BT PURPOSE POLICY – INDIA

("the CSR Policy")

1. PREAMBLE

BT Group chooses to invest a portion of our profits each year to support our purpose, to connect for good. We do this through a mixture of cash, time volunteered, products and in-kind contributions. This policy reflects our commitment to purposeful business through the appropriate and transparent use of our resources aimed at delivering long term sustainable outcomes as opposed to short term programmatic interventions.

We carry out all CSR initiatives transparently and in line with BT's Charity and Volunteering policy and the principles and behaviours set out in The Way We Work.

This Policy, along with the new governance and funding model is in compliance with the companies act requirements (as applicable), whilst remaining aligned to BT Group strategy.

2. PURPOSE IN INDIA AND SUMMARY OF COMPANIES ACT, 2013

2.1. Purpose in India

In 2016, the BT Operating Committee (OC) (now called Executive Committee) approved a new umbrella initiative for India, which is to focus on breaking the isolation of adolescent girls through a long-term strategic approach focusing on projects which have an emphasis on digital/technology in the way they engage the young people. The intent is to utilize majority of our resources in this area and

keep it as our primary focus. The agreed ambition locally is to make this our key focus.

In order to bring about the degree of social change which lies at the heart of this new strategy, BT intends to work in collaboration with a range of organisations. The members of this collaboration will be developed over time.

BT identified this need through diligent research to discover where our purpose (to connect for good) is least true. The detailed finding of the research is well documented. To test the validity of our findings, BT engaged with experts in the field, from corporates, agencies, NGOs etc. to secure their support for and endorsement of this initiative. The intention of BT is to act as 'lead convener' for a collaboration / partnership of organisations who adopt this as their common purpose.

2.2.   Regulations

As per the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereto (hereinafter referred to as 'the Rules'):

- the qualifying companies, in every financial year, are required to spend at least 2% of the average Net Profits Before Tax ("PBT") during the three immediately preceding financial years in pursuance of its CSR Policy adopted by the Board of directors such company;
- the qualifying companies must constitute a Corporate Social Responsibility Committee of the board of directors consisting three or more directors. If a company has only two directors on its Board; the committee shall be constituted with two such directors;
- puts a formal and greater responsibility to set out clear framework and process to ensure strict compliance. This includes reporting CSR activities in the Board's report and approval by the Board of CSR plan / activities recommended by CSR committee of the Company.

The changes have introduced the concept of CSR to the forefront and through "Comply-or-explain" mandate it requires the qualifying companies to constitute the CSR Committee to effectively monitor CSR activities of the company in line with the activities specified in Schedule VII of the Act.

3. India Purpose Board ("IPB" or "CSR Committee")

3.1.   Objective and role:

The India Purpose Board ("IPB") will be responsible for the governance of all Purpose activities / projects in India and make recommendations to the Board of in-scope

companies and at the same time ensuring compliance with BT internal policies and the applicable legal requirements.

The IPB and its members shall:

1. Develop Annual Purpose (CSR) plan aligned with the Group-level Purpose Strategy and recommend the same to the Board of Directors of the company for approval. (Appendix A and C). Ensure that budget is allocated appropriately and effectively monitoring the implementation and progress of the activities under the approved projects and programs;

2. Support the programme through mobilisation of the wider workforce in India;

3. Ensure that projects are as stated under schedule VII of the Act as well as the overarching strategy of the umbrella programme.

4. Sign-off on the allocation of budget against the approved strategy / plan.

5. Explain the manner in which the surplus from projects, if any, will be treated.

6. Report to the board of directors of in-scope companies about the on-going projects and progress including the reporting requirements under the Act. The IPB or its Secretary will be responsible to provide the completed report in the format prescribed in Appendix E of this Policy.

7. Monitor and review the Policy on an annual basis, also taking into consideration any changes in the Rules as may be introduced by the government. To ensure all changes in policy are approved by the Board of the company.

