

Cogencis Information Services Limited

Corporate Social Responsibility (CSR) Policy

CSR Vision and Philosophy

NSE Group has been constantly working to improve the financial wellbeing of people at large through a committed approach to offer investment products that suits varied needs of people.

It has improved access of the financial market to people across the country, improved safety measures for investors, empowered investors through improved awareness and education on financial planning, investor protection and investment related issues. Besides this, NSE Group also has been continuously improvising on the conduct of business in a responsible manner through conservation of energy, use of renewable sources of energy, eco-friendly infrastructure etc.

NSE and many of its subsidiaries are covered under the purview of Section 135 of the Companies Act 2013 ('the Act'). However, contribution to CSR by some of these Companies as required under the Section 135 of the Act will be negligible. Moreover, there could be efforts duplication if each individual Company undertakes CSR activities on its own and there would be difficulties in scaling up these activities.

Therefore, it has been decided by the Boards of the respective Companies in NSE Group that CSR efforts for the Group be undertaken commonly and the actual spend be allocated to the respective Companies in proportion to their legal obligations.

Therefore, a common CSR function for NSE and its subsidiaries has been created under NSE as a group resource and the actual CSR spend is proportionately allocated to the respective Companies. However, the CSR Committees for these Companies are separate. This common CSR Policy has been prepared and approved by respective CSR Committees and Boards.

NSE Group, in order to further its CSR aspiration to help the underprivileged sections of the population in improving their quality of life is now embarking upon undertaking to reach out to them. NSE Group further understands that the economic and social well-being of the community is closely interlinked with their habitats and the environment. NSE Group therefore endeavours to have a triangulated focus to improve the quality of life of its identified beneficiaries towards creating inclusive societies, while meeting its social, economic and environmental responsibilities.

NSE Group has identified verticals of CSR focus such as Education, Elder Care, Sanitation through comprehensive WASH (Water, Sanitation and Hygiene) interventions and Safe Drinking Water, Environmental Sustainability, Health &

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Nutrition, Sports and Funding of Incubators. These areas of focus have been identified by NSE Group as issues of social concern for India. NSE Group's committed projects in these areas for the needy and underprivileged sections of our population will contribute to the nation's larger social development goals. NSE Group's CSR aspirations should help create a sustainable ecosystem that is intrinsically beneficial for creating healthy and thriving communities.

Community engagement will be conducted in an ethical manner, with great transparency, dialogue and disclosure based on the needs and aspirations of the primary beneficiaries.

Besides community engagement, NSE Group will also, as part of its CSR focus, endeavour to meet high standard of ethical business conduct, continuously adapt better governance standards, commit to fair business practices in its relationship with customers, employees and suppliers and obey rule of law.

Preamble

The Policy is updated basis the amendments in the Section 135 of the Act notified on 22nd January 2021. NSE Group will also take into consideration any other amendment which comes into the Act during the year and the Policy will be revisited as per the requirement.

CSR Objectives

i) Education, ii) Elder Care, and iii) Sanitation and Safe Drinking Water iv) Health & Nutrition v) Environmental Sustainability, vi) Skill Development & Entrepreneurship, vii) Sports and viii) Funding to incubators defined in the Schedule VII of the Companies Act 2013, have been identified as core focus areas. The CSR objectives have been identified based on the larger mandate of the Companies Act 2013, the CSR Rules 2014 and subsequent notifications and amendments thereof, to meet NSE Group's community engagement aspirations. Projects undertaken under these verticals will not be one-time activities but will be on a project or programme mode with a timeline to achieve pre-determined goals.

CSR Activities

The core areas of focus, and CSR activities are elaborated in the sections below vertical-wise.

(i) Education

Rationale for selecting Education as a core area of focus

Education across the continuum—from foundational and school education to higher, professional, vocational, research and adult learning—is central to socio-economic mobility, human capital formation and national competitiveness. While enrolment has improved over time, learning gaps at foundational levels, transition bottlenecks at secondary stages, and disparities in higher education participation continue to constrain the full realisation of India’s demographic potential. Evidence from national surveys highlights the need to strengthen foundational literacy and numeracy, improve retention, and address inequities in access and progression.

