



BELIEVE IN THE POWER OF US

Corporate Social Responsibility Policy

TVS SUPPLY CHAIN SOLUTIONS LIMITED

A. Introduction

TVS Supply Chain Solutions Limited's ("TVS SCS" or "**Company**") corporate social responsibility ("**CSR**") commitment stems from the legacy of the TVS Group and the founder's vision and commitment to improve the quality of life of the communities.

TVS SCS believes in alignment of CSR and business vision and enhance value through its CSR initiatives and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large, more specifically for the deprived and underprivileged persons.

TVS SCS, in accordance with the CSR Provisions (*as defined below*), has constituted a committee ("**CSR Committee**") which formulated the policy on CSR ("**CSR Policy**" or "**Policy**") and the same was approved and adopted by the board of directors of TVS SCS ("**Board**") on [•].

B. Scope of the Policy

- This Policy is applicable to all of TVS SCS global operations including the subsidiaries of the Company, and the Company will ensure compliance to all regulations in these respective regions.
- For India, the Policy will be operative within the overall ambit of the CSR provisions contained in the Companies Act 2013 ("**Act**"), the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with Schedule VII and amendments thereof, applicable from time to time (hereinafter collectively referred to as "**CSR Provisions**").

C. CSR Focus areas

Employability and Skill Development	Vocational skill training for women, differently abled and transgenders to promote employability.
Health and Wellness	Promoting preventive and general health care, sanitation and provision of safe drinking water.
Education and awareness	Promoting education by providing financial assistance to deserving educational institutions, meritorious and needy students, including special education.
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.

While Company will be preliminary engaged in the CSR activities specified in the focus areas, Company can support or undertake any of the activities as per Schedule VII of the Act, as amended.

D. CSR selection Process and Implementation

The Company will undertake its CSR activities either directly or through:

- Registered Trust or through a registered Society or establish another company under Section 8 of the Act.
- Collaborate with other entities, including its associate companies.
- Self-executed i.e., directly undertake initiatives by building the CSR capacity of personnel.

The Implementation agency shall meet the statutory eligibility criteria laid down under the Act. The Company may enter memorandum of understanding (MOU) with implementation agency.

Selection process following factors will be considered:

- Alignment of project with the focus area specified in policy
- Impact on the society / community at large and environment
- Inclusive growth
- Sustainability of projects to ensure long term impact
- Timeframe within which the project can be completed
- Key beneficiary of the project and the impact of them

Selection of Implementation agency

Additionally, the Company shall conduct appropriate due diligence before associating with them, such as:

- Financial position and creditability
- History and experience in relevant area and similar activities
- Statutory registration
- Governance and Management standards
- Potential conflict of interest

F. Governance and Monitoring:

- a. The CSR Committee shall be comprised in accordance with the requirements of applicable law. CSR Policy, details of the composition of the CSR Committee and projects approved by the Board (as applicable) shall be hosted on the Company's website.
- b. The CSR Committee shall
 - Recommend the CSR activities (projects / programs)
 - Identification and implementation of multi -year projects / programs - ongoing and one- time projects.
 - Decision on the locations for CSR activities
 - Modalities of utilisation of funds and implementation schedules
 - Formulate and recommend to the Board, the CSR annual action plan, which shall contain all matters which are required under applicable Law and any other matters as the CSR Committee may deem fit from time to time.
 - Monitor and report on the progress on the annual action plan
- c. The Board may modify the annual action plan as per the recommendations of the CSR Committee at any time during the financial year, based on reasonable justification.
- d. The Board shall satisfy itself that the CSR funds disbursed are in alignment to the CSR Policy of the Company and have been utilized for the purposes and in the manner approved by it. The Chief Financial Officer or the person responsible for financial management shall certify the same to the effect.
- e. CSR activities undertaken through third party/ NGO, Company to seek an independent practitioner's report on utilisation of such CSR funds from the auditor/ CA in practice of the third party/ NGO.
- f. Impact assessment shall be undertaken by the Company or by recipient or by implementing agency as required by and in the manner set out under applicable law(s), the impact assessment report(s) shall be placed before the CSR Committee and the Board shall be disclosed as legally required.

- g. The Company may spend up to a maximum of 5% of the total CSR expenditure in one financial year on administrative expenses relating to the general management and administration of CSR functions in the Company.
- h. Surplus arising out of the CSR activities shall not form part of the business profit of the Company. Such surplus shall be spent towards its CSR activities in accordance with this Policy.
- i. In India, an annual report on CSR activities will be included in the Director's Report within the Annual Financial Report and placed before the Board for approval. The CSR Report for India will adhere to the specific requirements of the CSR Provisions.
- j. Within its global operations, TVS SCS will ensure compliance with local regulatory reporting requirements for CSR, if any. A consolidated report covering the global CSR activities will be included in the presentation to the CSR Committee.

G. Limitation and Amendments

The Board at its discretion and recommendation of CSR Committee may make amendment / modification to this policy from time to time. In the event of conflict between the provision of this policy and Statutory requirement, the later will prevail and automatically be applicable to this policy. In the event of any amendment to the Act, this policy shall deemed to have been amended accordingly.