

UNISYS | Securing Your Tomorrow®

Corporate Social Responsibility

APRIL' 2021



1. Introduction

Unisys India Private Limited ("Unisys" or "the Company" or "Our") is committed to operating the business in an ethical, socially responsible, and sustainable manner. We believe that our growth and success is inextricably linked to the well-being of our ecosystem – employees, customers, partners, local communities and the environment. As a responsible corporate citizen, we are committed to maintaining a safe and healthy workplace, operating our facilities in an environmentally-sound manner, providing and supporting environment friendly products and services and promoting programs that address key social, economic and environmental challenges.

Our commitment will not only enhance our reputation but also create greater value for both our business and the society at large. With our technology leadership and ongoing efforts, we aim to make a sustainable difference to the communities in which we work and operate.

In India, as per the Companies Act, 2013 ("Act"), every company is required to contribute two (2) percent of its average net profits of the last three financial years towards identified Corporate Social Responsibility ("CSR") activities. CSR activities should conform to the sectors provided in the Schedule VII of the Act. Among others, sectors include promoting education, preventative healthcare, gender equality, environmental sustainability, rural development projects, disaster management, including relief, rehabilitation and reconstruction activities, contributing to the Prime Minister's National Relief Fund ("PMNRF") and Prime Minister's Cares ("PM Cares") Fund.

"Our growth and success is inextricably linked to the well-being of our ecosystem"

2. Policy Purpose and Statement

The CSR Policy of the Company is prepared in compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("Rules") and Schedule VII of the Act (including any amendment thereto or re-enactment thereof).

The Policy is drafted keeping in mind the spirit of the Act and to scale up our social responsibility initiatives aimed at improving overall welfare of the society. Also, this Policy provides direction on selection of CSR initiatives and guides Unisys in proper and effective utilization of resources.

The Board of Directors of the Company, after taking into consideration the recommendations of the CSR Committee, has approved this Policy.

3. Terms and Definitions

In this Policy, unless the context otherwise requires or if term(s) or expression is/are not defined, the following words, term, expression and derivations will have the meanings assigned to them in the Act.

3.1. "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;

3.2. "Corporate Social Responsibility (CSR)" means the activities undertaken by the Company in pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the Rules, but shall not include the following, namely:

i. activities undertaken in pursuance of normal course of business of the company.

ii. any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.

iii. contribution of any amount directly or indirectly to any political party under section 182 of the Act.

iv. activities benefitting employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019).

v. activities supported by the companies on sponsorship basis for deriving marketing benefits for its products or services.

vi. activities carried out for fulfilment of any other statutory obligations under any law in force in India.

3.3. “CSR Committee" or “Committee” means the Corporate Social Responsibility Committee of the Board of Directors referred to in section 135 of the Act.

3.4. “CSR Council” or “Council” means the Council set up by the CSR Committee having the team of Unisys employees with a lead, who has volunteered to assist the activities of the CSR Committee.

3.5. "CSR Policy" means this Policy and is a statement containing the approach and direction given by the Board of Directors of the Company, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

3.6. “Implementing Agency” means -

i. a registered public trust or a registered society or a company established under Section 8 of the Act, registered under section 12A and 80 G of the Income Tax Act, 1961 established by the company, either singly or along with any other company, or

ii. a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or

iii. any entity established under an Act of Parliament or a State legislature; or

iv. a company established under section 8 of the Act, or a registered public trust or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

3.7. "Net profit" means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act, but shall not include the following, namely:

i. any profit arising from any overseas branch or branches of the company, whether operated as a separate company or otherwise; and
ii. any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act:

3.8. "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 of Directors based on reasonable justification.

4. Organizational Mechanism and Responsibilities

4.1. Constitution of the CSR Committee

1. The CSR Committee was initially formed by the Board of Directors in their meeting held on March 26, 2014 and the current Committee comprises of three directors on Board as its members:

2. The Board of Directors of the Company has powers to nominate/ change/induct members of the Board in the CSR Committee subject to the applicable regulatory requirements and the Organization's philosophy.

3. The Board of Directors may nominate the Chairperson of the CSR Committee at the time of constitution or reconstitution of the CSR Committee. Alternatively, the CSR Committee members may elect the Chairperson from amongst themselves at each meeting of the CSR Committee.