Beyond access, systemic disparities persist in infrastructure, institutional capacity, research ecosystems, digital enablement, and quality of instruction—particularly in rural and underserved regions. As India advances its role as a global knowledge and innovation hub, expansion in enrolment must be accompanied by parallel investments in academic quality, modern infrastructure, faculty development, vocational integration and industry alignment to ensure that education outcomes translate into employability, productivity and sustained global competitiveness in alignment with the vision of NEP 2020.

Goal: The initiative aims to support and strengthen the education system holistically—from early childhood and school education through higher, professional, vocational and research pathways—by improving access, retention, quality and institutional capacity. The programme will focus on strengthening learning outcomes; enabling seamless academic progression; expanding equitable access for disadvantaged groups; and enhancing infrastructure including modern classrooms, laboratories, research facilities, digital connectivity and technology-enabled learning environments. Through integrated support encompassing financial assistance, infrastructure development, faculty capacity building, curriculum strengthening, industry partnerships and research promotion, the initiative seeks to build a resilient and future-ready education ecosystem capable of producing skilled, innovative and globally competitive human capital while advancing inclusive and sustainable socio-economic development.

(ii) Elder Care

Rationale for selecting Elder Care as a core area of focus

Elderly to constitute 20% of the Indian population, increasing from 100 million to 323 million by 2050 (United Nations Population Fund and Help Age International, 2012). The needs and problems of the elderly vary significantly according to their age, socio-economic status, health, living status and other such background characteristics. About 64 per thousand elderly persons in rural areas and 55 per thousand elderly persons in urban areas suffer from one or more disabilities. Most common disability among the aged persons was loco motor disability as 3% of them suffer from it, next only to hearing disability (for about 1.5%) and blindness (1.7% in rural areas, and 1% in urban areas). There is lack of specialized and trained manpower with no dedicated

health care infrastructure to deal with the elderly. Among the elderly, 10% suffer from impaired physical mobility and 10% are hospitalized at any given time, both proportions rising with increasing age. [Reddy PH. The health of the aged in India. Health Transit Rev. 2006;6:233–44] Over 10% of India's elderly suffers from depression and 40-50% requires psychiatric or psychological intervention at some point in their twilight years- due to ageing of the brain, socio-economic factors such as breakdown of the family support systems, and decrease in economic independence etc.

NSE Group will strive to improve the social and physical support systems available to the socially and economically challenged ageing population in India. This will create a positive change in the quality of life of the country's ageing population belonging to the poor and underprivileged sections of the society, who have been a critical and integral part of the community and family. Including and recognizing the elderly populations' aspirations and needs, post-retirement is equally critical to design comprehensive and sustainable interventions allowing them to be an inclusive part of the broader community.

Goal: To improve the physical, social and mental well-being of underprivileged ageing population by improving access to livelihood, empowering through Elder Self-Help Groups (ESHGs), Health care interventions, Elder Enrichment Centres etc.

(iii) Sanitation and Safe Drinking Water

Rationale for selecting Sanitation and Safe Drinking Water as a core area of focus

According to the census 2011, about 72.2% of the Indian population stays in around 638,000 villages. The rural sanitation coverage in the country was as low as 1% at the beginning of the 1980s. With the launch of different programs, it has rose up to 32.7% as per census 2011. Later as per Baseline Survey, 2012-13, carried out by Ministry of Drinking Water and Sanitation through the states, only 40.35% rural households have been found to have access to toilets.

Swachha Bharat Abhiyan is a national level campaign launched in 2014 by the Hon'ble Prime Minister on Gandhi Jayanti Day to initiate the biggest ever cleanliness drive to pave access for every person to sanitation facilities including toilets, solid & liquid waste disposal systems, area cleanliness and making available safe drinking water, etc. The campaign aims to achieve total coverage by 2019 as befitting tribute to Mahatma Gandhi who said, "Sanitation is more important than independence". Phase 1 of the Swachh Bharat mission lasted till October 2019. Phase 2 will be implemented between 2020–21 and 2024-25.

