF**  
**CREST DIGITEL PRIVATE LIMITED**

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## I. INTRODUCTION

**Crest Digitel Private Limited** (“Company/Crest Digitel”) Crest Digitel is one of the fastest growing IP-1 service provider in India that provides end to end Digital Connectivity Infrastructure Solutions and has become the market leader in In-Building Solutions (IBS) while growing rapidly in the Outdoor Small Cell segment.

## II. CSR POLICY

### i. OBJECTIVE

The purpose of this Policy is to articulate what Corporate Social Responsibility (CSR) means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR Goals and Monitoring Mechanism.

This Policy is aligned with the Company’s objectives and principles for delineating its responsibility as a socially and environmentally responsible corporate citizen. This document is also an attempt to showcase the linkage of our social objectives with business strategy.

### ii. VISION AND MISSION

It is pertinent to note that business enterprises are economic organs of society and draw on societal resources, “Crest Digitel” is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns including Safety, Healthcare, Environmental Sustainability, Promoting Education, Promoting sports, Empowering women, and other Rural Development Activities.

Our Vision is: **Enriching lives to create a positive social impact**

Our Mission is to **“Create connected experiences for our communities through sustainable initiatives with utmost integrity towards all our people, partners, customers and the environment.”**

The Company shall make its endeavor to positively impact and influence the Society for its sustainable development. It’s our endeavor to raise the community standards in the area we operate in and focus on –

- Promoting quality education with special focus on girl child by adopting schools,
- Promoting livelihood by adopting skill enhancement program(s) for girls,
- working with consistency and ensure sustenance.
- Access to Healthcare through donations and other health initiatives / projects for hospitals / less privileged areas.

This CSR Policy has been framed in accordance with the applicable provisions of the Companies Act 2013 and the rules issued thereunder: -

### iii. DEFINITIONS

1. "**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.
2. "**CSR Programmes**" means programmes, projects and/or activities carried out by the Company as per the provisions of the Act, rules framed thereunder, Schedule VII and this Policy.
3. "**Ongoing Project**" means a multi-year project undertaken by the 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.
4. "**Corporate Social Responsibility Committee**" or "**Committee**" means the CSR Committee as constituted by the Board of Directors of the Company, from time to time.

***Any other term not defined herein shall have the same meaning as defined in the Companies Act, 2013 or rules framed thereunder***

### iv. SCOPE & APPLICABILITY

This Policy has been developed in accordance with the provisions of Section 135 of the Companies Act, 2013 (referred to as the "Act") and rules framed thereunder, as amended from time to time (hereby referred to as the "Rules"). The policy of the Company includes Crest Digital's vision, mission, its purpose, responsibility towards CSR, CSR Committee, and other relevant attributes towards Corporate Social Responsibility.

The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act. This Policy is aligned with other Crest Digital policies including Code of Conduct of the Company.

### v. CSR FOCUS AREAS

In line with the Company's vision and approach, the Board of Directors endeavor to support all the following listed activities as per Schedule VII of the Companies Act, 2013 (as amended from time to time) and focus on some of these identified areas from time to time:

- (i) 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;

- (ii) Promotion of education, including special education and employment enhancing vocation skills (especially amongst children, women, elderly and differently abled) and livelihood enhancement projects.
- (iii) Promotion of 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.
- (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).
- (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.
- (vi) 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.
- (vii) Training to promote rural sports and nationally recognized sports, Paralympic sports, and Olympic sports.
- (viii) 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 setup 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.
- (ix) (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 Defense 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).

- (x) To undertake or to contribute for rural development projects.
- (xi) To undertake or to contribute for slum area development projects (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).
- (xii) To contribute towards disaster management, including relief, rehabilitation, and reconstruction activities.
- (xiii) To contribute to other approved Funds undertaking activities and efforts in the aforesaid areas (as may be approved from time-to-time, in this regard)
- (xiv) Funds spent for various activities related to COVID-19 under items nos. (i) and (xii) above relating to promotion of health care including preventive health care and sanitation, and disaster management.

Based on the available CSR Corpus and the expenditure as applicable under the Act, the Company will focus its efforts on undertaking specified project/ programs/ activities on at least one of the aforesaid areas in each year, as may be identified by the Company.