8. Ensure compliance with external and BT Internal compliance requirements applicable to Purpose activities.

3.2. Membership:

The IPB (or CSR Committee) shall comprise of the following: -

a) At least 2 directors where there are two directors on the Board of in-scope companies (Appendix D) or at least 3 directors where the number of directors is more than 2.

b) Hriday Ravindranath – CTIO - Global Services

c) Ian McBride - Senior Manager, Digital Impact and Sustainability, India – India (Secretary)

d) Neeru Bhalla - Manager, Company Secretary

e) Pooja Lamba - Senior Manager, TLSBS Delivery

f) Lauren Kahn - Senior Manager Digital Impact and Sustainability - Global

In Scope Companies - BT (India) Private Limited, BT Global Business Services Private Limited, BT Global Communications India Private Limited, BT e-Serv (India) Private Limited

The members of IPB may invite other attendees or assign DoA with the permission of the Chair or Secretary. Any changes in the constitution of the IPB will be approved by majority and the Board of directors of the relevant In-scope companies.

3.3.   Proceedings & Periodicity

The quorum for meetings of IPB will be at least 2 directors of each of the In-scope companies, one independent member (i.e. from (b), (c), (d) and (e) above) and the Secretary. For clarification purposes, each director can represent more than one company.

The IPB shall meet at least twice in every financial year; and additional meetings can be requested by the members or Secretary as per the operational needs.
The members present at the meeting shall elect a Chair of the meeting.

3.4.   Minutes

The Secretary of IPB shall circulate the minutes of meetings to all members of IPB as soon as practicable after the meeting.

4. Overarching Programme Plan

The ambition is that the majority of CSR activity in India (all Corporate Units, Customer Facing Units, majority of entity budgets) will be aligned to the overarching programme, approved by the OC (Appendix B).

The programme plan will also take into account Govt. policy in India where mandatory or where beneficial to the aims and objectives of the programme.

The creation and execution of the plan will be led and owned by the Senior Manager, Digital Impact and Sustainability for India and programme team assigned to this initiative and will be submitted to the IPB and the Board of Directors of the relevant in-scope company for approval.

4.1.   Principles of Assessment and Selection of Partners

In order to be consistent with BT Group's approach to working through its strategic charity partners, BT in India will work through the British Asian Trust, BT's approved charity partner for India.

The intention is that the partner(s) will work with local organisations and the Senior Manager, Digital Impact and Sustainability for India to create and deliver interventions to meet our programme goals and objectives and leverage resources.

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4.2.   Project Execution and Monitoring Process

Legal Contract – A contract duly signed off by legal including, but not limited to, the terms in regard to scope, Deliverables, Criteria, timelines, measurement plan, Governance, etc. shall be executed between the relevant company and the respective selected organisation or partner members.

IPB (or CSR Committee) and the Board of directors shall approve the strategy and monitor the progress of the approved projects. The Head of Purpose, India, will be required to provide necessary information in form of reports or otherwise at regular intervals to ensure effective monitoring. Additionally, the Senior Manager, Digital Impact and Sustainability, India shall also be responsible of submitting the reports to the Board of Directors of the relevant in-scope company as required under the regulations.

Important Points to note:

a. Surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the company.
b. 'CSR activities' does not include the activities undertaken in pursuance of normal course of business of a company.
c. Time spent as part of volunteering activities will not be counted towards the 2% of net profit spend as required under the Companies Act and also exclude expenditure incurred in relation to external advertising and Public Relations activities.
d. The appendices to this Policy form an important part of the Policy. Any questions, clarifications or changes required to this Policy or its appendices should be raised with Senior Manager, Digital Impact and Sustainability, India in the first instance.

Appendix A – Purpose Plan

The Purpose Plan will be placed before the Board of Directors of the Company and will be consistent with the overarching Digital Impact & Sustainability strategy. The plan will seek to focus on long term sustainable outcomes (as opposed to short term programmatic targets) and will outline the following:

- The overarching approach
- High level budget and resource requirements
- Communication and volunteering plan
- Projects:
    - Confirmed as in line with the strategy for India
    - Aligned with Schedule VII
- Partner project implementation:
    - Proposals
    - High level execution documentation
    - Project goals, outcomes, resource requirements
    - Activities, timelines and end-dates at a summary level
    - Owners and responsibilities
- Project monitoring mechanism:
    - Progress reporting and frequency of reports
- Compliance

The plan to be presented to the board, will have been reviewed and pre-approved as being fully compliant with internal and external requirements.

Appendix B – Purposeful Business Projects in BT

The strategy in India will be in line with the BT Group Purpose to connect for good, and the Digital Impact & Sustainability strategy and ambitions.

