

# CORPORATE SOCIAL RESPONSIBILITY POLICY

(As required by the Companies Act, 2013 and CSR Rules made under the same Act)

Formulated and recommended by the Corporate Social Responsibility Committee (“CSR Committee”) and approved by the Board of Directors of the Company on September 20, 2019.

## Policy Framework:

On August 29, 2013, the President of India assented to the Companies Act, 2013 (the “Act”).

Section 135 of the Act (“Corporate Social Responsibilities”) was notified on February 27, 2014 and took effective on April 1, 2014 (“CSR Provisions”). OakNorth Global Private Limited (“the Company”) is subject to CSR Provisions.

## Policy Statement:

Oaknorth Global Private Limited is committed to its global corporate mission to ‘enrich the lives of all members of communities in which we operate’.

The Company constantly strives to support the development of underprivileged communities by implementing a wide range of corporate social responsibility (CSR) initiatives affecting education, eradication of poverty, provision of basic healthcare, supplies of clean drinking water, etc.

## Company Philosophy:

The Company believes society can be best strengthened and developed if businesses operate responsibly and contribute fairly to fund social welfare and other community investments. Our CSR programs are easily replicable, scalable and sustainable, and have a significant multiplier effect in generating sustainable livelihoods, promoting healthcare and environmental replenishment programs, projects and activities. The Company’s CSR Policy determines how these programs are identified, formulated and implemented.

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OakNorth Global Private Limited (ONGPL) is part of OakNorth Holdings, a global Fintech business. Profitable and backed by strong investors, OakNorth Holdings enables lenders to provide fast, flexible and bespoke loans to growth businesses.

## 1. TITLE AND APPLICABILITY

### 1.1. CSR COMMITTEE

- Mr. Varun Tuli, Chairman
- Mr. Rajesh Khosla, Member

### 1.2. RESPONSIBILITIES OF THE COMMITTEE

The CSR Committee is responsible for:

- a. Formulating and recommending to the ONGPL Board of Directors, a CSR Policy that incorporates all activities and initiatives to be undertaken by the Company in accordance with the Companies Act, 2013;

- b. Determining and recommending total expenditure on such activities and initiatives;
- c. Continuous monitoring of the Company's CSR Policy;
- d. Other matters the CSR Committee may deem appropriate, where these have been approved by the Board of Directors or the Board of Directors has directed the CSR Committee periodically to consider them.

### 1.3. Definitions and Interpretations

**"Board"** means the ONGPL Board of Directors of the Company.

**"CSR Activities"** means such programs and projects as may, from time to time, be recommended by the CSR Committee and approved by the Board under the CSR Policy.

**"CSR Committee"** means the CSR Committee of the Company.

**"CSR Expenditure Budgeted"** means the amount recommended by the CSR Committee and approved by the Board from time to time, to be incurred on CSR Activities in India during a financial year under Section 135 of the Act and CSR Rules.

Any term used but not defined in this CSR Policy shall have the meaning assigned to it under the Act or CSR Rules.

### 1.4. Title and Scope

This Policy:

- I. shall be called the "Corporate Social Responsibility Policy" or "CSR Policy" of the Company, which is developed and implemented in accordance with the provisions of Section 135 of the Act together with CSR Rules;
- II. outlines the Company's philosophy and responsibility and prescribes the guidelines and mechanism to undertake socially effective community welfare and sustainable development programs covering both the geographical area of its operations and elsewhere in India; and
- III. shall apply to all CSR Activities conducted by the Company at various locations in India, to benefit deprived and underprivileged sections of society.

## 2. VALUES, VISION, MISSION & OBJECTIVES

Through their CSR policies, businesses seek to promote sustainable socio-economic development, usually by collaborating with employees and their families, local communities and society generally, to improve the quality of lives in ways that are also positive for business and its development.

### 2.1. Values

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OakNorth has seven core values that underpin how we run our business and distinguish ourselves in the market:

- **10X:** aiming to offer our customers products and services that are 10 times better than the competition
- **One team:** working collaboratively to achieve the best results for our customers
- **Momentum:** ensuring that we put energy and drive into everything we do
- **Saying it as it is:** being open and transparent with all of our stakeholders
- **Right ambition:** understanding our purpose and conducting our business in an ethical way
- **Zero base:** our hunger for excellence and 10X means we constantly zero-base, adapt to our changing environment, and are not captive to outdated thinking
- **Customer Delight:** consistently bringing an element of magic and unexpectedness to the customer experience that goes above and beyond their expectation

OakNorth is a responsible company that takes its role in society seriously. We seek to ensure the following:

- **Human rights and equality:** we take due care in providing lending services to businesses, individuals, and organisations that treat their employees, customers, suppliers and all other stakeholders fairly and in accordance with their human rights.
- **The environment:** we take due care in providing lending services to businesses, individuals and organisations that conduct their activity in an environmentally responsible manner.
- **Animal rights:** we take due care in providing lending services to businesses, individuals and organisations that conduct their activity without the exploitation of animals or their environments.