The concept note issued by Ministry of Drinking Water and Sanitation says the goal is to be achieved by construction of individual, cluster and community toilets besides other things.

Goal: NSE Group has taken up Sanitation i.e. Water, Sanitation and Hygiene interventions and Safe drinking water as one of the focus areas under the CSR Policy of NSE group. Under this, NSE Group will support sanitation projects in schools and communities, awareness building on sanitation and water, solid and liquid waste management, behaviour change communication etc.

(iv) Health and Nutrition

Rationale for selecting Health and Nutrition as a core area of focus

Health is defined by the World Health Organization as a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity and positive health. This is vital for the development of human resources and quality of life, which in turn impacts the social and economic development of the nation.

Over the last decade, despite significant progress in the health system and various disease indicators, this sector remains a critical focus area, with huge disparities between geographies that need to be addressed. The Global burden of disease survey in 2017 ranked India 145th of 195 nations, amongst one of the lowest globally, due to lack of access to and quality (HAQ) of health care services. with the public spend on the sector around 1.29% of the GDP in FY 2019 -20. The survey showed that the leading annular cause of death in India was due to non-communicable diseases (NCD) such as ischemic heart disease (15.4 lac deaths), chronic obstructive pulmonary disease (COPD -9.6 lac), Cancer (7.8 lac), Stroke (7.3 lac). In the last decade, lifestyle linked diseases such as diabetes and hypertension have increased significantly particularly in urban areas.

Poor sanitation facilities and practices saw annular deaths due to Diarrhea at 7.2 lacs, Neo natal (4.3 lac) Tuberculosis (4.5 Lac), Lower respiratory infections (5.1 lac,) amongst others. Vector-borne diseases like malaria affect around 2.19 Cr. Indians each year. In addition, dengue, acute encephalitis syndrome (AES) and Japanese encephalitis also continue to pose a challenge to the health system.

The National Health Mission and the National Health Policy, 2017, aim to address the various issues by strengthening the role of the Government in shaping health systems in all its dimensions such as organization of healthcare services, prevention of diseases and promotion of good health through cross sectoral actions amongst others, through the national health mission (rural and urban) with a focus on quality ensuring adequate investment, awareness, access and monitoring of services.

As health is a vast subject covering various issues related to communicable, non-communicable, vector borne diseases and disorders that are addressed in various ways through promotive, protective, curative, preventive, palliative and rehabilitative services, across the life span of a person including reproductive, neo natal, child,

adolescent, adult and older person, focus on urban and rural health through primary, secondary and tertiary health centres, nutrition, wellness and mental health, the NSE Group CSR initiatives in health will be broad ranging and where feasible seek to align with the priorities outlined in the National Health Policy and the National Health Mission and Sustainable Development Goal-3 which is “good health and well-being”.

Goal: To meet the health and nutrition issues of individuals especially those who are socially or economically disadvantaged, including children, women and older persons, so to improve the social, economic and health conditions of the people in such a manner as to optimally utilize the available resources, knowledge and technology, with a view to prevent, cure and alleviate the effect of diseases, disability and suffering of the people and where possible align to government initiatives in immunization, for the prevention and control of non -communicable diseases (NCD) and Communicable diseases such as the National programme for the Cancer, Diabetes, Cardiovascular Diseases and Stroke (NPCDCS), blindness ((NPCB&VI), mental health (NMHP), deafness (NPPCD), Malaria, TB (NTEP), Leprosy (NLEP), vector borne diseases, end stage renal disease (ESRD), Pradhan Mantri National Dialysis (PMND) programme, various other micronutrient and nutritional programmes etc. Efforts will be made to work closely with the primary, secondary and tertiary levels of the health care systems in both rural and urban areas to improve access and enhance and augment service quality through technology, equipment and infrastructure. Response in special scenarios such as pandemics and epidemics in light of COVID-19 will also be undertaken. The initiatives will also seek to prevent disease by education and awareness, screening, testing, early intervention, capacity building and training and by working closely with stakeholders such as the government, medical agencies and other organizations of repute.