For India, the focus is to break the isolation of adolescent girls through technology. The team in India works directly with the central Digital Impact & Sustainability team, who will also be represented on the IPB.

In Scope Companies - BT (India) Private Limited, BT Global Business Services Private Limited, BT Global Communications India Private Limited, BT e-Serv (India) Private Limited

Appendix C – Business Case Template for Projects

One page overview & checklist

Project Name		Start Date	
		End Date	

| **Summary of Proposal**

How does this relate to project Connect the Unconnected adolescent girl, through a combination of sport and technology. | |

Sponsorship & Ownership **who is involved?**		**Lead (Accountable) – Mandatory**
	Head of Purpose	
	Project	Lead - Owner -
	LoB Finance rep *(if applicable)*	

Investment proposed £k with BT Entity name	**State financial year**	**State financial year**	**State financial year**

| **Investment/resource requested:**

- **what funding are you looking for and what will you spend the money on?**

- **What other resources are you asking for – please give details**

- **Does this project require volunteering effort? Please specify** | |

| **Benefits**

- **Please specify the top 3-4 benefits/outcomes**
-
- **How are you going to set targets and measure them?**
-
- **How will this deliver the goals of connecting the unconnected?** | |

Please complete the checklist over the page as part of the business case

As part of your business case, please complete the necessary details below and, where necessary, provide the required additional information

Compliance & Ethics requirements	Response
Does funding request include any donations to a Charity/ NGO?	
If yes, check BT's Charity and Community policy *Confirm you have complied with it?*	
Which BT entity will make this spend and will this spend be made in India only?	
Is this a venture with a charity? N.B - if yes, do we have a contract in place with them already?	
Will this involve collaborating with our competitors? *N.B - if yes, potential competition issues to be checked*	
Is this project connected with an existing or prospective BT customer?	
Does this have the approval of BT Legal and Finance team in India?	
Communications	
Is there any communications spend included in this project?	
Has a plan been agreed?	
Procurement	
Are you using a third party supplier/ agency to deliver any of the project work?	
Has the supplier got an established track record of three years in undertaking similar programs or projects?	
Are they an existing BT rostered supplier/ agency?	
If yes, what is the name of the agency/ supplier?	
Has BT Procurement been involved in any negotiations so far?	
If yes, who?	
BT internal charges	
Does this cost include any internal charges?	
If yes, what for? e.g. TSO development, Catering charges, BT venue hire	

Appendix D – Name of directors of In-scope companies

BT (India) Private Limited	BT Global Communications India Private Limited	BT e-Serv (India) Private Limited	BT Global Business Services Private Limited
Salil Goyal	Salil Goyal	Jayakumar Doshi	Kapil Khaneja
Anil Kumar Jha	Anil Kumar Jha	Salil Goyal	Jayakumar Doshi
Anurag Yadav	Anurag Yadav	Kapil Khaneja	Girish Kohli

Appendix E – Details of CSR (NGO) Organisations Funded by BT in India

1. Going to School in Bengaluru, Kolkata, Mumbai and Delhi/NCR	Target of 400,000 teenagers receiving life skills through government schools, via the Map of Me app and on state TV. Map of Me prepares school and students and leavers with entrepreneurship and employment skills
2. Katha in Delhi NCR	To develop and roll out Katha's Hybrid Pedagogy in Smart Classrooms that will re-invent teaching-learning practices and school management in local government schools and the Katha Lab school (KLS) for 5050 students.
3. Mentor Together in Bengaluru	Leveraging mobile technologies to make career mentorship available to 5200 adolescent girls and boys in order to build digital literacy, make them career ready and help them transition into the work force.
4. IT for Change in Bengaluru	Creation of digital labs in government schools for the empowerment of 600 adolescent girls through digital & STEM skills.
5. ETASHA in Gurugram	Work and behavioural skills, career guidance including scaled up delivery through a BT developed app for 20,000 girls. Organised sector job placement in industrial clusters.
6. Breakthrough in Gurugram	Mobile technology and VR to empower 10,000 adolescent girls & boys through behaviour change, addressing issues such as gender-based violence, child marriage and inequality and promoting empowerment of women.
7. People for Action in Kolkata	Delivering a curriculum to 10,000 help girls improve STEM compatibilities, learn critical digital skills, & simultaneously deconstruct harmful gender norms.

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