4. A person who ceases to be a Director of the Company shall automatically cease to be a member of the CSR Committee.

4.2. CSR Committee Meetings

1. The CSR Committee will meet at least twice a year and to the extent possible, once in every calendar quarter. The CSR Committee will be free formulate its own meeting procedures to the extent permitted under the Act.

2. The Committee will review the progress of the CSR activities and provide the progress updates to the Board of Directors in the subsequent meeting, ensure that the Company spends the prescribed CSR expenditure on CSR activities which are being undertaken in accordance with the Act and the CSR Policy.

3. The quorum for a meeting of the CSR Committee shall be two members present in person or through audio-visual means.

4. The CSR Committee may have invitees (permanent or temporary) to assist it with its meetings.

4.3. Roles and Responsibilities

The roles and responsibilities of the Board of Directors and the Committee are as follows:

4.3.1 Board of Directors

i. Ensure that the Company spends at least two (2) percent of the average net profits of the preceding three (3) financial years as its CSR obligation for the financial year.

ii. Approve the annual action plan and CSR framework (including annual budget).

iii. Approve projects / Implementing Agencies to be partnered or associated with.

iv. Ensure that the funds disbursed for the CSR Projects as part of the Company's obligation for each financial year have been utilized for the purpose and in the manner allocated and approved by it, within the same financial year.

v. Monitor the implementation of the project with reference to the approved timelines and year-wise allocation.

vi. Suggest modifications, if required, for smooth implementation of the CSR project within the overall permissible time period under the Act.

vii. Ensure that the administrative overheads shall not exceed five (5) percent of total CSR expenditure of the Company for the financial year or such other limit as may be prescribed under the Act.

viii. Approve the CSR Policy and amendments thereto from time to time.

4.3.2 CSR Committee

As per section 135(3) of the Act read with the Rules, the CSR Committee shall:

i. Formulate and recommend to the Board of Director, a CSR policy which shall include list of CSR Projects approved which shall be as per Schedule VII of the Act.

ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a).

iii. The CSR Committee shall formulate and recommend to the Board of Directors, an annual action plan in pursuance of the CSR Policy which should include a list of approved CSR projects, manner of project execution and related implementation schedules, modalities of fund utilization, monitoring and reporting mechanisms and details of need / impact assessments, if applicable.

iv. Monitor the CSR Policy of the Company and update the same from time to time in line with changes in the Act or as may be required.

5. Focus Areas

5.1. The approach and philosophy of the Company towards its social responsibility is to focus on creating sustainable long term impact in the society through programs. Additionally, the CSR program will extend support to PMNRF and PM Cares Fund and such other Fund as specified in Schedule VII of the Act from time to time.

The CSR activities of the Company would focus on the following areas:

1. **Education and Employment** - Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.

   Enhancing vocational skills by working towards providing educational support for the underprivileged kids as well as enhancing employment skills in employable youth. The intent is to improve the quality of life among those sections of the society, who are deprived of basic necessities like quality education and employment opportunities.

2. **Environmental Sustainability** - 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.

   The Company envisages enhancing green spaces to combat the increasing pollution in the cities where its facilities are located and initiate steps towards reducing carbon footprint caused in the environment due to its operations, by various innovative ways, creating awareness among the common public about the importance of retaining the sanctity of the air, water intact.

3. **Health Care** - Our focus will be on initiatives that help in eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water.

   To ensure that every underprivileged school going girl gets basic cloths to maintain the hygiene. The project covers procurement of raw material, stitching basic clothing (undergarments) and distribution of the same to needy school children.

4. Disaster management, including relief, rehabilitation and reconstruction activities

5. **Other than above focus areas -** Unisys shall explore and work for other welfare activities and emergencies and natural calamities as situation warrants and as relevant as per the Act read with the Rules by contributing to the Funds like PMNRF, PM Cares Fund and such other funds as specified in the Schedule VII of the Act.

- PMNRF – This fund is managed by the Prime Minister's Office or such other delegated officers, for national cause. The resources of the PMNRF are utilized primarily to render immediate relief to families of those killed in natural calamities like floods, cyclones and earthquakes, etc. and to the victims of the major accidents and riots. Assistance from PMNRF is also rendered, to partially defray the expenses for medical treatment.

- PM Cares Fund – This is a dedicated national fund with the primary objective of dealing with any kind of emergency or distress situation, like posed by the COVID-19 pandemic, and to provide relief to the affected.

