



**CORPORATE SOCIAL RESPONSIBILITY POLICY OF
AXIS BANK LIMITED**

January 2025

I. CSR Philosophy

Axis Bank's Corporate Social Responsibility (CSR) philosophy is to make meaningful and measurable contributions to the inclusive, equitable and sustainable development of India. The Bank strives to support those from socially, economically, or physically excluded and disadvantaged communities, and strengthen the country's development ecosystem. The Bank has adopted an integrated approach that focuses on, creating opportunities for secure and sustainable livelihoods, improving the quality of and access to education, strengthening financial inclusion and financial literacy amongst unbanked and underbanked sections of society, supporting environmental sustainability, and providing humanitarian support and relief where needed.

II. CSR Policy

The Bank's CSR Policy ("the Policy") has been formulated and adopted, in accordance with the provisions of Section 135 of the Companies Act 2013 (the Act), the relevant Rules framed thereunder, and Schedule VII of the Act. The Policy shall apply to all CSR projects/programs/activities (hereon referred to as 'CSR Programs') which may be undertaken/supported by the Bank either directly or through Axis Bank Foundation (ABF), or through eligible Implementation Partner(s) under the CSR Rules 2021, or through any Schedule VII Fund(s) that may be set up by the Government of India.

The Bank's CSR Programs are implemented directly by the Bank, through Axis Bank Foundation (ABF), or through its implementation partners, as set out in the Annual Action Plan (AAP) approved by the Board of Directors (the Board) of the Bank.

III. CSR Focus Areas, Project(s)/Program(s)

The Bank shall undertake CSR Projects/Programs that are aligned with the areas listed in Schedule VII of the Act within the geographical boundaries of India. The Bank's CSR Focus Areas are detailed as under:

i. Lives and Livelihoods - (Clauses (i), (ii), (iii), (iv), (x), (xii) of Schedule VII of the Act)

Creating sustainable livelihoods is an overarching theme that is pursued to contribute to poverty alleviation and integrated development, especially in some of the most socio-economically disadvantaged regions of the country. The Bank also endeavours to promote women empowerment through such activities by providing them skills and livelihood assets which can contribute to improvement in their socio-economic status.

ii. Financial Literacy and Financial Inclusion (Clauses (ii), (iii), (x) of Schedule VII of the Act)

The Bank endeavours to undertake Financial Literacy & Financial Inclusion interventions aimed at reducing the social as well as economic inequalities prevailing in both urban and rural India. The Bank's interventions shall focus on topics that strengthen financial awareness among individuals and communities and promote their greater economic participation and improving access to pertinent government schemes and initiatives. The Bank's interventions may also focus on improving access to formal banking channels and relevant financial products and services among the unbanked and under-banked sections of society.

Its interventions may be undertaken directly or in conjunction with pertinent and eligible implementation partners. The Bank may also support initiatives that strengthen the larger financial inclusion eco-system in India, including but not limited to research and capacity building.

iii. Education (Clauses (ii), (ix) of Schedule VII of the Act)

Under the theme of Education, the Bank's primary focus shall be to support initiatives that aim to strengthen availability of and access to quality education for children and youth across India. The Bank's efforts shall aim to especially focus on children and youth from socially or economically underprivileged backgrounds, and well as those living in remote or highly impoverished regions.

The Bank shall also maintain a secondary focus towards supporting initiatives that contribute to strengthening India's larger higher education and research eco-system, which may include support towards technical education, research & development, emerging technologies, and incubation.

The Bank's initiatives may be undertaken directly or through relevant and eligible implementation partners.

iv. Other Areas of Interventions

(i) Environmental Sustainability (Clause (iv) of Schedule VII of the Act)

The Bank endeavours to support initiatives aimed at strengthening and protecting India's biodiversity and natural environment, maintaining and improving ecological balance, protecting flora and fauna, reducing human-animal conflict, and conserving its natural resources.

Through its initiatives, the Bank may also aim to support communities dependent on biodiversity and natural resources for their sustenance and livelihoods or are most vulnerable to ecological disruptions and disasters.

Towards strengthening climate adaption, mitigation and resilience among vulnerable communities or regions, the Bank may also support research, awareness and other capacity building activities.

