

MPHASIS LIMITED

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Corporate Social Responsibility Policy

About Mphasis

Mphasis is a leading IT and ITES solutions provider, offering Applications, Business Process Outsourcing (BPO) and Infrastructure services globally through a combination of technology knowhow, domain and process expertise.

Mphasis applies next-generation technology to help enterprises transform businesses globally. Customer centricity is foundational to Mphasis and is reflected in the Mphasis' Front2Back™ Transformation approach.

Mphasis' purpose is to be the "Driver in a Driverless Car" for global enterprises by applying next-generation design, architecture, and engineering services, to deliver scalable and sustainable software and technology solutions. Customer-centricity is foundational to Mphasis, and it is reflected in Mphasis' Front2Back™ Transformation approach. Front2Back™ uses the exponential power of cloud and cognitive computing to provide a hyper-personalized ($C=X2C^{TM}=1$) digital experience to clients and their end customers. Mphasis' Service Transformation approach helps 'shrink the core' through the application of digital technologies across legacy environments within an enterprise, enabling businesses to stay ahead in a changing world. Mphasis' core reference architectures and tools, speed and innovation with domain expertise and specialization, combined with an integrated sustainability and purpose-led approach across its operations and solutions are key to building strong relationships with marquee clients.

Mphasis CSR is committed to bringing social change by applying the power of technology and disruptive solutions with a strong belief that technology can play a transformational role for positive outcomes in the areas of education, livelihood creation, sustainability and equitable development. Our positioning statement is timeless, open ended and is applicable for our offerings, employees, customers and the community at large.

Approach

Mphasis strongly believes that execution of social objectives is a key element of its success and constantly endeavors to promote their development.

To execute its Social Responsibilities, Mphasis will rely on the following tenets:

1. Focus on a few topic areas and drive excellence in them;
2. Maximize impact with the deployed resources;
3. Drive innovative solutions in the social space in line with the company's motto;
4. Strive to solve new problems in the social context; and
5. Customize existing solutions based on need.

To achieve these objectives Mphasis' CSR strategy is oriented on an open CSR platform. This platform provides for the participation of a wide set of stakeholders e.g. non-profit organizations, companies, individuals, research institutes, technology incubators etc.

This platform will engage in a wide range of activities within its defined focus areas:

- Project grants
- Investment in research and innovative enterprises
- Investment in technology development
- Ideation and advisory
- Knowledge and information support

The platform will be enabled by a combination of technology (e.g. web portal, online knowledge sharing platforms etc.) and CSR resources (e.g. topic area experts). This platform will enable to accelerate and widen the impact we intend to create and encourage co-participation by the wider ecosystem.

Focus

Mphasis Ltd has defined four focus areas for its CSR activities (around Education, Livelihood, Inclusion and Sustainability) with specific Projects within each areas. Through this approach, we are able to drive impact in multiple ways such as:

1) Creating opportunities for the disadvantaged with emphasis on persons with disabilities¹

Towards creating opportunities for underserved community, Mphasis will specifically focus on the following:

- Inclusive vocational training and skill development relevant to ITeS;
- Job training of the target segment for employment in ITeS;
- Wealth and income generation for the disadvantaged through training and incubating social enterprises;
- Equal opportunity in education for disadvantaged children including children with disabilities through grant making of programs that validate proof of concept; and
- To support policy advocacy and facilitate accessibility in all spheres of life for person with disabilities.

The trainings related to ITeS, while drawing from the best-in-class curriculums used internally by Mphasis, will focus strictly on the target segments. This will be beyond the regular scope of business of the Company.

Mphasis will actively work in these areas with a network of implementation partners to drive impact. It will seek to drive a collaborative effort with these partners which may include co-conceptualization of programs, program planning and definition of outcomes. The primary focus in these areas will be to create and conceptualize break through programs which could then become model solutions / interventions.

2) Technology driven community development²

Towards the technology driven community development, Mphasis will specifically focus on the following:

- Strengthened engagement with university partners on applied research
- Promoting education via technology led large scale learning platforms (Digital Education) for the underserved.
- Digital Education for supplementing the financial inclusion aimed at financial literacy and technology based solutions for including the disadvantaged in economic mainstream

3) Safeguarding future by promoting sustainable practices within communities

Towards safeguarding future by promoting sustainable practices within communities, Mphasis will focus on environmental, promoting renewal sources of energy, Climate Change, conservation of terrestrial biodiversity and habitats (e.g. Afforestation, protection of flora and fauna), building capabilities for tomorrow through interventions, inclusive environment, conservation of natural resources, waste management, creating awareness about sustainability issues etc.

¹ Categories incorporated from Schedule VII from the Companies Act, 2013:

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects

² The categories incorporated from Schedule VII of the Companies' Act, 2013:

(ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects

(vii) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government

Mphasis has strong capabilities in a broad suite of technologies which it will leverage to build / assist in building solutions in the areas defined above. It will also actively seek to support technology ventures through the network of government approved technology incubation centers in educational and research institutions. This may include co-participation with other funding agencies as well as independent funding.

Governance

CSR Committee constitution and responsibilities:

The CSR Committee has been constituted comprising of the following members:

- 1) Mr. Narayanan Kumar
- 2) Mr. Davinder Singh Brar
- 3) Mr. Amit Dalmia
- 4) Mr. Nitin Rakesh

The roles and functions of the CSR Committee shall be as per the provisions of the law and as per the Charter approved by the Board of Directors of the Company.

