

# **CORPORATE SOCIAL RESPONSIBILITY POLICY**

*Dell International Services India Private Limited*

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## **1 PREFACE**

- 1.1 Corporate Social Responsibility (CSR) is a concept whereby organizations serve the interests of society by taking responsibility for the impact of their activities on customers, employees, shareholders, communities and the environment in all aspects of their operations.
- 1.2 CSR is a Company's commitment to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. CSR is, therefore, closely linked with the practice of Sustainable Development. CSR extends beyond philanthropic activities and reaches out to the integration of social and business goals.

## **2 PHILOSOPHY AND VISION**

- 2.1 Dell primarily recognizes that, a Company, being a business citizen should go beyond having profit-making objective and to develop the society within its reach and accordingly, take initiative to contribute towards welfare of various segments of society by undertaking socially and economically useful programs for sustainable development of the community and society at large. Dell provides grant funding, as well as its latest technology for betterment of Society. Dell believes that this shared responsibility between the Company and the community brings about real learning opportunities and change. Dell's vision is to align with that of the society and integrate sustainable development of the community and society into its business model.
- 2.2 In alignment with its vision, Dell, through its CSR initiatives, will continue to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and Community, in fulfilment of its role as a Socially Responsible Corporate, with environmental concern.

## **3 CSR OBJECTIVES OF DELL**

Following are the CSR objectives of Dell-

- 3.1 To Ensure an increased commitment at all levels in the organization, to operate its business in an economically, socially & environmentally sustainable manner, while recognizing the interests of all its stakeholders;
- 3.2 To direct the Company's CSR Programmes, inter alia, towards achieving one or more of the following-
  - 3.2.1 To enhance environmental and natural capital; supporting rural development; promoting education; providing preventive healthcare, providing sanitation and drinking water; creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India; preserving and promoting sports;

- 3.2.2 To develop the required capability and self-reliance of beneficiaries at the grass roots, especially of women, in the belief that these are prerequisites for social and economic development;
- 3.2.3 To engage in affirmative action interventions such as skill building and vocational training, to enhance employability and generate livelihoods for persons from disadvantaged sections of society;
- 3.2.4 To pursue CSR Programmes primarily in areas that fall within the economic vicinity of the Company's operations to enable close supervision and ensure maximum development impact;
- 3.2.5 To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a corporate entity;
- 3.2.6 To engage team members to use their passions in support of their communities

i. Communities

- a. As a global technology provider and corporate citizen, we see firsthand how a lack of access to quality education and technology can prevent people from reaching their full potential. To help communities overcome these challenges and thrive, we work to do more than just write cheques. To drive real change, we go beyond funding to apply technology, expertise, and volunteerism toward solving pressing social issues.
- b. Our specific aspirations and goals focus on two inter-related aspects of our giving approach. One is to inspire more of our team members to use their passion and unique professional skills to serve their communities. The other is to connect the youth of today with a more promising tomorrow.
- c. Our focus will be to:
  - Engage 75% of team members annually to provide 5 million hours of cumulative service to the communities in which we live and work
  - Apply our expertise and technology in underserved communities to help 3 million youth directly and support 10 million people indirectly to grow and thrive
- d. Dell believes that access to education and technology is not a luxury, but a necessity. That is why we work directly with communities and non-profit organizations to close the learning gap and give young people the power to discover better possibilities. Beyond donating cutting-edge technology, a local Dell Ambassador works with a Youth Learning recipient organization to help support the deployment and upkeep of technology, as well as organizing local Dell team members who wish to volunteer in support of the initiative. When necessary, Dell also addresses basic needs that might hamper a child's ability to learn, such as need for food or for security.
- e. Dell focuses on two strategic areas- Youth Learning and Children's Cancer Care.

- Youth Learning

Dell believes that education can play a vital role in breaking the cycle of poverty and inequality in underserved communities. The company's Youth Learning initiative works to close the learning gap for thousands of young people who lack access to quality programs, education, technology and tools to learn. Partnering with innovative non-profit organizations, Dell places state-of-the-art technology into the hands of underserved youth and helps them uncover new possibilities to unleash their potential. We focus on programs that provide:

- Access: Getting Dell technology/solutions into the hands of underserved youth to serve as a catalyst for lifelong learning and job/career readiness.
- Innovation: We look for breakthrough educational programs that advance next generation learning capabilities and can be scaled
- Learning: Opportunities to acquire, understand, and apply ICT skills. ICT skills are defined as:
  - ❖ Critical thinking and problem solving
  - ❖ Innovation and creativity
  - ❖ Communication and collaboration
  - ❖ Digital literacy

- Children's Cancer Care

Dell has also seen the opportunity to put our technology, funding and expertise to work in the area of Children's Cancer Care. While we support programs that address all types of cancer, we have focused much of our efforts to fight Neuroblastoma, the deadliest and most resistant form of childhood cancer. The programs we support focus on:

- Strategic IT Solutions - In kind donation of Dell solutions to care givers involved in the treatment of pediatric cancer
- Patient access to treatments - Assistance that provides patients with consistent and comfortable access to treatments
- Employee Engagement - Opportunities for team members to build relationships with each other and their communities

In addition, Dell responds to natural disasters typically where Dell employees or suppliers are located or in some cases where there is significant loss of lives and property.

