



Corporate Social Responsibility (CSR) Policy

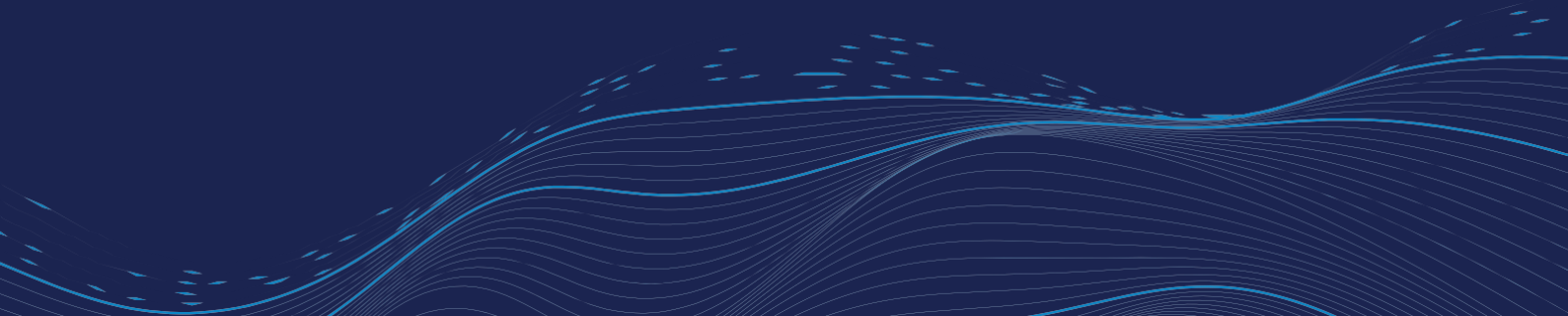




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The Board of Directors ("Board") of Fractal Analytics Limited ("Fractal") acting upon the recommendation of its directors and the Corporate Social Responsibility & Environmental, Social, And Governance ("CSR & ESG ") Committee, has amended and adopted the following policy and procedures with regard to the Company's Social Responsibility initiatives and strategy at their meeting held on June 17, 2024.

Fractal's Corporate Social Responsibility Philosophy

We seek to integrate usage of our core expertise to achieve greater social impact. Creating shared value in an identified social problem arena, that we are equipped to help resolve. And from where the greatest community benefit can be gleaned.

We seek to accomplish these goals by creative-

partnering with the government, non-profit sector, public-private partnerships and the local community.

Fractal contributes financial support, employee volunteering (teaching and mentorship) hours as well as its Analytics and Artificial Intelligence capabilities to its CSR projects. To influence better outcomes.

Fractal's CSR Objectives

At Fractal, our corporate social responsibility (CSR) objectives are -

- (a) Enhancing equitable educational outcomes for disadvantaged children
- (b) Empowering women to be financially independent and
- (c) Improving quality & affordability of healthcare, radiological expertise, and provision of safe housing solutions
- (d) Taking intelligent and science-based actions to reduce Fractal's carbon footprint, improve its protection and preservation of biodiversity, and to take action to address climate change and its impact in line with the United Nations Sustainable Development Goal (UN SDG) 13.

Introduction

Fractal seeks to be a workplace of choice for those who seek to pursue professional, personal and social goals with a high degree of passion. We seek to integrate usage of our core expertise to achieve greater social

impact. Creating shared value in an identified social problem arena, that we are equipped to help resolve. And from where the greatest community benefit can be gleaned.

An elaboration of our CSR Objectives

(a) Enhancing equitable educational outcomes for disadvantaged children

- At Fractal, we believe that all children have a right to high quality basic education. That this access to education is among the important first steps towards breaking out of inter-generational poverty. We seek to help disadvantaged children resident in the urban slums of Mumbai, Bengaluru and/or Gurugram by supporting our carefully chosen CSR partners. We contribute financial aid, volunteering hours and organizational best practices to our CSR partners.

The Fractal CSR team maintains proximity to our CSR projects and facilitates collaboration between

volunteer teams and Fractal's CSR partners to enhance desired outcomes.

- Along with our partners, we address some of the key barriers to delivering quality education – by funding schools located near or within the communities where school age children are resident, better equipping classrooms with learning aids, sponsorship of well-trained and committed teaching staff and by designing volunteering opportunities that provide high quality beyond community exposure to students of our partner schools.