(v) Environmental Sustainability

Rationale for selecting Environmental Sustainability as a core area of focus

In India, three out of every four rural households rely on traditional sources of energy for cooking and close to 275 million people depend on the ecosystem for day-to-day subsistence. Many of India’s poorest households derive income, food, shelter and much more from forests. A global biodiversity hotspot, India is one of the top ten species diverse countries in the world. Poor sanitation facilities and untreated water have serious impact on fresh water and marine water ecosystems. The total damage due to environmental degradation amounts to Rs 3.75 trillion and the cost of health consequences from particulate pollution is estimated at 3 per cent of India's GDP. The environmental ecosystem is a fragile relationship between various elements such as air, water, soil, flora, fauna etc. Some critical issues that pose an unprecedented challenge are pollution (of soil water and air), ground water depletion, solid & liquid waste management, loss of forests with the accompanying biodiversity etc. Further, unexplained climate change leading to disasters that cause widespread damage and

In keeping with NSE Group's commitment to environmental conservation, efficient energy solutions have been adopted to reduce the carbon footprint through maximizing the use of natural resources, renewable energy, reducing, recycling and managing waste and activities linked to sensitisation, awareness and activities on environmental issues.

Goal: NSE Group will undertake and support various environmental protection and awareness programmes and related activities that will enable better local resource management for the underprivileged and backward sections of the population. NSE Group will work towards environmental sustainability, ecological balance, protection of flora and fauna, agroforestry, conservation of natural resources and maintaining quality of soil, air and water etc. through interventions such as tree plantation, renewable energy and other solutions, innovations, awareness programmes, social mobilisation, environmentally sustainable behaviour change programmes, environmental issues related to agriculture, capacity building, research and advocacy measures etc.

(vi) Skill Development and Entrepreneurship

Rationale for selecting Skill Development & Entrepreneurship as a core area of focus

India has an unparalleled youth demographic- 65% of its population is 35 years or under and over 62% of the population is in the working age group (15-59 years). According to a World Bank report (2017), more than 12 million youth between 15 and 29 years of age are expected to enter India's labour force every year for the next two decades of which close to 3 million would be graduates and postgraduates and the balance would be below graduates who will mostly enter the unorganized sector. UNDP India Skills Report (2018) estimates that the Indian workforce will increase to approximately 600 million in year 2022 from the current 473 million of which around 90 percent would be in the unorganized sector. While this demographic dividend promises immense opportunities, it brings its own set of challenges such as equipping youth and those in the employable band with adequate, relevant, job-ready skills.

The initiatives on skill development shall be broad ranging and where feasible aligned to national goals outlined in the National Policy for Skill Development & Entrepreneurship 2015, the National Skill Development Mission and other Government schemes in short and long term skill development, apprenticeship, vocational training, up skilling, entrepreneurship etc. and contribute to the outcomes envisaged under the universal Sustainable Development Goal 8 which is livelihood opportunities.

Goal: To meet the critical challenge of skilling required in India, NSE Group will support various skill development programmes that will enable individuals especially

semi – literates, school dropouts, non-graduates etc., to increase their employability by certain technical skills like carpentry, plumbing, masonry, electrical work, driving, cooking, tailoring, advanced agriculture, food and agro-processing etc.

(vii) Sports

Rationale for selecting Sports as a core area of focus

Indian sports is at a pivotal stage, with a stated vision to host global mega-events such as the 2036 Olympic Games and to nurture world-class athletic capability. This moment presents an opportunity to strengthen the sporting ecosystem across infrastructure, talent development, inclusivity, competitiveness and institutional capacity. Strategic investment in sports contributes not only to international representation but also to infrastructure creation, employment generation, tourism and broader socio-economic development. Beyond physical health and recreation, sports foster resilience, discipline and teamwork among children and youth, build shared identity and collective pride, and provide an inclusive platform that advances gender equity and social inclusion.