- Environment

Environmental responsibility is about more than creating ecofriendly products, or individual initiatives. It is about incorporating sustainability into every aspect of what a corporation does, using our technology, and expertise to innovate on behalf of our customers, our communities and the planet. Our aspirations, and individual goals

reflect our approach of considering the environment at every stage of technology's lifecycle, from design through the end of life, and then measuring the impact to inform future efforts. Together they form the interconnected components of our work to make a positive impact to the community and planet. These initiatives include:

- Reduce greenhouse gas emissions from our facility and logistics operations by 50%
- Reuse, or reduce our fresh water in water-stressed regions by 50%
- Ensure 90% of waste generated at Dell-operated buildings is diverted from landfills
- Develop and maintain sustainability initiatives in 100% of Dell operated buildings
- Demonstrate 100% transparency of key issues within our supply chain, working with suppliers to mitigate risks in those areas
- Ensure 100% of product packaging is sourced from sustainable materials
- Reduce the energy intensity of our product portfolio by 80%
- Use 50 million pounds of recycled-content plastic and other sustainable materials in our products
- Ensure 100% of Dell packaging is either recyclable, or compostable.
- Phase out environmentally sensitive materials as viable alternatives exist
- Recover 2 billion pounds of used electronics
- Identify and quantify the environmental benefits of Dell-developed solutions

#### **4 CSR IN INDIA**

Section 135 of the Companies Act, 2013 (hereinafter referred to as the “Act”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (hereinafter referred to as the “Rules”) as amended from time to time lays down the frameworks and modalities for carrying out CSR activities by the qualifying companies.

#### **5 OBJECTIVES OF CSR POLICY**

Objectives of this CSR Policy is to define the framework for undertaking CSR activities for achieving the CSR objectives of Dell and to lay down the guiding principles with respect to the following-

- CSR Spend
- Identification of CSR Projects
- Mode of implementation of the CSR Projects
- Formulation of an Annual Action Plan
- Manner of implementation of CSR Projects
- Manner of monitoring Mechanism of the CSR spend with respect to the CSR Projects undertaken by the Company

## **6 CSR Spend**

### 6.1 CSR Budget

- 6.1.1 The Board of Directors shall ensure to spend at least two per cent of the average net profit made during the three immediately preceding financial years towards CSR activities / programs. The computation of average net profits shall be in accordance with the Act.
- 6.1.2 The Annual CSR Budget shall be approved by the Board of Directors of the Company on recommendation of the CSR Committee before undertaking any CSR spend.
- 6.1.3 Prior approval of the CSR Committee and the Board of Directors shall be obtained for any change in the CSR Budget already approved by the Board.
- 6.1.4 Any surplus arising out of the CSR activities and programmes shall not form a part of the business profits and shall be utilized for CSR activities in accordance with the Act. However, this spend shall not be considered for calculating the minimum 2% CSR spend as required under the Act.

### 6.2 Excess CSR Spend

- 6.2.1 Subject to the provisions of the Act, CSR spend in excess of the statutory requirement, may be set off against the requirement to spend towards CSR activities for the subsequent years with the approval of the Board.

## **7 CSR Team**

The CSR Team led by Senior Consultant, Corporate Responsibility & Sustainability, would be involved in executing the CSR activities in line with the CSR Policy and shall report to the CSR Committee on the same on periodical basis.

## **8 IDENTIFICATION OF CSR PROJECTS**

### 8.1 Areas for undertaking CSR activities

- 8.1.1 CSR Team of Dell shall identify suitable CSR activities and programs to be undertaken by the Company in the areas enumerated under Schedule VII of the Act as amended from time to time and in line with the CSR objectives of Dell.
- 8.1.2 CSR Activities shall be undertaken strictly in conformity with the activities specified under Schedule VII and such other CSR activities as may be notified by the Ministry of Corporate Affairs from time to time.
- 8.2 For undertaking CSR activities and programmes, preference shall be given to the areas where it has strong employee presence. It may also be opted to undertake CSR activities and programmes at

other places in India. Depending on the programmes, activities and needs long-term, medium-term and short-term CSR activities may be undertaken.