(b) Empowering women to be financially independent

- Empowering women to augment their family income, increase their share of family income or increase their savings towards desired goals almost always benefits an entire family unit. At Fractal, we actively encourage procurement of company supplies, mementos and giveaways from collectives run by women for the upliftment of the economically disadvantaged. Regular CSR bazaars held at various office locations encourage lady artisans, entrepreneurs to exhibit and connect with potential customers amongst our colleagues. Some such collectives have included women

weavers from Madhya Pradesh, sustainable textile and stationery manufacturers from Karnataka, upcycled paper product manufacturers from Tamil Nadu. The Fractal CSR bazaars are popular and anticipated events that often symbolize the beginning of shopping for festive occasions amongst Fractal colleagues.

- Fractal's work with its CSR partners also sees it contribute towards skill enhancement and financial inclusion of lady employees in the educational institutions supported by Fractal.

*(c) Improving quality & affordability of healthcare,
radiological expertise and provision of safe housing solutions*

- Over the last few years the convergence of Big Data and technology have posed an interesting question – whether organizations can leverage Big Data for social impact. At Fractal, we are committed to using our expertise in Analytics and Artificial Intelligence (AI) to help our CSR partners achieve better outcomes and create greater social impact.
- Our deep expertise in AI (our solutions in healthcare imaging data and beyond), Machine Learning (discovering interconnectedness) and Analytics (our expertise in converting raw data into illuminating insights) also lend well to our 'problem-solver' volunteering track at Fractal. We continue to identify and address potential areas of collaboration with our experienced CSR partners.

(d) Taking intelligent and science-based actions to reduce Fractal's carbon footprint, improve its protection and preservation of bio-diversity, and to take action to address climate change and its impact in line with the United Nations Sustainable Development Goal (UN SDG) 13

- Fractal will continue to take science-based target-oriented actions to reduce its carbon footprint and to efficiently manage its energy, water and waste. In line with more detailed commitments outlined in Fractal's ESG policy.
- Fractal commits to reducing its environmental footprint by continuously improving its operational efficiency, adopting and implementing sustainable practice. This includes reducing energy consumption, conserving water resources, minimizing waste generation and lowering greenhouse gas emissions across all its facilities and operations. Fractal actively works to protect and preserve bio-diversity by supporting conservation initiatives and minimizing its impact on the ecosystem.

Fractal's Approach

We seek to accomplish these goals by creative partnering with the government, non-profit sector, public-private partnerships and the local community. Fractal contributes financial support, employee volunteering (teaching and mentorship) hours as well as its Analytics and Artificial Intelligence capabilities to its CSR projects. To influence better outcomes.

Alignment of Fractal's CSR Objectives with Schedule VII of the Companies Act, 2013

As listed under Schedule VII of The Companies Act, 2013, Fractal shall undertake and align its CSR Objectives with any of the following activities/projects or such other activities/projects, as may be notified by the Ministry of Corporate Affairs ("MCA") from time to time as a part of CSR or contribute to corpus of Trust/Society/section 8 companies as may be prescribed by MCA or under the Act:

1. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
2. promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
3. promoting gender equality, 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;
4. 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
5. protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows;
7. training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports;
8. contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central government for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;

9. contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs);
10. rural development projects;
11. slum area development;

Explanation.- For the purposes of this item, the term `slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force;
12. disaster management, including relief, rehabilitation and reconstruction activities;
13. Such other matters as may be prescribed.

Provided that the Company shall give preference to the local area and areas around it where it operates, for spending the amount earmarked for Corporate Social Responsibility activities.

Presently, Fractal is primarily engaged with NGOs in improving educational outcomes for disadvantaged children and in empowering women by participating in various initiatives listed under Schedule VII of The Companies Act. Some elements of Fractal's CSR program(s) are drawn from the examples listed alongside:

- Scholarship Programs for education
- Providing infrastructure and other learning aids
- Participating for a cause through events
- Teaching, mentorship and reading Programs through school libraries
- Training and enhancing skills of underprivileged women and children
- Afforestation and bio-diversity preservation projects
- Sustainable and Social Procurement from women run businesses

Composition of the CSR & ESG Committee

Fractal's CSR governance structure is headed by the Board level members, who are responsible for the CSR Policy of the Company and report to the Board, as may be required, pursuant to the applicable provisions of the Companies Act, 2013. The Committee is authorized to approve any modification to the annual CSR Plan or to propose any new program during the year under review. The Committee consists of the Directors mentioned below.