Sports as a sector spans athlete and coach development, sports infrastructure, training centres, equipment, sports education and nutrition, talent identification, injury management and recovery, league development and competitions from grassroots to international levels, including the Olympic, Commonwealth, Paralympic and Asian Games. It also includes promotion of indigenous sports such as Kabaddi, Kho Kho and Mallakhamb, as well as emerging areas. Accordingly, NSE Group CSR initiatives in sports seek to adopt a broad-based approach aligned with national priorities, including Khelo Bharat Niti 2025, Sustainable Development Goal 3 (Good Health and Well-Being), and other relevant policy frameworks that are developed from time to time.

Goal: To develop and strengthen the sports ecosystem from grassroots to national levels through creation and upgradation of sports infrastructure, establishment of centres of excellence and training facilities, and provision of equipment, technology and institutional support. To promote talent identification, athlete and coach development, and capacity building across disciplines, while ensuring inclusion of children, youth and adults from socially and economically disadvantaged backgrounds, including women, persons with disabilities and tribal communities.

To support sports education, fitness and holistic development initiatives, scholarships and sponsorships enabling participation at block, district, state, national and international levels, including multi-sport events and promotion of indigenous sports and games. CSR initiatives in sports shall align with relevant Government of India priorities, including Khelo Bharat Niti 2025, and Sustainable Development Goal 3 (Good Health and Well-Being), and may involve partnerships with appropriate

ministries, authorities and sectoral institutions to improve access and service quality in both rural and urban areas.

viii) Funding of incubators in academic institutions and other agencies

Rationale for selecting funding of incubators in academic institutions and other agencies as a core focus area

With a population of more than 1.3 billion, India faces complex challenges related to safe water, clean air, lack of good nutrition, primary education and access to healthcare amongst a host of other pressing issues. In a developing country like India, to achieve inclusive development, scientific and technological applications and innovations are the primary driver of progress, cutting across sectors as they provide quick, accessible, scalable, integrated and cost-effective solutions.

Currently, the investment in research and development in India is less than 1 per cent of its GDP, lower than most global economies. To encourage research and a deep dive into finding scalable, cost effective and technological solutions, the Government had created a comprehensive Start-up India Policy in January 2016. The Atal Innovation Mission (AIM) was launched in 2016 as well, with the aim to develop new programmes and policies for fostering innovation in different sectors of the economy, provide platforms and collaboration opportunities for different stakeholders and create an umbrella structure to oversee the innovation & entrepreneurship ecosystem of the country and includes tinkering labs in schools, incubation centres at universities, institutions, corporates etc. Recognizing the importance of scientific research & innovation, a significant commitment has been made in 2021, to be utilized over a five-year period, by the National Research Foundation (NRF) a proposed umbrella body that is expected to fund research across a range of institutions and disciplines and discover effective local solutions to long standing social and developmental issues.

The COVID-19 pandemic has impacted indicators in health care, education as well as other developmental sectors, rolling back the needle of progress. It is therefore imperative to find solutions to issues such as learning from home for rural children or the access to low-cost diagnostic tools and health services for vulnerable groups such as senior citizens at the earliest to ensure that the losses in health and learning outcomes amongst a host of other issues, can be urgently addressed.

Goal: To fund incubators through academic institutions of eminence, organizations or entities as may be listed or notified from time to time under Schedule VII of the Companies Act,2013, with an aim to create through research and development, digital and other scientific solutions to the problems faced within the NSE Group CSR focus area sectors especially in primary education, health care delivery, elder care, environmental issues, WASH (water sanitation and hygiene) skill development etc.

Besides creating innovative technology solutions and products, for the social or development issues in the approved CSR sectors, this would help achieve scalability which otherwise could not be accomplished, so as to reach a much larger number of beneficiaries residing in the far-flung areas, especially the aspirational districts. So as to encourage innovation, the goals would also include, the support of incubator led hackathons held through IITs etc. in order to enable bright engineers or students in research to build and provide solutions for pressing problems in the selected CSR focus areas of the NSE Group CSR Policy.

