

Black & Veatch Private Limited



Corporate Social Responsibility Policy

(Revised CSR Policy approved by the Board of Directors at its Meeting held on September 13, 2021 incorporating the amendments made in CSR Rules, 2014)

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The Board of Directors (“**Board**”) of Black & Veatch Private Limited (“**BVPL**”) acting upon the recommendation of its Directors and the Corporate Social Responsibility (“**CSR**”) Committee has adopted the following Policy and procedures with regard to **BVPL**’s Social Responsibility.

Introduction and Background

Black & Veatch (“**B&V**”) is a global leader in providing concept-to-commissioning project solutions in the power, gas, fuels & chemicals (GFC), water and telecom sectors (critical human infrastructure) of India for nearly 50 years. BV has more than 600 talented professionals in offices located in Mumbai and Pune, who also access the expertise of an integrated global workforce of more than 9,500 professionals. BV uses the strength of its local talent to address India’s complex infrastructure challenges and committed to work environments where safety and health are pre-planned into every task & executing a large bandwidth of projects from small consulting to large engineering, procurement and construction (EPC) projects

B&V is globally able to coordinate its charitable donations with the volunteer involvement of its professionals to organizations and programs worldwide. B&V focuses its efforts on improving the areas of education, health and human services, the environment, public safety and emergency services.

B&V supports several signature programs, including Engineers Without Borders International, United Way, Red Cross and Water for People, as well as a variety of regional efforts.

The charitable donations made by B&V and the volunteer involvements of B&V professionals is a respectable example of how B&V is *Building a World of Difference*.

VISION & PHILOSOPHY

BVPL being a face of Black and Veatch, USA, in India recognizes that it must integrate its business values and operations to meet the expectations of its stakeholders. They include customers, employees, investors, suppliers, the community and the environment. **BVPL** also recognizes that its social, economic and environmental responsibilities to these stakeholders are integral to its business and therefore, its aim is to demonstrate these responsibilities through its actions and within its corporate policies. **BVPL** is committed to make a positive difference to the society and contribute to a worthwhile “not for profit cause” by using its internal competency in solving problems by actively participating in the social and economic development.

BVPL, through its **CSR** initiative focuses on building a better, sustainable way of life for the society and thereby *Building a World of Difference*.

POLICY OBJECTIVES

- To set guiding principles for carrying out **CSR** activities.
- To set up a process of execution, implementation and monitoring of the **CSR** activities to be undertaken by **BVPL**
- To engender a sense of empathy amongst professionals of **BVPL** to give back to the society for the larger good.
- Demonstrate commitment to the common good through responsible business practices and good governance

- To set high standards of quality in the delivery of services in the social sector by creating robust processes and replicable models.

SCOPE

BVPL shall undertake in India (with preference to the local area and areas around it where it operates) any of the following activities/projects/programs (“**CSR activities**”) or such other **CSR** activities as may be notified by the Ministry of Corporate Affairs from time to time as a part of its **CSR** Rules and guidelines.

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. 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 setup by the Central Government for rejuvenation of river Ganga;
- v. 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 arts and handicrafts;
- vi. 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]
- vii. Training to promote rural sports, nationally recognised sports, Paralympic and Olympic sports;
- viii. 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 scheduled castes, the scheduled tribes, other backward classes, minorities and women;
- ix. (a) 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

(b) 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)

- x. Rural development projects;
- xi. Slum area development i.e. 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;
- xii. disaster management, including relief, rehabilitation and reconstruction activities.
- xiii. Any other activities in relation of the above and/or all other activities which forms part of **CSR** as per Schedule VII of the Companies Act, 2013, as amended from time to time.

BVPL shall not undertake **CSR** activities that benefit only to the professionals of **BVPL** and their families.

CSR BUDGET & EXPENDITURE

BVPL shall strive to spend in every financial year at least 2% (two percent) of the average net profits of the Company made during the three immediately preceding financial years.

BVPL may build **CSR** capacities of its own professional as well as those of its Implementing agencies through Institutions with established track records of at least three financial years but such expenditure including expenditure on administrative overheads shall not exceed five percent of total **CSR** expenditure of **BVPL** in one financial year.

CSR expenditure shall include all expenditure including contribution to corpus, or on projects or programs relating to **CSR** activities approved by the Board on the recommendation of **CSR** Committee, but does not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Companies Act, 2013, as amended from time to time.

