
CORPORATE SOCIAL RESPONSIBILITY POLICY

OF

AVAILITY INDIA PRIVATE LIMITED

[Pursuant to Section 135 of the Companies Act, 2013, read with Schedule VII of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2013]

OVERVIEW

As a part of global [Availity Charitable Giving and Sponsorship Programme] and as required under the provisions of Companies Act, 2013 (“Act”), Availity India Private Limited (“Company”) is pleased to announce its Corporate Social Responsibility Policy (“CSR Policy” or “Policy”).

CSR FOCUS AREAS

CSR activities to be undertaken by the Company are aligned to the community activities undertaken globally under the [Availity Charitable Giving and Sponsorship Programme]. [Availity Charitable Giving and Sponsorship Programme] developed by [Availity LLC, the ultimate parent company] (“Availity”) which has 2-part strategic mission:

First, to effectuate Availity’s commitment to strengthen communities across the country in which our employees live and work. Availity takes great pride in promoting community success through donations of time and money to non-profit organizations that produce high quality results through impactful programs, especially United Way (a non-profit organisation) programs.

Second mission is to incentivize Availity employees to be more active in charitable endeavors in their own communities, especially in seeking and maintaining leadership roles in non-profit organizations.

Accordingly, the focus areas for the CSR activities to be undertaken by the Company under this Policy shall be in the following areas:

- (i) **Education:** Fostering innovation through investment in education, including special education and employment enhancing vacation skills especially among children, women, elderly and differently enabled, emphasizing on science, technology, engineering and mathematics.
- (ii) **Environment:** To undertake various activities in relation to increasing accountability through investments in energy and the environment, ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources, maintaining quality of soil, air and water.
- (iii) **Promotion of health care, including preventive healthcare and sanitation and disaster management.**

Every activity to be undertaken by the Company under the above-mentioned areas shall be approved by the CSR Committee. For the purpose of carrying out the CSR Activities, preference shall be given to the local area and the areas around which the Company operates. Following activities shall not fall under the purview of CSR activities:

- Activities considered “Marketing Expenses” or done with the intent to increase brand awareness, such as named sponsorships, golf tournaments, parties, research projects, film and video projects, door prizes, gift certificates, or other marketing collateral giveaways, which are funded by marketing budget. Any such activity that was not contemplated in the marketing budget shall be evaluated by the CSR Committee.
- Wellness events, such as the corporate challenge, which are funded by HR budget
- Activities which are intended to promote employee recruitment, which are funded by HR budget.
- Support for charitable fund-raising activities during the United Way Employee Campaign which the Committee deems may compromise the success of the UW Campaign by causing donor fatigue.
- Support for individual schools, or school events, such as proms, graduations, PTO/PTA groups, sports teams (other than the designated Achievers for Life School).
- Sponsorship of individuals, including for individual student exchange/travel programs, family reunions, memorials, benefits or fund-raisers held for an individual.
- Support of religious, political, lobbying, labor, union, or fraternal organizations.

IMPLEMENTATION OF CSR ACTIVITIES

The Company may carry out the CSR activities in accordance with the terms of this Policy, either on its own, or through a registered trust or registered society or through a company registered under Section 8 of the Act. If the Company chooses to carry out the CSR Activities through a registered trust or registered society or a section 8 company incorporated under the Act, which is established by a third party (“**CSR Partner**”), such CSR Partner shall meet the eligibility criteria as mentioned under the Companies Act, 2013 and the rules made thereunder.

Currently, the Company proposes to carry out the CSR activities through United Way, a non-profit organisation.

GUIDELINES FOR CHOOSING A CSR PARTNER

1. CSR Partner shall be either a registered trust or a registered society under the applicable laws or a company incorporated under Section 8 of the Act with an established track record of 3 years in undertaking activities in the focus areas in which the Company intends to carryout CSR Activities.

