



SINCH INDIA

Corporate Social Responsibility Policy

01 July 2024



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Corporate Social Responsibility Policy
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1 CSR Policy

1.1 Company Overview

As a conscientious corporate citizen, Sinch Cloud Communication Services India Private Limited (**Company** or **Sinch India**) recognizes its role and responsibility to address some of India's most pressing challenges.

We are a private limited company in the business of providing messaging and communication-related services. We develop cloud-based digital tools that help businesses engage with their customers and enhance customer experience. Our service offerings include but are not limited to:

- Messaging, Email, Voice, Sinch Visuals and Docxcomm
- WhatsApp and RCS Business Messaging
- Chatlayer, Live Agent and Sinch Engage
- Sinch Trust, Axiom and Credence

The Company is committed to providing innovative, affordable and customer friendly services that enable businesses to connect and communicate or transact in a seamless manner. The Company aims to lead the path not only through its services, but also via ESG and CSR initiatives. We remain committed to acting responsibly and ethically to maintain the trust of our employees, customers, and investors.

The Company's CSR Policy has been in effect since 05 May 2018 and the Company complies with:

- Section 135 of the Companies Act 2013
- Schedule VII of the Companies Act 2013
- Companies (CSR Policy) Rules 2014

Prior to the amalgamation by way of merger by absorption and dissolution without winding up of, ACL Mobile Private Limited (**ACL Mobile**) and ACL Technologies Private Limited (wholly owned subsidiary of ACL Mobile) with the Company (parent of ACL Mobile) on 25 April 2024, CSR activities were carried out by the Company's wholly owned subsidiary, ACL Mobile.

1.2 CSR Programs

The Company understands that while there are positive impacts of enabling communications, there is an equally pressing necessity to mitigate the environmental and social impacts of communication services.

The Company's CSR programs are aligned with national development priorities, need of communities, and Schedule VII of the Companies Act 2013. In all our CSR programs, we encourage use of technology, employee volunteerism, partnership and innovation.

The Company endeavours to have long term CSR programs in the following areas:

1.2.1 Education

Support for promotion of education of all kinds (school education, technical, higher, vocational and adult education), to all ages and in various forms, with a focus on vulnerable and under-privileged, particularly for the girl child.

1.2.2 Environmental Sustainability

Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, conservation of natural resources and e-waste disposal.

1.2.3 Gender Equality and Empowerment of Women

Promoting gender equality and empowering women, promoting diversity, inclusion and safety.

1.3 Implementation

The Company implements its CSR programs through implementing agencies. While executing CSR programs, the Company ensures that such programs are not in normal pursuance of its business.

The Board of Directors and the CSR Committee ensure that implementing agencies are entities registered as Trusts or Society or Section 8/Section 25 company or certified technology incubators or through collaborative projects with other companies.

Implementing agencies are screened based on screening criteria articulated in the Company's CSR Standard Operating Procedure to ascertain the agencies' credibility and its ability to execute CSR programs. The CSR Team oversees implementation and monitors all CSR programs.

1.4 Governance

1.4.1 Board of Directors

The approval of the CSR Policy and overall oversight of CSR activities is the responsibility of the Company's Board of Directors. Board of Directors of the Company are responsible for:

1. Approving the CSR Policy of the Company.
2. Disclosing the contents of the CSR Policy and composition of the CSR Committee in its report.
3. Ensuring that the approved CSR Policy of the Company is displayed on the Company's website.
4. Ensuring that the activities included in CSR Policy of the Company are undertaken by the Company.
5. Ensuring that the Company spends, in every financial year, at least two percent of the average net profits of the Company made during the three immediately preceding financial years.

6. Satisfying itself regarding the utilization of the disbursed CSR funds.
7. Ensuring that unspent amounts under ongoing CSR projects are transferred to the Company's CSR Unspent Account within 30 days of the end of financial year in compliance with the Companies Act 2013.
8. Ensuring that the Company transfers unspent CSR amounts to any fund included in Schedule VII of the Companies Act 2013, within six months of the end of the financial year, in cases where the unspent CSR amount pertains to 'other than ongoing CSR projects'.