Any surplus generated from **CSR** activities undertaken by **BVPL** will be tracked and channelized into its **CSR** corpus. These funds will be further used towards the development of the **CSR** activities and shall not form part of the business profit of **BVPL**.

In case **BVPL** spends an amount in excess of the 2%, then the such excess amount may be set off up to immediate succeeding 3 (Three) financial year subject to following conditions:

- (i) the excess amount available for set off shall not include the surplus arising out of the **CSR** activities, if any;
- (ii) a Board resolution is passed to that effect.

TREATMENT OF UNSPENT AMOUNT

If **BVPL** fails to spend the required amount in a particular financial year, the treatment of unspent **CSR** amount shall be as under:

(a) In case of unspent amount not relating to ongoing Project:

- The Board of Directors in their Annual Report pertaining to that Financial Year shall specify the reasons for not spending the amount; and
- The unspent amount shall be transferred to a Fund specified in Schedule VII, within a period of 6 (Six) months of the expiry of the said financial year.

(b) In case of unspent amount relating to any ongoing Project:

- A special account shall be opened in any scheduled bank to be called "**Ongoing Project**" which means a multi-year project undertaken by a **BVPL** 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.

“Unspent Corporate Social Responsibility Account” BVPL shall transfer such unspent amount, within a period of 30 (Thirty) days, from the end of that financial year to above mentioned account; and

- Such amount shall be spent by BVPL in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of 3 (Three) financial years from the date of such transfer.
- If the after completion of third year also the amount remains unspent, the BVPL 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.

CSR IMPACT ASSESSMENT REPORT

(a) BVPL shall undertake impact assessment from an Independent agency, if the average CSR obligation is Rs. 10 Crores (Rupees Ten Crores) or more in the three immediately preceding financial years, for its CSR projects having the outlays of Rs. 1 Crore (Rupees one crore) or more and have been completed more than one year before undertaking the impact study;

(b) The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR;

(c) BVPL may book the impact assessment expenditure towards Corporate Social Responsibility for that financial year, which shall not exceed 5% of the total CSR expenditure for that financial year or Rs. 50 Lakh (Rupees Fifty Lakh), whichever is less.

OPERATING PRINCIPLES

BVPL may undertake **CSR** activities as per this Policy of its own or through a registered trust or society or any company, established by **BVPL**, its holding or subsidiary company under Section 8 of the Companies Act, 2013.

BVPL can also carry out the **CSR** activities through such other institutes having an established track record of 3 (three) years in undertaking the similar **CSR** activities.

BVPL may also 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, as amended from time to time.

The **CSR** activities shall not include any activity undertaken by **BVPL** in pursuance of its normal course of business.

BVPL shall not contribute any amount directly or indirectly to any political party under Section 182 of the Companies Act, 2013 for **CSR** activities.

ROLE OF THE CSR COMMITTEE

The **CSR** Committee shall carry out of the following functions:

- (a) recommend the **CSR** Policy to the Board;
- (b) identify the **CSR** activities to be undertaken by **BVPL** for **CSR**;
- (c) recommend to the Board **CSR** activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, transparent monitoring mechanism for implementation and amount to be incurred on such activities;
- (d) formulate and recommend to the Board, an annual action plan;

- (e) monitor the **CSR Policy of BVPL** from time to time;
- (f) such other functions as may be delegated and/or assigned by the Board from time to time.

ANNUAL CSR PLAN

The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -

- (a) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- (b) the manner of execution of such projects or programs;
- (c) the modalities of utilisation of funds and implementation schedules for the projects or programs;
- (d) monitoring and reporting mechanism for the projects or programs; and
- (e) details of need and impact assessment, if any, for the projects undertaken by the company.

The Board may alter Annual Action plan at any time during the financial year, as per the recommendation of CSR Committee, based on the reasonable justification to that effect.

CSR REPORTING

The Board's Report of **BVPL** shall include an annual report on **CSR** containing particulars as specified in The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.

The Board shall satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect.

AMENDMENTS

The provisions of the Act and the CSR Rules (as amended from time to time) and any Notification/ Circular/ clarifications issued by Authorities, shall automatically apply and be part of this CSR Policy.

Note: - Words and expressions used herein and not defined in this Policy shall have the same meanings respectively assigned to them in the Companies Act, 2013 and/or The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time.