Apart from the above focus areas, the Company endeavors to have a positive impact of its actions on the communities in which it operates by taking up initiatives such as -

- **Community Engagement** - Engage with Community groups that might be affected by our actions to ensure that their interests, safety, and well-being are appropriately integrated into our decision making.
- **Philanthropy** – Empower our employees to participate in and use our resources to give back to the communities in which we operate.
- **Environment stewardship** – Strive to minimize the environmental impact of our operations and improve efficient use of resources over time.

#### **vi. CSR CORPUS/FUND**

The Company is conscious of its CSR responsibilities towards the society and endeavors, if possible, to go beyond the minimum regulatory requirements. The CSR Committee, in consultation with the management, shall determine and recommend to the Board an annual CSR corpus along with project wise annual budgeted expenditure for the purpose of carrying on identified CSR activities at the start of the financial year

As per the provisions of the Act, the CSR corpus shall not be less than 2% (Two percent) of the average net profits of the Company made during the 3 immediately preceding financial years calculated in accordance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

For this purpose, the Net Profit and Average Net profit shall be calculated in accordance with the provisions of Section 198 of the Act read with the rules.

Any unutilized mandatory CSR budget as per the Act from the 2 per cent of the average net profit will be put back into CSR activities of the succeeding year.

Any income arising from the CSR projects undertaken by the Company and surplus generated there from shall be tracked and channelized into the CSR corpus. These funds shall be further used in development of the CSR projects and shall not be added to the normal business profits.

The amount unspent in relation to a CSR project, if any, shall be treated as mentioned under section 135(6) of the Act.

Any amount spent in excess to the requirement of the provisions of section 135, can be set off against the amount to be spent in the succeeding three financial years with the approval of Board of Directors and as per the conditions contained in the Act.

#### **vii. SELECTION OF CSR ACTIVITY**

The Company shall spend its CSR expenditure in accordance with Section 135 of the Companies Act, 2013 and rules made thereunder. The broad guiding principles for selection of CSR activities are:

- ✓ The activity needs to be in line with the Vision, Mission and Focus Areas which the Company has identified for itself.
- ✓ However, there is as such no restriction for the Company to undertake any other activity as may be deemed suitable by the Committee.
- ✓ A needs assessment, if required, may be carried out to identify the areas of intervention along with the availability of the resources.
- ✓ The programmes identified/adopted should be adaptive and flexible to meet the changing dynamics.
- ✓ Focus should be on long-term sustained impact of the programmes rather than one-time impact or requiring continuous intervention.

Basis the above -mentioned guiding principles, the Committee will identify the areas for the CSR Programmes of the Company (keeping in mind the focus areas of Education and Health) from any of the activities getting covered in Schedule VII to the Act or any other area as may be permitted from time to time and recommend the same to the Board for its approval.

#### **viii. IMPLEMENTATION APPROACH**

The Company shall strive to implement the aforesaid CSR activities on its own to the extent possible. At the same time, the Board recognizes the need to work in partnership with other agencies specified under the Rules.

This would include:

- ✓ Collaborating with various organizations having an established track record of at least 3 years in carrying out a similar activity, which are registered public trusts or Section 8 companies under the Companies Act or registered Societies, registered under section 12A and 80G of the Income Tax Act, 1961 that specialize in the aforesaid activities.

- ✓ Collaborating or pooling resources with other companies to undertake aforesaid CSR activities as per the provisions of the Act.
- ✓ The Company will select its activity partners after appropriate due diligence and will follow all applicable guidelines under its Anti-Bribery and Corruption (“ABC”) program before bringing them on board.
- ✓ For CSR activities undertaken through other implementing/executing agency, the Company shall specify the projects or programmes to be undertaken through these agencies, the modalities of utilization of funds on such projects or programmes.
- ✓ The implementing/executing agency will be subjected to compliance of all applicable CREST DIGITEL policies and audits including ABC , as may be required in this context.
- ✓ The Company may use the services of internal teams, expert agencies, consultancy firms etc., wherever required for carrying out base line surveys, guidance on project design and implementation, due diligence of implementation partners, impact assessment surveys, monitoring the programs etc, during the implementation of its various CSR activities or programmes.