Disaster Relief and Rehabilitation

From time to time various geographical areas of the country are affected by natural disasters such as Earthquakes, Floods, Landslides, Cyclones, Tsunamis, Urban Flood, Heat waves and Drought etc. as well as emergencies and calamities in urban and rural areas. Relief and rehabilitation activities will be undertaken through NGOs/ partner agencies or through contributions to Government bodies/institutions setup by the State /Central Government to undertake such relief and rehabilitation activities.

Prime Minister's National Relief Fund

India being a vast country susceptible to the vagaries of nature, various geographical areas are affected, from time to time, by natural calamities such as floods, storm, earthquake, etc. Unfortunate catastrophes such as storms in Andhra, floods in Kashmir, in Orissa, flash flood in Uttaranchal, pandemic such as COVID-19, are some of such disasters witnessed by India. Relief is granted, among other NGOs and other funds, through Prime Minister's National Relief Fund, PM CARES Fund etc. NSE Group has taken contribution to the 'Prime Minister's National Relief Fund', PM CARES Fund and other such Funds as may be notified under Schedule VII to provide relief during disasters as one of the focus areas in such circumstances if and when need arises.

Research and Studies in areas specified in Schedule VII including promoting Education

Research activities can be undertaken in the areas as described in Schedule VII of the Companies Act, 2013, or in the areas promoting education provided that (1) they are with an educational or research institution,(2) are not activities undertaken in pursuance of normal course of business of the Company and (3) they are in the project mode and not a 'one off activity' and do not involve the creation of an endowment chair.

Community Engagement Strategy

NSE Group will focus on improving the lives of communities from disadvantaged socio-economic backgrounds. The geographical focus areas for undertaking CSR activities have been identified as, in and around the areas where NSE Group has establishments pursuant to the company law requirement that the company shall give preference to the local area and areas around it where it operates or underserved geographies such as backward (aspirational) districts, for spending the amount earmarked for CSR activities. The primary beneficiaries will be children, adolescents especially girls, youth, the elderly and persons with disability, who will benefit directly from the various interventions. The secondary beneficiaries of the interventions will be the families of the beneficiaries and the larger community.

CSR Budget

- a. The Board of the Company covered under Section 135 of the Act, shall allocate in every financial year, at least two per cent (2%) of the average 'Net Profits' of the Company during the three immediately preceding financial years towards CSR activities. The average profits are to be computed in accordance with the provisions of Section 198 of the Act.
- b. It is imperative to carry out appraisal, monitoring, documentation and dissemination of CSR activity effectively in order to create the desired impact. Towards this end, the expenses on preparation of reports, documentation, monitoring, coordination of activities, fees to external experts such as designers/ engineers/ professional consultants etc., the expenditure on social audit and for organizing dissemination activities etc. shall be allocated from the overall CSR budget and would be covered under CSR.

Roles and Responsibilities

At the day-to-day administrative level, the activities would be handled by NSE Foundation with a team qualified and experienced in CSR activities, headed by a CEO. NSE Group will also encourage employee engagement in the implementation of its CSR activities leveraging their expertise, time and interest.

The CSR Governance structure comprises of the Board and the CSR Committee.

Responsibilities of the Board of Directors of the Company:

- Set up the CSR Committee as per the Act
- Approve the CSR Policy of the Company
- Ensure that in each financial year the Company spends the CSR budget as mandated under Section 135 of the Companies Act 2013.
- Ensure that funds disbursed towards the projects have been utilised for the purposes and in the manner as approved, and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

- The Board of the 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 for the smooth implementation of the project within the overall permissible time period.
- To ensure that the CSR activities shall be undertaken by the Company as per the CSR mandate prescribed in Section 135 and the Rules thereunder and any amendments thereof, that may be made from time to time.
- The Board shall display on the website of the Company, the CSR activities, composition of CSR Committee, CSR Policy and approved projects.