- **Economic development:** we take due care in providing lending services to businesses, individuals and organisations that conduct their activity in a responsible way according to the rules and regulations in the markets in which they operate.

## 2.2. Vision

Origination and implementation of the Company's CSR Policy shall be guided by the following:

To meet or exceed global standards for design and execution of CSR policies, by seeking to benefit society and those corporations we service.

To ensure benefits to society and corporate clients, by ensuring all stakeholders in every area of our operations use measurable outcome criteria.

To ensure CSR is adopted through principled implementation that supports India's social, cultural, economic and environmental development, and raises awareness of such issues.

## 2.3. Mission & Purpose

The mission and purpose of the Company's CSR Policy shall be:

To popularize, adopt and implement CSR initiatives, add measurable corporate and communal value, and manage related processes in beneficial model and replicable formats.

## 2.4. Objectives

The Company has originated its CSR Policy to ensure:

- Its CSR agenda is integrated into and consistent with the firm's commercial objectives.
- Real steps are taken in target areas to achieve expected outcomes.
- Support for nation building is rendered through promotion of inclusive growth.

## 3. GUIDING PRINCIPLES

- 3.1. CSR Activities may relate to one or more activities listed in Schedule VII to the Act, subject to periodic amendment of the Act and / or CSR Rules.

## 4. CHARTER ON CSR (IMPLEMENTATION APPROACH AND MODALITIES)

### 4.1. FOCUS AREA OF INTERVENTION

The focus areas of OakNorth's CSR interventions are as follows:

1. To direct the Company's CSR programs, inter alia, to achieve at least one of the following objectives: enhance environmental and natural capital; support rural development; promote education; provide preventive healthcare, sanitation and drinking water; create livelihoods, particularly for those disadvantaged in both rural and urban India; and preserve and promote sports.
2. To act affirmatively, to create jobs and to provide key employment skills including vocational training, particularly amongst the disadvantaged.

### 4.2. PROGRAM IMPLEMENTATION APPROACH AND PROCESS

The Company shall implement all CSR activities in project mode in compliance with Section 135 of the Act together with the CSR Rules.

While implementing such projects, all possible efforts shall be made to define:

- (i) Program Objective
- (ii) Need Assessment / Baseline Survey (including outcome assessment criteria)
- (iii) Program duration
- (iv) Program funds allocated
- (v) Implementation schedule
- (vi) Responsibilities and authorities
- (vii) Principal results expected and measurable outcome
- (viii) Effective monitoring and evaluation
- (ix) Program documentation

#### 4.3. MODE OF IMPLEMENTATION

- A. CSR Activities shall be conducted in one or more of the following modes:
  - (a) directly by the Company; or
  - (b) through a registered trust or registered society or company.
- B. CSR programs may be implemented with the active participation of local stakeholders concerned. Such involvement may be supported by measures taken by the State Government, District Administration, and Departments.
- C. The Company will identify projects covered by Schedule VII to the Act. Funds will be provided for identified projects. The Company will supply details of expenditure / reports for each project.

#### 4.4. LOCATION OF CSR PROJECTS / PROGRAMS / ACTIVITIES

Periodically, the CSR Committee may identify areas for CSR Activities and obtain all necessary approvals from the ONGPL Board of Directors.

#### 4.5. DURATION OF PROGRAMS

Time taken to implement programs will depend on their nature, coverage and impact.

### 5. CSR EXPENDITURE

CSR expenditure includes all spending, direct and indirect, incurred by the Company on CSR programs undertaken in accordance with the approved CSR Plan. Moreover, any surplus arising from any CSR programs must be used only for CSR activities. Any income arising from CSR programs will be netted off from CSR expenditure and the net amount reported as CSR expenditure.

### 6. MONITORING AND REPORTING

- 6.1. The CSR Committee shall monitor all CSR activities including utilization of funds, to ensure their effective implementation in accordance with CSR Rules together with Section 135 of the Act.
- 6.2. Generally, the following procedure will be adopted by the CSR Committee, to implement and monitor CSR Activities:
  - Devise a work plan
  - Assess resource utilization and variance
  - Gauge program effectiveness
  - Allocate support or additional resources
  - Evaluate stakeholder expectations
- 6.3. Minutes of CSR Committee meetings must be submitted to the Board of Directors.
- 6.4. The CSR Committee may be directed by the Board of Directors to specify annually the cost of CSR Activities and their impact, as appropriate.

### 7. DISCLOSURE / REPORTING

- 7.1. The Company's CSR Policy must be displayed on the firm's website, if any.
- 7.2. An annual report of the Company's CSR initiatives must be included in the Report of the ONGPL Board of Directors.

### 8. REVIEW / AMENDMENT

The Board may amend, abrogate, modify or revise any or all clauses of this Policy, on the recommendation of the CSR Committee and in accordance with the Act and CSR Rules.

### 9. APPROVAL OF CSR POLICY AND IMPLEMENTATION

Following a recommendation by the CSR Committee, this CSR Policy was approved by the Board of Directors and took effect on September 20, 2019.