1. Ms. Neelam Dhawan – Chairperson
2. Mr. Srikanth Velamakanni – Member
3. Mr. Sasha Mirchandani – Member
4. Mr. Vivek Mohan – Member
5. Mr. Anurag Sud – Member

Responsibilities of the CSR & ESG Committee

- To formulate and recommend to the Board, a CSR policy
- To recommend CSR Activities as stated under Schedule VII of the Act
- To approve to undertake CSR Activities and to report the same under the Rules.
- To review and recommend for the approval of the Board, the amount of expenditure to be incurred on the CSR activities to be undertaken by Fractal
- To formulate and recommend an annual action plan in pursuance of CSR Policy in the indicative format attached as Annexure I;
- To recommending changes to the Board, if any, needed in the annual action plan with reasonable justification to that effect;
- To monitor the CSR Policy, the CSR activities and to report to the Board from time to time.

Responsibilities of the Board of Directors

The Board of Directors of Fractal is responsible for -

- Approving the CSR policy as formulated by the CSR & ESG committee or any modifications thereunder;
- Ensuring that every financial year funds committed by the Company for CSR activities are utilized effectively;
- Monitoring implementation of the CSR Policy by the CSR & ESG committee regularly;
- Disclosing the contents of the policy in its report annually, in the prescribed format and ensuring annual reporting of its CSR activities on Fractal's website.

The CSR Budget

Fractal will strive to spend in every financial year at least 2% of the average net profits of the Company, made during the three immediately preceding financial years.

The Treatment of Surpluses

Any surplus generated from CSR projects undertaken by Fractal shall not form part of the business profit and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of this Corporate Social Responsibility Policy and annual action plan of the Company or transfer such surplus amount to a fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

If the Company fails to spend such amount earmarked for CSR activities, the Board shall, in its report made under clause (o) of sub-section (3) of section 134 of the Companies Act, specify the reasons for not spending the amount and, unless the unspent amount relates to any ongoing project, transfer such unspent amount to a fund specified in Schedule VII of the Companies Act, within a period of six months of the expiry of the financial year. Any amount remaining unspent pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by the Company in pursuance of this Corporate Social Responsibility Policy, shall be transferred by the Company within a period of 30 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 of the Companies Act, within a period of 30 days from the date of completion of the third financial year.

Disclosure: The Company shall comply with Sections 135 (2), 135(4)(a) and 134 (3) (o) of Companies the Act thereby ensuring that it makes a full disclosure of this policy, strategy, projects/ programs, activities, monitoring mechanism, implementing agencies, expenditure details as well as the composition of the CSR & ESG Committee of the Board of Directors of the Company, as required under the Companies Act.

Key Operating Principles

Fractal may undertake CSR activities through a registered trust or society or any company, established by the Company, its holding or subsidiary company under section 8 of the Act for such non-for-profit objectives. Provided that the Company can carry out the CSR Activities through such other institutions having an established track record of 3 (three) years in undertaking the CSR Activities, in compliance with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

Fractal may collaborate with other companies for undertaking the CSR activities subject to fulfillment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Apart from Fractal's CSR initiatives as an organization, Fractal may also provide an opportunity to its India based employees to participate and contribute to the CSR initiatives by providing up to certain amount of their time to any CSR initiative, which may be in the form of employees' unbilled utilization or through payroll giving, where employees may contribute a specified amount for CSR activities and Fractal may match the total amount of employee contribution, as the case may be.

Fractal may partner with the government, non-profit sector, public-private partnerships and the local community towards achievement of its CSR objectives.

Policy Review

The board of directors of the Company may, subject to compliance with applicable laws, amend, suspend or rescind this Corporate Social Responsibility Policy at any time. The board of directors of the Company may also establish further rules and procedures, from time to time, to give effect to the intent of this Corporate Social Responsibility Policy.

Annexure I
CSR Annual Action Plan FY [●]

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