The Board of Directors also have the power to make changes to the CSR Committee's constitution.

1.4.2 CSR Committee

CSR Committee of the Board is responsible for overseeing the execution of the CSR Policy and dispersal of CSR funds. The CSR Committee ensures that CSR programs are compliant with the CSR Policy and are monitored and reported effectively. The CSR Committee is responsible for:

1. Revising and modifying the CSR Policy, if and as may be required, and placing the same before the Board of Directors for their approval.
2. Ensuring that the CSR programs, projects and activities are aligned with the CSR Policy and are also aligned to the activities prescribed in Schedule VII of Companies Act 2013.
3. Reviewing and approving annual budgets with respect to CSR programs.
4. Preparing the annual CSR report to be filed by the Company on approval of the Board of Directors. In this regard, the CSR Committee shall ensure that:
 - CSR programs are properly documented.
 - MIS is maintained on expenditure and beneficiaries impacted. MIS structure is in alignment with the prescribed reporting format.
 - Accountability is fixed at each level of CSR process and implementation.
 - Repository of case studies and good practices are maintained by the Company.
5. Developing and institutionalizing a CSR reporting mechanism as per the Companies Act 2013.
6. Responding to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to CSR programs supported.
7. Reviewing the findings and recommendations from any investigation or audit by regulatory agencies or external auditors or consultants concerning the Company's CSR matters.

1.5 CSR Expenditure

CSR expenditure includes all expenditure, direct and indirect, incurred by the Company on CSR programs undertaken in accordance with the approved CSR Policy. Accordingly, any income arising from CSR programs is netted off from the CSR expenditure and such net amount is reported as CSR expenditure.

2 CSR Committee

As on 01 July 2024, CSR Committee comprises of:

Mr. Nitin Singhal, Chairman

Mr. Björn Zethraeus, Member

3 CSR Projects

3.1 Pustakalaya

To support long-term projects that add value to communities, the Company is going strong with the Pustakalaya Project.

Anandaya Foundation partnered with the Company to launch Project Pustakalaya, a pioneering three-year CSR initiative aimed at enhancing reading, critical thinking, and expression skills in Municipal Corporation of Delhi primary school students.

Anandaya Foundation with the support of the Company has established 122 libraries, trained more than 1200 teachers and have impacted more than 55,000 students.

By creating engaging library environments, providing diverse reading resources, and empowering teachers with best practices, Project Pustakalaya aims to foster a lifelong learning mindset. Project Pustakalaya has had a substantial positive impact on reading comprehension, critical thinking, and expressive skills, surpassing outcomes in comparison schools. Project Pustakalaya's continued success and growth trajectory indicate a promising future for educational advancement.

Anandaya Foundation conducted a comprehensive three-year impact evaluation comparing students in participating schools to those in non-participating Municipal Corporation of Delhi primary schools. The results showcased significant advancements in reading proficiency, critical thinking, and expression skills. Over the intervention period, a 49% increase in paragraph comprehension, 23% rise in sentence comprehension, and 44% decrease in non-readers were observed. Higher-order thinking skills saw substantial development, with 75% more students demonstrating analytical skills and 73% showing enhanced evaluative abilities. Storytelling proficiency also improved, with 78% of students able to narrate a story and 88% crafting complete narratives.

Notably, students in Project Pustakalaya schools exhibited superior gains compared to non-participating schools. Teachers and principals reported positive shifts in teaching methodologies and mindsets, indicating lasting benefits for the school community. After the three-year project, all schools will enter the 'Pustakalaya Perpetuity Program' that guarantees ongoing support through book replenishment, maintenance, capacity building, and monitoring. This ensures the longevity and effectiveness of the libraries.

