



# **POLICY ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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## **I. Introduction**

1. The Bank recognizes the importance of good corporate governance and corporate social responsibility in promoting and strengthening the trust of its shareholders and other stakeholders.
2. The CSR Policy shall be guided by the Bank's corporate vision and the aspiration to be the Bank of Choice for Customers, Shareholders, Employees and Community.
3. The Bank's CSR Policy has been framed in accordance with Section 135 of the Companies Act 2013 and the Rules framed thereunder. The Policy shall apply to all CSR programs/activities undertaken/sponsored by the Bank or executed through Axis Bank Foundation or through any other Trust/Society or implementation partner or any other fund set up by the Government.

## **II. CSR Purpose Statement**

The primary purpose of the Bank's CSR philosophy is to make a meaningful and measurable impact in the lives of economically, physically and socially challenged communities of the country by supporting initiatives aimed at creating conditions suitable for sustainable livelihood in these communities. The Bank shall also promote initiatives that preserve, restore and enhance environment, ecological balance, and natural resources, and improve sanitation and hygiene.

## **III. CSR Focus Areas**

The Bank will support programs and activities in the following areas. The broad program areas under CSR focus areas are given in the Annexure to this Policy.

1. To create meaningful socio-economic impact in the lives of vulnerable and underprivileged sections of the society that include amongst others, differently-abled, street children, destitute women, children of sexually exploited women, economically weaker sections and victims of natural and other disasters including war and acts of terrorism.
2. To enhance sustainable livelihood through interventions in the areas of natural resource management, agriculture, horticulture and livestock development, rural development, traditional arts and handicrafts, micro-enterprise, vocational training and skill development.
3. To promote measures to eradicate hunger, poverty and malnutrition, and to promote preventive health care and sanitation.
4. To promote education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled, and livelihood enhancement projects. This would also include initiatives to promote financial literacy, consumer education and awareness, and capacity and skill building in various sectors of the economy in alignment with the various Government initiatives.
5. To promote environmental sustainability, ecological balance and conservation of natural resources and maintaining quality of soil, air and water through various initiatives such as resource conservation, renewable energy and energy efficiency amongst others.

6. To contribute to the Prime Minister's National Relief Fund or any other fund set up by the Government for socio-economic development.

#### **IV. CSR Budget**

1. The CSR Committee will abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time.
2. The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Bank.

#### **V. Validity of CSR Policy**

The Committee may amend the CSR Policy as may be required from time to time.

#### **VI. Execution of CSR**

All CSR programs/activities will be executed by the Bank itself or through Axis Bank Foundation or through any other Trust or agencies and entities as it deems suitable. The Bank may also make contributions to any fund set up by the Government.

#### **VII. CSR Governance Structure**

##### 1. Roles and Responsibilities

The Board of Directors of the Bank will be responsible for:

- a. Approval of the CSR Policy of the Bank.
- b. Disclosure of the Policy in its report and placing the same on the Bank's website as prescribed under Section 135 of the Companies Act, 2013.
- c. Ensuring that it specifies the reasons in its report for not spending the earmarked amount in case the Bank does not spend such amount during the financial year.
- d. Making any change(s) in the constitution of the CSR Committee as deemed suitable.

##### 2. Monitoring and Reporting Framework

The Bank will institute a well-defined monitoring and evaluation mechanism to ensure that each CSR project has:

- a. Objectives developed out of societal needs.
- b. Targets, time lines and measurable parameters wherever possible.
- c. A progress monitoring and reporting framework aligned to the requirements of Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

##### 3. Reporting Framework

- a. The progress of CSR projects and expenditure will be reviewed by the CSR Committee.
- b. The Bank will report on CSR performance in its annual report as per the structure and format prescribed in the notified Corporate Social Responsibility Policy Rules.

#### 4. Others

The Bank's CSR Committee may choose to select program areas which are included under Schedule VII of the Companies Act, 2013 in addition to those specified in the CSR Policy in the course of fulfilment of the Bank's CSR objectives as decided by the CSR Committee from time to time.

## **ANNEXURE: CSR Program Areas**

An illustrative list of various programs and activities to be supported under the Bank's CSR focus areas is given below:

### **1. Education**

1. a. Special education for the differently-abled: Support basic, secondary and vocational education for differently-abled children and youth. Increase outreach to the differently-abled and provide them with access to education (at the primary, secondary and higher secondary levels) and vocational training.
1. b. Access to quality education for street children and children of sexually-exploited women: Provide education to street children and children of sexually exploited women and facilitate access to age-appropriate formal education and vocational opportunities.
1. c. Financial literacy: Advance the agenda of Financial Inclusion by creating awareness, educating and empowering sections of society which do not have access to formal banking system through financial literacy initiatives.
1. d. Consumer education and awareness: Promote financial education and awareness amongst consumers at large and school children. Disseminate knowledge on managing finances etc. to consumers at large which may include aspects of safe banking practices, tax planning, saving and investing and other relevant financial knowledge.
1. e. Support MSME sector capability enhancement: Provide support to MSME sector through dissemination of knowledge leading to enhancement of sector capabilities.

### **2. Vocational Education and Training**

2. a. Support vocational education, life skill coaching and career counselling: Provide orientation and handholding support to children of secondary and higher secondary level on available career options, and employable vocational and technical skills.
2. b. Skill development through vocational education and training: Provide skilling, re-skilling and multi-skilling support to youth for gainful employment.

### **3. Livelihood Enhancement and Rural Development**

3. a. Natural resource management, soil and water conservation: Management of natural resources leading to more productive outcome for agriculture and associated livelihood. Support rural and village communities through non-farm based livelihood development.
3. b. Access to finance/financial inclusion and entrepreneurship development: Support creation of sustainable income sources through micro-finance and micro-enterprise development and strengthen mechanisms for alternative livelihood.

4. **Medical Relief and Trauma Care**: The Bank has been working on providing medical relief and trauma care for victims of accidents through its Foundation. It also seeks to create a trained community of service providers who can provide immediate assistance to victims of accidents. The Bank shall continue working on such programs as part of its overall contributions towards promoting healthcare.

5. **Environmental Sustainability:** The Bank is sensitive towards its role in ensuring environmental sustainability, ecological balance and conservation of natural resources and will pursue projects that conserve resources and enhance environment such as renewable energy and energy efficiency.
6. **Sanitation:** The Bank shall work towards improving/providing sanitation facilities for communities/schools.
7. **Reducing inequalities:** The Bank will undertake activities singly and/or in conjunction with the Government initiatives and schemes to reduce inequalities faced by socially and economically backwards groups.
8. **Humanitarian Relief:** The Bank will support relief efforts during natural and other calamities in India.
9. **Armed Forces Veterans:** The Bank will institute a program for the benefit of armed forces veterans, war widows and their dependents, widows of armed forces injured in action.
10. **Capacity Building of Personnel and NGO Partners:** The Bank will build the capabilities of its own personnel as well as that of executing and implementing agencies through training, conferences and experience sharing programmes.