CSR Committee of the Board:

The Board has formed the CSR Committee in accordance with the requirements of the Companies Act, 2013 and the rules made thereunder.

The Responsibility of the CSR Committee will include:

- Formulate and recommend the CSR Policy to the Board for approval, monitor its implementation and suggest modifications from time to time for the same.
- Formulate an Annual Action Plan in line with the CSR Policy which will include list of approved CSR projects, modalities of implementation and fund utilisation, timelines, monitoring & reporting mechanism, and details of needs & impact assessment (if applicable).
- Recommend to the Board for approval the CSR projects undertaken by NSE Foundation.
- Ratify the decisions made by the Board of NSE Foundation to ensure seamless implementation of the projects and fulfil the obligations of the NSE Group falling under the CSR mandate.
- Report to the Board on the progress of the various CSR projects undertaken by NSE Foundation or through any entity as prescribed under Section 135 of the Companies Act and CSR rules thereunder and the expenditure incurred for the same on a periodic basis.
- Establish a transparent monitoring mechanism for ensuring implementation of the CSR programme.
- The CSR Committee will meet periodically or as may be required.

The individual Group Companies covered under section 135 of the Act have adopted the CSR Policy and the Group implementation strategy.

Project Monitoring and Evaluation Agencies

The Group may use services of third party expert agencies, sectoral experts, consultancy firms, infrastructure expert agencies, academic institutions, CSR advisory organisations, constitute committees including jury, sub jury, interview panels, review committees as and when required to guide NSE Group with the CSR Policy making, gap analysis, CSR plan, community engagement strategy, project and partner evaluation, screening or selection, implementation monitoring, measurement of results, impact assessments etc.

NSE Foundation

NSE Foundation was incorporated as a Company under Section 8 of the Companies Act, 2013 to implement, supervise and co-ordinate activities to implement the Corporate Social Responsibility Policy of NSE and its Group Companies as mandated under the Companies Act, 2013. NSE Foundation has the relevant approvals u/s 12 AA and Section 80G of the Income-tax Act, 1961.

The prescribed CSR budget will be transferred to the NSE Foundation by the respective NSE Group Companies to undertake the NSE Group CSR activities as approved and advised by the NSE Group CSR Committees and Boards.

NSE Foundation shall adopt the NSE Group CSR Policy and implement the CSR activities in accordance with the broad strategic, financial, programmatic and other principles and guidelines detailed above in the CSR Policy.

NSE Foundation shall present periodic programmatic and financial reports in a format as may be required or prescribed. NSE Foundation shall periodically update the CSR Committees and Board of NSE Group on the progression of various approved CSR activities undertaken by it on behalf of the NSE Group Companies. NSE Foundation shall also issue the relevant receipts under Sec 80G of the Income tax Act 1961 for any amount received towards implementation of CSR activities or any other such documents that may be required from time to time by the respective NSE Group Companies.

Guiding principles

The Group in order to have a holistic approach towards CSR, shall broadly follow the below guiding principles with respect to selection, implementation and monitoring of activities. The CSR activities of the Group aspire to reach the triple disadvantaged individuals and communities to improve their quality of life and living. The Group further understands that the economic and social well-being of the community is closely interlinked with their habitat and the environment. Further, the CSR efforts shall be centered around the below principles:

- Compliance to the Section 135 of the Companies Act, 2013 and the Rules thereunder as well as any amendment that maybe notified from time to time.

- Alignment to the NSE Group CSR Policy.
- Alignment to societal needs.

Below sub section covers the implementation plan, selection of on-ground partners and monitoring mechanism of the CSR projects.

CSR Implementation Plan

To ensure the sustainability of programmes, the projects will be implemented by NSE Foundation and selected institutions of repute, on-ground partners with a deep understanding of the community and the capacity to plan interventions in the approved CSR focus sectors. The individual Group Companies may also undertake CSR activities directly either by themselves or through partners within the overall framework of the CSR Policy. In addition, the Companies falling under the mandate of Sec 135, may contribute directly to any Fund, as may be prescribed in Section 135 and Rules thereunder. Employee volunteering component will be tailored into CSR programmes when required. The interventions will be undertaken in a programmatic mode and will generally have a 3-year timeline (excluding the year of approval) so as to create a sustainable impact on the lives of the beneficiaries.

