



CSR POLICY

VERSION 1

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1 Context

At The Boston Consulting Group (India) Pvt Ltd ('the Company'), our social-impact work seeks to make a difference beyond the business world. Having a beneficial social impact is fundamental to who we are as an organization and is one of our nine stated values. BCG's involvement in this area is motivated by our desire to make a positive difference to society in general and often to the underprivileged in particular.

The CSR policy of The Boston Consulting Group (India) Pvt Ltd highlights the Company's philosophy towards Corporate Social Responsibility and lays down the guiding principles for undertaking the Company's CSR activities in India.

2 CSR philosophy

Globally, our social impact philosophy is:

'We seek to have a positive and lasting impact beyond the business domain. We believe we can make the world a better place both directly through our client work and through our pro bono efforts. We seek to pursue progressive policies in every culture where we provide services. We donate a portion of our time and resources to community and global issues and institutions.'

'As world populations and markets continue to grow, ensuring the sustainability of our economies is a fundamental responsibility of all institutions and individuals. At BCG, we will share our intellectual capital on sustainability openly, work with clients to support their sustainability efforts, and take steps as a company to minimize our own impact on the environment'

3 Applicability

The CSR policy has been drafted in line with Section 135 of the Companies' Act and subsequent notifications as notified by the Ministry of Corporate Affairs, Government of India. This policy will apply to all CSR programs to be undertaken by the Company going forward.

4 CSR guiding principles

The guiding principles of CSR of the Company are:

1. Fund and support large scale transformation of public systems and other welfare programs to create impact at scale that will benefit the underprivileged
2. Undertake as well as support programs with long-term sustainable impact
3. Leverage core skills and expertise of the Company both in India and globally

5 CSR focus areas

CSR focus areas of the Company include:

1. **Education** including primary education, early childhood education, secondary education, higher education, school health and nutrition, and so on.
2. **Healthcare** including primary, secondary and tertiary healthcare, strengthening public health systems, preventive health, etc. with a focus across all topics – including but not limited to maternal and child health, infectious diseases, non-communicable diseases, etc
3. **Hunger and food security** including strengthening food safety net programs (TPDS, take home ration), etc
4. **Nutrition** including strengthening public programs in nutrition (ICDS, TPDS, Mid day meals), improving the nutritive value of foods in such programs, etc
5. **Livelihoods**
6. **Any other topic as listed under Schedule VII of Section 135 of the Companies Act, 2013 with prior sign-off from the Board of the Company**

6 CSR goals and activities

Our mandate is to support programs aligned to our focus areas. Activities that we will undertake can vary from program to program but, in general, will include supporting and funding non-profit organizations (Trust / Society / Section 25 Company) and / or government agencies in implementing programs that benefit the underprivileged at scale.

The CSR Committee can recommend CSR programs and associated activities to the Board from time to time. The CSR Committee with support from the CSR Taskforce will also highlight the activities of each program along with operating mechanisms.

We have provided one example of a program as part of this policy document.

Program	Activities	Implementation agencies / stakeholders
<p>Supporting the state-wide scale up of a Remedial Education program by a state government</p>	<ul style="list-style-type: none"> • Provide funding and other support to conduct a pilot program across model public schools in the state to test the remedial education program • Create year long modules for the remedial education program for primary public schools in the state • Provide funding support to implement the program at scale • Conduct monitoring and evaluation as well as an impact evaluation of the program <p>Help internalize the program in the public education system in the state</p>	<ul style="list-style-type: none"> • Non-profit organizations • State Department of Education • BCG employees

7 Governance mechanism

The Governance structure of the Company shall comprise of the Board of Directors, the CSR Committee, and the CSR Taskforce

7.1 Board of Directors

As per Section 135 of the Companies Act, 2013, the Board of Directors has been entrusted with the following responsibilities:

- Set up a CSR Committee with at least 2 Board level members
- Approve the CSR Policy recommended by the CSR Committee, with details on focus area, activities to be performed, monitoring and evaluation framework, and governance structure
- Ensure that the activities mentioned are included under Schedule VII of the Companies Act, 2013.
- Try to ensure that the Company spends 2% of average net profits in the 3 immediately preceding financial years and provide explanation in the CSR Report if the Company fails to spend the entire amount.
- Approve the CSR Report and provide details as mandated by Section 135 of the Companies Act, 2013.

7.2 CSR Committee

Composition of the CSR Committee:

The following are members of the CSR Committee:

- Arindam Bhattacharya
- Alpesh Shah
- Vikram Bhalla
- Neeraj Aggarwal
- Seema Bansal

Responsibilities of the CSR Committee:

- Formulate the Company's CSR Policy with details on focus area, activities to be performed, monitoring and evaluation framework, and governance structure.
- Recommend the estimated spend for CSR activities.
- Define monitoring and evaluation frameworks.
- Update the Board regularly on developments in the Company's CSR activities.
- Draft the annual CSR Report.
- Update the CSR Policy, programs and activities as required.

7.3 CSR Taskforce

Composition of the CSR Taskforce

The CSR Committee will set up a CSR Taskforce as required and members of such a Taskforce will include advisors (both external and internal to the Company), BCG employees from different departments including consulting, finance, legal, etc.

Responsibilities of the CSR Taskforce

- Oversee the activities of the teams (both internal and external to the Company) implementing CSR activities for the Company
- Recommend programs, activities, operating and governance structure to the CSR Committee
- Oversee monitoring and evaluation of CSR activities
- Assist in drafting the annual CSR Report

8 Funding

The Company is committed to spending 2% of the average net profits of the Company made during the 3 immediately preceding financial years. The average net profits will be computed as per section 198 of the Companies Act, 2013.

The Company will disclose its annual CSR spending. However, if for any reason, the Company is unable to spend the entire amount, the Board shall, in its report, specify the reasons for not spending the amount.

Further, the programs that the Company intends to implement will not give rise to any surplus. However, in case a surplus is earned, then such surplus will not be considered business income and will be used entirely for CSR activities.

9 Implementation mechanism

The Company can use multiple implementation mechanisms as approved by the Board from time to time. This can include, but is not limited to the following:

- BCG CSR task force
- BCG employees
- Non-profit implementation agencies
- Monitoring and evaluation agencies
- Any other partner the Board deems fit

10 Monitoring and evaluation

The Company will set up a monitoring plan to oversee its CSR activities and assess the impact created. The monitoring plan will check progress against set process and outcomes indicators. Further, the Company will evaluate the impact created through appropriate impact evaluation techniques.

The CSR task force will communicate progress on programs to the CSR Committee on a regular basis for internal reporting.

11 Communication

CSR activities that the Company undertakes with details on impact and spending will be communicated in the public domain through the Company's annual CSR report. The report will be in the CSR reporting format mandated by Section 135 of the Companies Act, 2013.

12 Exclusions

Any contribution to any political party or any religious group will not be considered as CSR activity and will not be accounted under CSR –related expense. Similarly, the Company will not account for activities undertaken in its normal course of business as CSR activities

13 Effective date

This policy is effective from April 1, 2014.

14 Contact person

For queries related to the Company's CSR Policy, please contact:

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15 Conclusion

The Boston Consulting Group, India is committed to ensuring the implementation of the proposed CSR Policy to meaningfully fulfill its commitment towards sustainable development of the underserved communities. The CSR Policy may be modified by the Board of Directors of the Company on the recommendation of the CSR Committee.