5.2 None of the activities that the Company carries out in the ordinary course of its business will form part of the Company's CSR initiative or activities.

5.3 The Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for CSR.

5.4 The Company may take up activities/projects/programs as it may consider appropriate. However, the Company's endeavor will be to spend the majority portion on the focus areas identified above.

5.5 The CSR Committee may at any time, change, amend or modify a focus area including identifying an area other than those listed above.

"Our focus on creating sustainable long term impact in the society will be fostered through programs in education & employment, environmental sustainability and health care"

6. Mode of Execution and Identification of CSR projects/activities

6.1. The CSR Committee shall formulate an annual action plan for every financial year in pursuance of the CSR Policy, with the help of CSR Council.

6.2. The annual action plan will define the proposed activities, schedule, partners and budget outlay, and the implementation modalities.

6.3. The Board of Directors will approve the annual action plan based on the recommendation of the CSR Committee.

6.4. The CSR Committee to implement the CSR activities and programs in pursuance of the CSR Policy with the assistance of CSR Council.

6.5. The Company plans to execute the CSR programs and activities in pursuance of the CSR Policy and the Schedule VII of the Act through any one or a combination of the following modes:

1. Independently or directly by the Company through its CSR Council.

2. Associating with identified /approved Implementing Agencies in accordance with the Act read with the Rules, as well as involving its associates for carrying out the CSR programs and activities.

3. By collaborating or pooling resources with other companies for undertaking the CSR projects or programs or activities in such manner that the CSR Committees of the respective companies are in position to report separately on such projects or programs in accordance with the Act.

4. By forming a registered Trust / Society / Foundation / Section 8 Company by specifying the project or programs to be undertaken, modalities of utilization of funds, monitoring and reporting mechanism, etc.

6.6. Guiding principles for identification of programs/ activities are as follows:

1. The CSR Council will evaluate proposals received from the Implementing Agencies based on the Company's focus areas.

2. The CSR Council will prioritize the projects by assessing the impact the project is going to generate. The Council will then forward its recommendations to the CSR Committee.

3. The CSR Committee will deliberate and recommend the proposals for the approval of the Board of Directors and same will be implemented as per the annual action plan as approved by the Board of Directors.

6.7. Selection of Implementing Agencies

1. The CSR Council will evaluate the eligibility of Implementing Agencies as prescribed under the Act and examine all the relevant documents viz. registration certificates under the Act, 80G and 12A of the Income Tax Act, 1961 certificates as required to be maintained or such other eligibility criteria as may be notified under the Act.

2. The CSR Council, post evaluation of the Implementing Agencies, make appropriate recommendations to the CSR Committee for undertaking CSR Projects and to recommend for the approval of the Board of Directors.

6.8. Formulation of the Annual Action Plan:

1. The CSR Committee in assistance with the CSR Council will formulate the annual action plan pursuant to the Act and the CSR Policy, in each financial year and recommend the same for the approval of the Board of Directors.

2. The CSR Committee and the Board of Directors shall adhere to the following guidelines while formulating/ approving the annual action plan for each financial year:

   i. Evaluate CSR activities of the preceding financial year: The achievements and drawbacks of the CSR projects/ activities undertaken in the previous financial year shall be considered and the annual action plan shall be prepared accordingly.

   ii. Identify projects/activities for the current financial year: The CSR Committee with the help of CSR Council will be responsible for identifying

suitable CSR initiatives which are in line with the overall objectives of the Company.

iii. Formulate the annual action plan based on the management accounts and recommend the same for the approval of the Board of Directors before the end of the first quarter in every financial year. Any delay in preparation and approval of the action plan can be ratified by the Board of Directors.

iv. Action plan to include a description of the identified activities and the sequence in which they will be undertaken by taking into consideration the following:
- organizational readiness and strategies,
- financial and procurement management,
- disbursement and utilization plans for the unspent amounts from previous years during the current financial year; and
- disbursement and utilization plan for funds for the relevant (concerned) financial year.

v. The ongoing projects will have an overall timelines and specific activities and timelines for the particular financial year. Any deviation in the schedule will be intimated in advance by the Implementation Agency to the CSR Council. The CSR Council will subsequently report to the CSR Committee and to the Board of Directors.

vi. Any amendment to the annual action plan shall be recommended by the CSR Committee and approved by the Board of Directors.