## **9 MODE OF IMPLEMENTATION**

9.1 The CSR activities and programmes shall be undertaken directly or through Section 8 Company/ Registered Public Trust/ Registered Society registered under Sec 12A and 80G of the Income Tax Act established by any of the following and having CSR Registration Number allotted by the Ministry of Corporate Affairs:

- Company singly or along with any other company
- Central or state Govt
- Any third party provided that the said entity has a track record of minimum 3 years in undertaking similar activities
- Any entity established by an Act of Parliament or state legislatures

9.2 The Company may also collaborate with other companies for undertaking CSR activities or programs.

## **10 CSR COMMITTEE**

The Board shall constitute a CSR Committee of the Board of Directors (CSR Committee) consisting of at least two or more directors for reviewing and recommending the CSR budget and the Annual Action plan with respect to the CSR activities to be undertaken and to monitor the CSR spend and implementation of CSR activities by implementing agencies. The main functions of the CSR Committee shall be:

- i. Formulating CSR Policy and recommend the same to the Board of Directors for approval.
- ii. Recommending any modifications to the CSR Policy.
- iii. Recommending annual CSR Budget to the Board of Directors.
- iv. Review of the Annual Action plan submitted by the CSR Team and recommending the same for the approval of the Board of Directors.
- v. Periodic review of CSR spend and utilization reports issued by the implementing agencies.
- vi. Submitting periodic summary to the Board of Directors.

## **11 ANNUAL ACTION PLAN**

11.1 On the basis of the CSR activities or programs identified, the CSR Team shall prepare an Annual Action Plan including but not limited to the below mentioned details and submit to the CSR Committee:

- i. Details of CSR activities or programmes identified including the details of beneficiaries of the proposed CSR programs
- ii. Evaluating the activity to ensure it is in line with Schedule VII of the Act and as per Dell's philosophy.
- iii. Location of the project
- iv. Amount allocated for the project
- v. Mode of implementation
- vi. Details of Implementing Agency which shall include the below details:
  - a. Registration Certificate under section 12A
  - b. Registration Certificate under 80G of the Income Tax Act, 1961
  - c. CSR Registration Number allotted by the Ministry of Corporate Affairs
- vii. Project duration which shall include the below details which shall include the below details:
  - a. Timeline for contributing the CSR fund to the Implementing Agency
  - b. Timeline for utilization of the CSR fund by the Implementing agency
- viii. Monitoring and reporting mechanism for each CSR Project
- ix. Details of need of impact assessment, if any required to be undertaken for the CSR projects to be undertaken by the company as required under the Act.

11.2 The CSR Committee shall review the Annual Action Plan and recommend for the approval of the Board of Directors.

11.3 Any change in the details mentioned in the Annual Action Plan shall be approved by the CSR Committee and Board of Directors.

## **12 MONITORING MECHANISM**

For an effective implementation of CSR activities and programmes, and monitoring the activities and spend, a monitoring mechanism comprising the following shall be stipulated:

12.1 Prior approval for each spending

- i. CSR activities/programmes shall be approved by the CSR Committee and the Board of Directors before undertaking any CSR spend. For this purpose, a detailed Annual Action Plan shall be formulated by the CSR Team and placed before the CSR Committee and the Board of Directors for their review and approval.  
Any deviation in the details of Annual Action Plan as approved by the CSR committee and the Board shall be further approved by the CSR Committee and the Board.

12.2 Execution of CSR Projects/Programs

CSR Team of Dell shall work with the respective implementing agencies for making the CSR contribution and shall monitor the execution of CSR projects by the implementing agencies and utilization of CSR fund as per the Annual Action Plan approved by the Board. For this purpose, the Company shall execute CSR Grant Agreement or any other document with the respective implementing agencies

12.3 The CSR Team shall submit periodic report to the CSR Committee on the details of CSR spend, utilization and status of CSR activities/programs.

12.4 Periodic meetings of CSR Committee

The CSR Committee shall recommend to the Board of Directors CSR Budget and CSR activities/programs to be undertaken by the Company based on the Annual Action Plan. For effective implementation and monitoring of the CSR activities, CSR Committee shall meet periodically.

12.5 The CSR committee shall update the Board on the details of CSR spend, utilization and status of CSR activities/programs.

12.6 Unspent CSR Amount

Any unspent CSR amount at the end of a financial year shall be reported by the CSR Committee to the Board of Directors specifying the reasons for not spending the amount which in turn shall be reported by the Board of Directors in their Report for that particular financial year. Transfer of the unspent CSR amount to government specified fund shall be governed by the applicable provisions of the Act.

**13 PUBLICATION OF CSR POLICY AND PROJECTS**

Contents of the CSR Policy, CSR Projects approved and other details in compliance with the requirement under the Act shall be displayed on the Company's website, if any.

**14 AMENDMENTS TO CSR POLICY**

The Board of Directors of the Company shall have the powers to revise/modify/amend this Policy from time to time, as the Board may think fit, based on the recommendations made by the CSR Committee to confirm to the revision/amendment, if any, to be made to the Act/Rules.

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