Guidelines for programs and projects under the focus areas:

1. The CSR programs/activities shall preferably be in, but not restricted to, the local areas of operation of Mphasis Ltd.
2. Except as provided by law, the CSR budget shall be spent on programs in India only.
3. The projects or programs shall not be undertaken in pursuance of the normal course of business for Mphasis Limited.
4. The CSR activities shall not include activities for the benefit of Employees and their family members.
5. There shall be activities undertaken so as to utilize the employee volunteering skills.
6. The programs and projects undertaken will be in line with the CSR focus areas as mentioned above. and in accordance with activity areas specified in Schedule VII of the Companies Act.

CSR Budget

1. Mphasis Ltd. shall invest at least 2% of its average net profits of the immediately preceding three financial years in the areas mentioned above for CSR.
2. The surplus arising out of the CSR activity shall not be a part of business profits for the Mphasis Ltd. and shall be dealt with in accordance with the provisions of the law with the approval of the CSR Committee.
3. The impact assessment expenditure for eligible projects may be booked as CSR expenses in accordance with the provisions of law, provided such cost does not exceed 2% of the CSR expenditure for that financial year or Rupees fifty lakhs (₹ 50 lakhs), whichever is higher.
4. The CSR corpus shall hence consist of:
 - Percentage of average net profits allocated for CSR;
 - Any income arising therefrom, which shall not form part of the business profits of the Company;
 - Surplus arising out of CSR activities; and
 - Impact assessment expenditure for the eligible CSR projects.
5. Expenses for building capacities/administrative overheads for CSR shall not exceed 5% of the total CSR expenses per financial year or such other percentage as may be statutorily prescribed from time to time. This may include be external fees on training / capacity building and also internal charges like salary of CSR Staff etc. In case, the administrative expenses /expenses for building capacities for CSR exceeds 5% of the total CSR Expenses, the same shall not form part of the CSR Expenses.

Mphasis F1 foundation

Mphasis F1 foundation is an independent registered public trust and non-profit organization with a charter to support innovative programs that work towards an inclusive development of the society and the under privileged. It seeks to support secular, non-profit and non-political organizations. Its focus has been four key areas – Education, Livelihood, Inclusion and Sustainability.

Implementation of CSR work by Mphasis Ltd. shall be primarily carried out by the independent non-profit organization, Mphasis F1 Foundation, which shall have valid registrations as per the requirements of the Companies Act, 2013 and Rules made thereunder. The Foundation shall work with multiple execution partners for its programs and projects.

The Company may engage International Organizations (as defined in Clause 2(g) of the Companies (Corporate Social Responsibility Policy) Rules 2014) for designing, monitoring, and evaluation of CSR projects as well as capacity building of their personnel.

Monitoring and evaluation

The CSR activities of Mphasis will be headed by the CSR Head of Mphasis Limited. The CSR Head will be responsible for driving the CSR Agenda, including evaluation and execution of CSR programs. The CSR Head will assist the CSR Committee in monitoring the implementation of CSR programs. CSR head will also be responsible for identification of the ongoing projects and submit a monitoring report to the CSR Committee and Board on the status of implementation of the ongoing project as per the approved timelines for such project. The CSR head will be supported by a team of topic experts and program officers.

To ensure effective implementation and monitoring of the CSR projects, CSR Head may put in place mechanisms including but not limited to obtaining implementation and utilization reports, feedback from beneficiaries, field visits, periodic updates from the CSR Partners, audit of CSR Programs, impact assessment etc.

The CSR head will report to the CSR Committee on the status of the CSR Programs and recommendations on new programs / partners for being evaluated. In addition, the CSR head will also support periodic review and evaluation of the entire program portfolio.

The Chief Financial Officer or the person responsible for the financial management should certify to the Board on an annual basis that the funds disbursed by the Company towards the CSR have been utilized for the purpose and in the manner approved by the Board.

The CSR Committee will review the (a) grant recommendations made by the CSR Head; (b) review the annual action plan made in pursuance of the Policy including amendments thereto as required from time to time; and (c) approve and monitor the implementation of the Ongoing Projects and make appropriate recommendations to the Board for its approval.

The CSR Committee will monitor, review and report to the Board regarding the implementation of the CSR Policy, progress of CSR programs, progress against the annual action plan, amount of the CSR Expenditure incurred and such other matters as it may deem fit for execution of the CSR Policy.



The initiatives under Mphasis' CSR programs will be defined with rigorous impact criteria and metrics which will be monitored in a rigorous manner. Specifically, this would include:

1. Measurement and evaluation reporting pre-agreed with the execution partners before roll-out.
2. Multiple communication channels for project progress reporting to all the stakeholders.
3. Regular intervention in the project through meetings with implementation teams.
4. Course-correction or even future grant-withhold if implementation not on track.

Impact Assessment

- a. As required under the under law, the Company shall undertake an impact assessment of its CSR projects through an independent agency, provided that such projects have completed at least one year before undertaking the impact assessment.
- b. The impact assessment reports shall be placed before the Board and shall be annexed to the Annual Report on CSR to be sent to the shareholders.