**ix. MONITORING MECHANISM OF CSR ACTIVITIES**

There shall be a robust monitoring system to ensure that the identified CSR activities are carried out to reap optimal benefits for the beneficiaries. There shall be a periodic review by the Committee for the projects undertaken. The Committee may suggest modifications in the planned activities considering the existing scenario/circumstances

The committee will ensure that each CSR program has:

- Defined objectives developed out of the societal needs.
- Defined targets, timelines and measurable parameters, wherever possible
- A progress monitoring and reporting framework including impact assessment that is aligned with the requirements of the section 135 of the Act and the Rules

The administration of the CSR Policy and the execution of identified CSR projects, programs and activities under it shall be carried out under the overall supervision and guidance of the CSR Implementation Group formed for this purpose which shall comprise of:

- Chief Executive Officer
- Chief Financial Officer
- Chief Human Resource Officer
- Company Secretary

The CSR implementation group shall endeavour to submit its report on a half-yearly basis to the Board which has the overall responsibility to monitor the CSR Policy of the Company.

This report would indicate:

- Achievement since last progress report in terms of coverage compared to the target and reasons for variance.
- Achievement of the year-to-date in terms of coverage compared to the target, plans to overcome shortfalls if any and support required from the CSR Committee/Board to overcome the shortfalls.

- Actual year-to-date spends compared to the budget and reasons for variance.
- In respect of activities undertaken through outside Trust/Society/NGO's etc. there will be mechanism of monthly reporting of progress on each such activities and the amount incurred thereon.
- Identification of ABC and reputation risk, mitigation and monitoring in respect of all third-party entities engaged by the Company for its CSR activities.

The Board shall seek a short progress report from the CSR Committee on a half yearly basis.

Further, as annual certification from Chief Financial Officer shall be provided to the CSR Committee and the Board, certifying that that the funds disbursed have been utilised for the purposes and in the manner as approved by the CSR Committee.

#### **x. ANNUAL ACTION PLAN**

The Committee shall formulate and recommend an Annual Action Plan to the Board for its approval.

This Annual Action Plan shall include the following details:

- the list of CSR projects or programmes that are proposed to be undertaken in areas or subjects specified in Schedule VII of the Act.
- the manner of execution of such projects or programmes as specified in the rules.
- the modalities of utilization of funds and implementation schedules for the projects or programmes.
- monitoring and reporting mechanism for the projects or programmes; and details of need and impact assessment, if any, for the projects undertaken by the Company.

Every year, the Committee will place for the Board's approval, an Annual Action Plan delineating the CSR Programmes to be carried out during the financial year and the succeeding years in the case of Ongoing Projects along with the specified budgets thereof.

In case of an ongoing project, the Board, on the recommendation of the Committee, shall approve the implementation of the project with 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. It shall also monitor the implementation of ongoing projects.

#### **III. DOCUMENTATION AND REPORTING**

The CSR Committee shall prepare the annual CSR report for approval of the Board, which may include:

- A brief outline of the Company's CSR Policy, including focus areas and a reference to the web-link to the CSR Policy;
- Composition of the CSR Committee.
- Details of average net profits of the Company and prescribed CSR expenditure, as may be applicable;
- Details of CSR spent during the financial year and reasons for not spending the entire amount, as may be applicable.



**IV. POLICY GUIDELINES**

- All CSR Projects must be aligned as prescribed in Schedule VII of the Act and the Company's ABC Policy.
- Preference shall be given to the local areas where it operates, for spending the amount earmarked for the Corporate Social Responsibility Activities.
- CSR projects or programmes or activities must be undertaken by the Company in India alone.
- CSR activities must not include the activities undertaken in pursuance of normal course of business of the Company.
- Projects or programmes or activities that benefit only the employees of the Company and their families shall not be considered as CSR.
- Activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services shall not be considered as CSR.
- Contribution of any amount directly or indirectly to any political party shall not be considered as CSR and shall be against the Company's Code of Business Conduct and Ethics and ABC Policy

**V. LIMITATION AND AMENDMENTS**

In the event of any conflict between any of the provision of this Policy and the Act or rules framed thereunder or any other statutory enactments, the provisions of such Act or rules or statutory enactments shall prevail over this Policy.

In case of any amendment(s), clarification(s), circular(s), notification(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, such amendment(s), clarification(s), circular(s), notification(s) etc. shall prevail upon the relevant provisions of this Policy and the Policy shall stand amended accordingly from the effective date of such amendment(s), clarification(s), circular(s) etc.

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