2. The board of directors or the trustees or the management committee members or the governing body members, as the case may be, of the CSR Partner, shall have at least 3 years of experience and expertise in carrying out CSR activities in the focus areas in which the Company intends to carryout CSR Activities.
3. The board of directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner or the CSR Partner itself, shall not in any way be, directly or indirectly, connected with any political parties and the CSR Partner should not be, directly or indirectly, promoted by political parties.
4. CSR Partner shall not engage in religious or political activities, for the private benefit of the CSR Partner, discriminate on the basis of race, colour, religion, sex, age, national origin, citizenship status, disability, sexual orientation or veteran status.
5. The board of directors or the trustees or the management committee members or governing body members of the CSR Partner, as the case may be, or the members of the CSR Partner should not be adjudicated as an insolvent or convicted by a Court of any offence involving moral turpitude.
6. CSR Partner should not be or should not have been a party at any time to bankruptcy or insolvency or winding up proceedings or to proceedings involving a composition of creditors, or should not make or should not have at any time made an assignment for the benefit of creditors. Custodian, receiver or any other person with like power should not have been appointed to take charge of or liquidate all or a part of the its business, property or assets or no order should have been made or a resolution should have been passed for the winding-up or liquidation or any corporate proceedings for its liquidation, winding-up or dissolution.
7. CSR Partner should have complied with the applicable laws and no notice for non-compliance under any applicable laws should have been received from any authorities.
8. CSR Partner should have audited its accounts for each of the financial years from the date of its existence and the financial statements should reflect true and fair view of its affairs.
9. The Company shall conduct a legal, financial and regulatory due diligence on the CSR Partner and satisfy itself of its credibility, compliance status and ability to carry out CSR Activities on behalf of the Company.
10. The CSR Committee shall discuss the CSR Policy and the objectives of the Company in this regard with the proposed CSR Partners.

11. The Company shall shortlist atleast 3 CSR Partners for each of the CSR Activities. The Company shall procure a detailed project report from the shortlisted CSR Partners regarding the course of action that they intend to undertake, if chosen to implement a particular CSR Activity on behalf of the Company apart from United Way.

CSR FUND

The Company shall ear mark not less than 2% of the average net profits of the Company made during the three immediately preceding financial years for the purpose of CSR activities. Any surplus arising out of CSR Activities implemented by the Company shall not form part of business profits. Payments shall be made directly to the CSR Partners and/or the beneficiaries, as the case may be.

CSR COMMITTEE

CSR Committee shall be constituted by the Board of Directors of the Company. The roles, responsibilities and functioning of the CSR Committee shall be as provided below:

Constitution: CSR Committee shall consist of not less than 2 Board of Directors of the Company at any given point of time.

Quorum: Two directors or majority of the committee members, personally present or via video conferencing, whichever is higher, shall form quorum for every meeting of the CSR Committee. Provisions relating to conducting board meetings via video conferencing shall apply *mutatis mutandis* to the CSR Committee meetings.

Meetings: The meetings of the CSR Committee shall be held atleast once in every calendar quarter from the date of formation of the CSR Committee. Meetings can be convened at such time, at such place and on such day, as the members of the CSR Committee may deem fit. The minutes recording the proceedings of the CSR Committee meetings shall be placed before the next board meeting of the Company for approval.

Notices: Any one of the CSR Committee members shall be authorised to issue notice to convene the meetings of the CSR Committee. Every notice convening the meeting of CSR Committee shall be accompanied by a detailed agenda and the draft resolutions to be passed at such meetings.

Membership: Membership of the CSR Committee is restricted only to board of directors of the Company. The CSR Committee may invite experts from various fields to attend its meetings from time to time.

Decisions: Matters transacted at the meetings of the CSR Committee or by way of resolutions by circulation shall be decided by majority vote of the CSR Committee members.

Matters to be transacted: CSR Committee shall at its every meeting discuss the following matters:

- (i) Preparation of budget outlay for each of the CSR Activities;
- (ii) Implementation schedule for each of the CSR Activities;
- (iii) Allocation of responsibilities to carryout CSR Activities;
- (iv) Report on the CSR Activities carried out from the date of last meeting till date with supporting documents;
- (v) Discussion on the new proposals, if any;
- (vi) Road map for the CSR Activities to be carried out for the next 3 months; and
- (vii) Any other matter as the CSR Committee may deem fit.

