

Moveinsync Policy on Corporate Social Responsibility and Environment, Social & Governance (CSR & ESG Policy)	Version No.	1.0
	Prepared by	CS Dept.
	Reviewed and approved by	Board of Directors
	Approval Date	November 20, 2024

POLICY ON CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENT, SOCIAL & GOVERNANCE PRACTICES OF MOVEINSYNC TECHNOLOGY SOLUTIONS PRIVATE LIMITED

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PART A - General

INTRODUCTION:

MoveInSync Technology Solutions Private Limited is a corporate and employee transportation management solution. MoveInSync One aims to solve employees' commute needs by combining technology, fleet management, and people. The SaaS solution, MoveInSync Ion, is designed to identify and mitigate risks, empower ESG compliance, and improve employee experience.

The Company's contributions and initiatives towards social welfare and environmental sustainability have been integral to its business. In light of the same, the Board of Directors at its meeting held on November 20, 2024, approved the Policy on Corporate Social Responsibility ("**CSR**") and Environment, Social & Governance ("**ESG**") practices to pursue CSR & ESG activities of the Company.

CSR & ESG activities of the Company shall continuously evolve for a long-term sustainability of business, society and environment at large. CSR & ESG shall further align and integrate social wellbeing, economic growth and environmental sustainability with the Company's core values, operations and growth.

In the process of executing CSR, the Board of the Company shall comply with the statutory requirements of the Companies Act 2013, and the related rules and regulations as may be amended from time to time (hereinafter referred to as "**the Act**") and provide specialized focus, oversight and guidance relating to ESG. ESG refers to environmental (E), social (S) and governance (G) related parameters to monitor responsible business conduct, to ensure that the business ultimately benefits all stakeholders including investors, consumers, employees, communities, members in the value chain etc. under the guidance of this policy.

DEFINITIONS:

- a) "Act" means Companies Act, 2013 including any Statutory modification or re- enactment thereof;
- b) "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
- c) "Board" means Board of Directors of the Company.
- d) "Corporate Social Responsibility" means the activities undertaken by a Company In pursuance of its statutory obligation laid down in section 135 of the Act in accordance with the provisions contained in the rules made thereunder, 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.
- e) "CSR Policy" means a statement containing the approach and direction given by the Board of a company and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan;
- f) "Net profit" means the net profit of a 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:
- Provided that in case of a foreign company covered under these rules, net profit means the net profit of such company as per profit and loss account prepared in terms of clause (a) of sub-section (1) of section 381, read with section 198 of the Act;
- g) "Ongoing Project" means a multi-year project undertaken by a 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 based on reasonable justification.
- h) "Rules" mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

EFFECTIVE DATE:

This CSR & ESG Policy shall come into force from the date of its approval by the Board of the Company. This policy shall revoke and replace all previous policies and understandings that are inconsistent with those contained herein.

The Policy, as necessary or appropriate may be amended with the approval of the Board. Once approved by the Board, the Company shall thereafter apprise all the major stakeholders and provide them with a copy of the approved new version. The policy shall be reviewed at least once on an annual basis.

In case of any ambiguity or need for clarification, the Company should refer to applicable Secretarial Standards, provisions of Companies Act, 2013, Articles of Association of the Company and any other applicable law. Further, in case there prevails any inconsistency between the provisions of this charter and the law, the law shall prevail.

PART B

Policy on Corporate Social Responsibility and Environment, Social & Governance Activities

VISION AND STRATEGY:

To strive towards developing and sustaining healthy and empowered communities by promoting social & economic inclusion, environment sustainability and improving overall quality of life. The Company shall acknowledge its responsibility towards the environment, its consumers, employees and other stakeholders. CSR & ESG shall be a commitment and part of business behavior at the Company. The Company shall make concerted efforts to protect and improve the welfare of society as it demonstrates sustainable practices.

The CSR & ESG strategy shall create long-term and scalable values for communities and society. The Company shall adopt the following strategies and action plan in the CSR process:

- Embed CSR & ESG into the business
- Develop action plans
- Build capacities for CSR & ESG at all levels
- Involve employees to volunteer for CSR & ESG activities
- Be transparent, consistent and fair in communication
- Carry out periodic reviews and reporting
- Continuous compliance with statutory requirements

APPROACH AND DIRECTION:

This policy is formulated to meet the CSR objectives set by the Company as well as the applicable statutory requirements notified by the Ministry of Corporate Affairs through the Act. This policy shall apply to all CSR activities / projects / programs undertaken by the Company.