6.9. Budgets/Expenditure

1. The annual budget for all CSR projects/activities will be presented by the CSR Committee for the approval of the Board of Directors.

2. During each financial year, the Company will spend at least two (2) percent of the average net profits of the preceding three (3) financial years as its CSR obligation for the financial year.

3. The CSR Committee or the CSR Council, in consultation with the finance department of the Company, shall contribute the agreed amount towards CSR activities as per the annual action plan approved by the Board of Directors.

4. CSR related disbursements by the Company will be treated as spent during the financial year, only if the same have, in turn, been spent by the Implementing Agencies or step-down implementation partner, if any.

5. Where the Company spends an amount in excess of its CSR obligation under the Act, subject to passing of the Board resolution, such excess amount, excluding surplus arising, can be set-off against the CSR spends up to immediate succeeding 3 (three) financial years.

6.10. Timeline and Disbursement

1. Memorandum of Understanding ("MoU") has to be executed with the Implementing Agencies covering the details of the proposed CSR activities along with the disbursement cycles and completion timelines and such other required clauses as determined by the CSR Committee and the Board of Directors.

2. All projects will be executed based on schedule agreed and signed in the MoU with the respective Implementing Agency.

3. The disbursement plan as per the action plan will be agreed upon with the identified Implementing Agencies to execute the CSR project / program.

4. The disbursement can be one-time, or phase manner as mutually agreed under the terms and conditions of the MoU. Appropriate receipts/ agreements/ documentation shall be maintained in this regard.

6.11. Treatment of unspent CSR

1. The unspent CSR amount pertaining to an annual CSR project and/or Ongoing CSR Project shall be treated as per the provisions prescribed under the Act read with the Rules and as amended from time to time.

6.12. Monitoring and Reporting

1. Routine reviews shall be undertaken by the CSR Council and the Implementing Agencies.

2. The CSR Council will monitor the progress or developments of the program/ project wrt to timelines, completion, deviation, if any and map the outcome with the action plan agreed under the MoU with the identified Implementing Agencies.

3. The CSR Council will report the progress and status to the CSR Committee in prescribed format as approved by the CSR Committee and the Board of Directors periodically, frequency of which can be decided by the CSR Committee.

4. The CSR Committee will review the progress with regard to implementation and results of CSR initiatives and report the same to the Board of Directors.

5. The CSR Council will obtain an Utilization Report from all the Implementing Agencies at the end of each project and an Audit Report at the end of each financial year which will be reviewed by the Committee and the Board of Directors.

6. The Chief Financial Officer (CFO) of the Company, if any or the person responsible for financial management or such other person notification under the Act, will be required to certify that the funds allocated towards the CSR obligation of the Company have been utilized in the areas or projects as approved by the Board of Directors of the Company.

7. In case the projects are implemented through the Implementing Agencies, the CFO certification can be based on the utilization report as received from the Implementing Agencies.

8. The CSR Council and the CSR Committee of the Company shall take on the role of the mentor, while the ultimate responsibility of ensuring successful and time bound implementation of the CSR projects will remain with the Board of Directors of the Company.

9. The CSR Committee, may appoint such professionals, firms, agencies, etc., as it may deem fit, for effective monitoring/ evaluation/ implementation/ designing of the programs and projects of the Company, including appointing an agency that would carry out an impact assessment study of the projects, if so required, under the Act or deemed necessary by the Committee.

10. The Board of Directors have to disclose the details of the CSR Policy, CSR projects undertaken during the financial year including outlay, expenditure and such other details as prescribed under the Act read with the Rules, as an Annexure to their Annual Board's Report.

"Employees participation establishes strong relationship with recipients and partners."

7. Website Disclosure

The composition of the CSR Committee, and the CSR Policy and Projects approved by the Board of Directors are displayed on the Company's website at the below link:

Unisys India CSR Policy**:**
http://assets.unisys.com/Documents/IN/Unisys-India-CSR-Policy.pdf

Composition of CSR Committee:
http://assets.unisys.com/Documents/IN/Compositon-CSR-Committee.pdf

8. Amendments to this Policy

The Board of Directors on its own and/or as per the recommendations of the CSR Committee may amend this Policy time to time as per the applicable provisions of the Act read with the Rules made thereunder and any subsequent amendments thereof from time to time.

9. Effective Date

This CSR Policy is effective from 1st April 2021.
