GALAXY DIGITAL PRIVATE LIMITED (GDPL)

CORPORATE SOCIAL RESPONSIBILITY POLICY

1. INTRODUCTION AND PHILOSOPHY

Corporate Social Responsibility ("CSR") is GDPL's commitment to conduct business in a true, fair, and ethical manner. It is a public-spirited cause that forms a dynamic relationship between the Company, society, and the environment. Being a responsible corporate citizen, GDPL is committed to contributing to the well-being of the community by going beyond business goals to create a positive impact without seeking commensurate monetary benefits.

2. SCOPE OF THE POLICY

This Policy pertains to all CSR initiatives undertaken by the Company in India, preferably in the vicinity of its business operations. It ensures strict compliance with Section 135 of the Companies Act, 2013, read with Schedule VII and the Companies (CSR Policy) Rules, 2014, as amended from time to time. In the event of any inconsistency with the CSR Regulations, the statutory provisions shall prevail.

3. CSR VISION AND FOCUS AREAS

Our vision is to empower communities and reduce inequalities through sustainable interventions. GDPL shall focus on activities specified in Schedule VII, including but not limited to:

- Healthcare: Eradicating hunger, poverty, and malnutrition; promoting preventive healthcare and sanitation.
- Education: Promoting education and employment-enhancing vocational skills.
- Social Equality: Empowering women, setting up homes for orphans and senior citizens, and supporting veterans.
- Environmental Sustainability: Ensuring ecological balance and protection of flora and fauna.
- Rural Development: Undertaking rural development and slum area projects.

4. GOVERNANCE STRUCTURE

- Board of Directors: CSR is a Board-driven process. The Board is responsible for approving the policy, ensuring implementation, and monitoring the utilization of funds.
- CSR Committee Exemption: As per Section 135(9) of the Act, if the amount required to be spent does not exceed fifty lakh rupees, the requirement for a formal CSR Committee is not mandatory. In such cases, the Board of Directors shall discharge all functions and responsibilities of the CSR Committee.

5. IMPLEMENTATION STRATEGY

The Company may undertake its CSR activities through the following modes:

1. Direct Implementation: Projects managed directly by the Company.
2. Implementing Agencies: Through registered public trusts, societies, or Section 8 companies that hold a valid MCA21 registration (CSR-1) and income-tax registrations under Sections 12A and 80G.
3. Collaboration: Partnering with other companies to pool resources for common projects.

6. EXPENDITURE AND SURPLUS MANAGEMENT

- Annual Spend: The Board shall ensure the Company spends at least 2% of its average net profits made during the three immediately preceding financial years. Profits shall be computed as per Section 198 (Profit Before Tax).
- Administrative Overheads: Expenses for general management shall not exceed 5% of the total CSR expenditure for the financial year.
- Surplus Treatment: Any surplus arising from CSR activities shall not form part of the business profit and shall be reinvested into CSR projects or transferred to a specified fund.

7. TREATMENT OF UNSPENT FUNDS

- Ongoing Projects: Funds for multi-year projects (up to 3 years) shall be transferred to a special 'Unspent CSR Account' within 30 days of the end of the financial year.
- Other Projects: Shortfalls not related to ongoing projects shall be transferred to a fund specified in Schedule VII (e.g., PM CARES Fund) within six months of the end of the financial year.

8. MONITORING, REPORTING, AND DISCLOSURE

- Monitoring: The Board shall satisfy itself that disbursed funds are utilized for approved purposes, supported by a certification from the Chief Financial Officer.
- Reporting: An Annual Report on CSR shall be included in the Board's Report for every financial year.

9. DISCLOSURE

- The Board's Report of the Company covered under these rules pertaining to any financial year shall include an annual report on CSR containing particulars specified in the CSR Regulations, as applicable to the Company.
- The above information shall also be displayed on the Company's website.

10. AMENDMENTS

The Company reserves the right to modify, cancel, or amend this Policy to remain in alignment with statutory changes or national priorities.