This Policy encompasses the philosophy for social responsibilities and lays down the guidelines, mechanism and an action plan for undertaking projects, programs and activities beyond business which include initiatives and endeavors for the benefit and development of the community and society. CSR is the way the company integrates economic, environmental and social objectives while, at the same time, addressing stakeholder expectations and sustaining or enhancing shareholder value.

This policy also aims to establish boundaries for acceptable behavior and guidelines for best practices in CSR & ESG related initiatives as applicable.

AREAS OF ACTIVITIES

The Company has identified the following domains for undertaking its CSR activities. The selection of these domains is at the discretion of the Board and may be revised to meet the changing regulatory requirements as well as iterations involved in program scope and scale. The areas include:

- Promoting healthcare including preventive healthcare
- Eradicating hunger, poverty and malnutrition.
- Promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocational skills and livelihood enhancement projects.
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water.
- Rural development projects.

In addition, the Company may undertake other activities as provided under Schedule VII of the Companies Act, 2013 including the following on a need basis, and as approved by the Board from time to time and in accordance with the Act:

- Protection of national heritage, art and culture including restoration of building and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts.
- Promoting gender equality and empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.
- Measures for the benefit of armed forces veterans, war widows and their dependents.
- Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women.

However, the following shall not be considered as CSR Activity:

- 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;

CSR CONTRIBUTION, CSR EXPENDITURE AND TREATMENT OF UNSPENT CSR OBLIGATION

CSR Contribution

The Company shall spend at least two percent (2%) of its average Net Profit of the immediately (3) three preceding financial years on CSR activities in accordance with the provisions of the Act. The amount of Net Profit shall be calculated in accordance with the Act.

Any surplus arising out of CSR activities shall be reinvested into CSR initiatives and this shall be over and above the spending of mandated 2% spend, in pursuance of the Act.

CSR Expenditure

The Board shall ensure that the administrative overheads shall not exceed 5% of total CSR expenditure of the Company for the financial year.

Treatment of Unspent CSR obligation

If the Company spends less than the amount required to be spent under CSR obligation, the Board shall specify the reasons for not spending such an amount, in the Board's report. The Company shall deal with the unspent amount in the following manner:

i. In case of an On-going Project:

As per the provisions of Section 135(6), any amount remaining unspent shall be transferred by the Company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.

ii. In case of projects having a tenure of one year or lesser:

As per the provisions of Section 135(5), the unspent amount as at the end of the financial year shall be transferred to a Fund specified in Schedule VII, as regulated by the Government, within a period of (6) six months of the expiry of the financial year.

ANNUAL ACTION PLAN, MODES OF IMPLEMENTATION AND BENEFICIARY

Formulation of Annual Action Plan:

The annual action plan shall be created with a definite mechanism by CSR functionaries and document the stated objectives of the CSR programs. It shall clarify the content of relevant interventions as per agreed timelines and budgetary allocations. Based on project timelines, the annual action plan shall undergo periodic review for scope, relevance and timelines of envisaged outcomes.

** Note: Annual Action Plan shall assume the meaning as substantiated under the Companies Act, 2013*

Modes of Implementation

The CSR Activities may be undertaken by the Company directly or through trust (Incorporated by promoters of the Company) or with the prior approval of the Board, through any of the following entities as "Implementation Agency" being duly registered with the Central Government and having a unique CSR Registration Number (with effect from 1 April 2021):

The Implementing agencies shall be responsible for strategizing, planning, execution, monitoring and evaluation of the CSR & ESG activities on behalf of the Company, either directly or through meaningful partnerships.

The Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programs in accordance with the provisions of the Companies Act, 2013.

The CSR amount may be spent by the Company for creation or acquisition of a capital asset in accordance with the Rules.

Beneficiary

The target beneficiary of CSR initiatives may primarily be disadvantaged, impoverished, underserved and marginalized sections of Society. The emphasis shall be given to communities living around the area of operations of the Company.

REPORTING AND MONITORING PROCESS

Reporting

CSR initiatives of the Company shall be reported in the Annual Report including any unspent budget allocated to CSR initiatives.

The Board of Directors of the Company shall mandatorily disclose CSR Policy and Projects approved by the Board on their website, if any, for public access.

Monitoring Process

The Board shall monitor the implementation of various programs, projects and activities in such manner as it deems fit. It shall also determine the manner of submission of information, reports, files, etc. by third parties, if any, as a part of the monitoring process. It shall further ensure that a transparent monitoring mechanism is put in place. In case of on-going project, the Board shall also monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period. The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to the effect.

CONTACT

Moveinsync Technology Solutions Private Limited

Email: cs@moveinsync.com

Tel: 080 47113008