ROLE AND RESPONSIBILITIES OF THE CSR COMMITTEE

CSR Committee shall:

- (i) Establish and enforce Availity's enterprise-wide charitable giving strategy, eligibility and funding guidelines;
- (ii) Manage an annual budget;
- (iii) Evaluate the level of impact and the effectiveness of Company's commitment to various causes, organizations;
- (iv) formulate and recommend the CSR Policy to the board of directors of the Company. Any amendments to be carried out to the CSR Policy shall be taken up by the Board only with the recommended of CSR Committee;
- (v) recommend the amount of expenditure to be incurred by the Company in each financial year in relation to the CSR Activities to the board of the directors of the Company. Such expenditure shall be calculated in accordance with the provisions of the Act after consultation with the finance department of the Company;
- (vi) identify and recommend CSR Activities to the board of directors of the Company which are covered under this Policy by providing a detailed project report. The project report shall elaborate on the sectors in which the CSR Activities shall be carried out, need, statistics, modalities of execution of the CSR Activities, budget outlay, implementation schedule, location where the CSR Activities are proposed to be implemented and impact of such CSR Activities on the target audience;

- (vii) allocate budget to each of the CSR Activities and the CSR Partners;
- (viii) undertake all necessary steps to implement the CSR Activities in accordance with the implementation schedule, as approved by the Board;
- (ix) monitor the CSR Activities in such manner as prescribed in this Policy;
- (x) update the board of directors from time to time on the progress of the CSR Activities along with a report on the amount allocated for such activity, amount utilised, amount unspent, if any, additional funds required, if any and expenditure incurred; and
- (xi) ensure that the CSR Activities do not benefit the Company or its employees and their families.

MONITORING MECHANISM

The CSR Committee shall monitor the CSR Activities in the following manner:

- (i) Atleast one member of the CSR Committee or his/her representative shall accompany the representatives of the CSR Partner(s) to each of the venues where the CSR Activities are implemented atleast once in a month.
- (ii) CSR Committee shall procure not later than 7 days from the end of each month by each of the CSR Partner, separately for each of the CSR Activity, a monthly status report detailing the utilization of the funds, CSR Activities carried out, reasons for deviation from the implementation schedule, if any, corrective measures taken in this regard, requirement of additional funds, if any, along with the reasons for such escalations.
- (iii) Procure pictures, videos and stories from the CSR Partners on the completed and ongoing CSR Activities.

REPORTING

The board of directors of the Company shall provide the following information in its report to its shareholders of the Company:

- (i) Brief outline of the CSR Policy;
- (ii) Website link to CSR Policy and update on the CSR Activities undertaken by the Company;

- (iii) Composition of CSR Committee;
- (iv) Average net profits of the Company for last three financial years;
- (v) Prescribed CSR Expenditure;
- (vi) Total amount to be spent in a financial year and amount unspent, if any, along with the reasons;
- (vii) Manner in which the amount spent on CSR Activities during a financial year in the following format:
 - (a) CSR Activities identified;
 - (b) Sectors in which the CSR Activities are covered;
 - (c) CSR Activities Undertaken – (1) Local Area or Other; and (2) Specify the State and district where CSR Activities were undertaken;
 - (d) Amount outlay (budget) for each of the CSR Activity;
 - (e) Amount spent on the CSR Activities – (1) Direct Expenditure; (2) Overheads.
 - (f) Cumulative expenditure upto the reporting period;
 - (g) Amount spent – (1) Direct; (2) Implementing agency.
 - (h) Details of the implementing agency.
- (viii) Reasons for the Company failing to spend the amount required under the Act, on the CSR Activities;
- (ix) Responsibility statement from CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives.

The website of the Company shall provide a broad overview of the CSR policy of the Company.

POLICY REVIEW AND FUTURE AMENDMENT

The CSR Committee shall annually review the CSR Policy and make suitable changes as may be required and submit the same for the approval of the Board of Directors of the Company.