The Group will not carry out any CSR activity that is pursuant to the Company's normal course of business or those that benefit the employees of the Company and their families. Further, the Group will not contribute to political parties, religious organisations or undertake CSR activities outside the country. All approved projects will be part of Annual Action Plan which will be approved by the Board.

Surplus arising out of CSR activities

Any surplus arising out of the CSR activities shall not form part of the business profit of the Group and shall be spent in pursuance of the principles outlined in the CSR Policy.

Unspent Amount

Any amount of the CSR budget remaining unspent in the respective financial year shall be treated in accordance with the prescribed CSR Rules.

Excess Amount

If the Company spends an amount in excess of requirement, such excess amount may be set off as per the provisions of the Act.

On-ground partner selection process

While the NSE Group will have dedicated CSR personnel, the actual interventions will be conducted in a programme mode by NSE Foundation, a Section 8 Company incorporated to implement the CSR mandate of the NSE Group and the NSE Foundation partner agencies which have the requisite sectoral experience.

While engaging with the partners, due diligence and evaluation of the partner agencies' credentials will be conducted by the third-party project monitoring and evaluation agencies appointed for the purpose.

Proposal Evaluation

The evaluation principles will conform to the overall mandate of Section 135, the CSR Rules and amendments as may be notified from time to time, and the NSE Group CSR Policy. An evaluation of the proposal will be undertaken by a third-party agency. Specific projects will be identified through a proposal evaluation process, which includes amongst others, the merit of the deliverables, geographic presence and areas of focus.

In addition to the above, a range of criteria for evaluating CSR project proposals include:

1. Alignment to the core focus sectors identified by the CSR Committee from time to time
2. Relevance to NSE Group's aims and core values but not in pursuance of the normal course of business activities
3. Projects that create legacy institutions, provide infrastructure and equipment, reach deserving individuals directly or through partner organisations
3. Projects that impact vulnerable individuals and communities, are self-sustaining and demonstrate measurable outputs and outcomes
4. Projects and programme partners will not have any religious or political affiliations
5. As and when permitted under the CSR law, allocate a percentage of funds to support eligible projects aligned to the Policy through the Social Stock Exchange
6. Offer opportunities for NSE Group employees to engage in the CSR programmes through volunteering activities

Programmatic Budgeting

The CSR programme will be planned with adequate resource allocation for site visits by the monitoring team, needs assessment or baseline studies, required capacity building, periodic evaluations and impact assessment studies etc., structured according to the needs of each planned intervention.

Selection, Monitoring and evaluation of CSR initiatives

Appropriate selection, monitoring and evaluation frameworks will be evolved for the various CSR programmes in consultation with empanelled expert including agencies with experience in real estate for infrastructure projects. Monitoring of the project includes field visits, desk review etc. which will be conducted periodically as per project milestones or as found appropriate to the design of the programme. For projects directly implemented by the Group Companies, monitoring of activities will be done by the respective Group Companies.

Impact assessments of projects where applicable may be undertaken through an independent agency, and reports shall form part of the annual report on CSR.

Documentation

Efforts will be made to put in place an effective documentation process, for all projects and programmes. The comprehensive documentation would include – printed material, audio recordings, video recordings, need assessment, project completion report or impact assessment report documenting the key project parameters, implementation process, deliverables achieved and the suggestions / recommendations for scalability and replicability of the project may be developed wherever applicable.

Miscellaneous

In case of any doubt with regard to any provision(s) of the Policy and also in respect of matters not specifically covered herein, the same shall be referred to the CSR Committee of the Board of Directors. In all such matters, the interpretation & decision of the CSR Committee of the Board of Directors shall be final.

Any or all the provisions of the Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by the Government, from time to time.

The Board may review the Policy from time to time and make suitable modifications, as may be necessary.