(ii) Humanitarian and Relief Activities (Clauses (i), (iii), (vi), (viii) (xii) of Schedule VII of the Act)

The Bank may support humanitarian activities that augment efforts to save lives, address malnutrition and support preventive or curative healthcare, or alleviate human suffering. The Bank may support relief and rehabilitation measures during natural and other calamities or otherwise including contributing to the Prime Minister's National Relief Fund (PMNRF) or any other eligible national funds.

(iii) Healthcare and Nutrition (Clauses (i) of Schedule VII of the Act)

With the aim to enhance general well-being of low-income households in India, the Bank may take up interventions towards improving their health & nutrition, and also support interventions aimed at strengthening India's wider public healthcare eco-system.

(iv) Others (Clauses (v), (vii) of Schedule VII of the Act)

The Bank recognizes that there may be a need for interventions in other activities listed under Schedule VII where it may support activities that strengthen national pride. In this light, the Bank may also selectively support the protection of national heritage under the theme of Arts and Culture, and national efforts towards Olympics and Paralympics Games under the theme of Sports.

IV. CSR Governance Structure

The Board of Directors of the Bank (the Board) is the highest governing body responsible for the Bank's CSR domain. The Board shall review the recommendations made by the CSR Committee in pursuance of the CSR Policy and Annual Action Plan (AAP) drawn up and approved by it encompassing activities like the selection of the project(s)/program(s) to be undertaken by the Bank in alignment with Schedule VII of the Companies Act, 2013 and the Rules framed thereunder, the mode of utilization of funds, monitoring and evaluation of the project(s)/program(s) and such other responsibilities as may be prescribed by the Act and the Rules from time-to-time.

The CSR Committee shall comprise of at least three Directors of the Bank, of which one Director shall be an Independent Director.

V. Annual Action Plan:

The Board, on the recommendation of the CSR Committee shall review and approve the Annual Action Plan which shall inter-alia include the list of CSR project(s)/program(s) in the nature of both 'ongoing' and 'other than ongoing', manner of execution of such project(s)/program(s), modalities of funds utilization and implementation schedules, monitoring and reporting mechanism and details of need and impact assessments, if any.

The Board may, upon the recommendation of the CSR Committee, approve, with reasonable justification, converting an 'other than ongoing' program into an 'ongoing' program.

VI. Manner of execution of CSR Project(s)/Program(s)

The Bank shall undertake its CSR project(s)/program(s) either directly or through any one or more of the following including but not limited to:

- i. Through direct implementation by the Bank, or
- ii. Through ABF, or
- iii. Through partnerships with a company established under Section 8 of the Act, or a registered Public Trust or a registered Society, registered under section 12AB and 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities, or
- iv. Through an entity established by the Central Government or State Government – a company established under Section 8 of the Act, or a Registered Trust or a Registered Society, or
- v. Through Statutory bodies – any entity established under an Act of Parliament or a State legislature, or
- vi. By making direct contributions to any Schedule VII Fund(s) set up by the Government as deemed necessary

With respect to the on-boarding of eligible Implementation Agency/ies, the Bank shall adhere to the norms and guidelines listed in Clause VIII of this Policy,

VII. CSR Budget

The Bank remains committed to spending in each financial year, the mandated 2% of the average net profits of the preceding three financial years as calculated under the provisions of Section 198 of the Companies Act, 2013 and the Rules framed thereunder for undertaking CSR project(s)/program(s) outlined in Section III of this policy.

The Bank shall ensure that surpluses, if any, arising out of its CSR project(s)/program (s) shall not form part of the business profit of the Bank and shall be ploughed back to the respective project(s)/program(s).

The Bank shall, in case of any unspent amount pertaining to an ongoing project(s)/program(s), transfer such amount into an '*Unspent CSR Account*' setup for the respective financial year or transfer such unspent amount if the same pertains to other than ongoing project(s)/program(s) to the Funds specified in Schedule VII respectively within the timelines as specified by the Act and the Rules.

The Bank shall adhere to all guidelines prescribed under Section 135 of the Companies Act, 2013 and the relevant Rules made thereunder and as amended from time-to-time with respect to the Administrative Expenses and expenses towards conducting Impact Assessment(s) of eligible project(s)/program(s).

VIII. On-boarding of Implementation Partners

The Bank shall identify credible implementation partners and conduct due diligence of the identified implementation partners prior to their on-boarding.

Such due diligence shall include but not limited to:

- a. Conduction of pre-grant assessment by third party agencies to assess the implementation partner's financial and governance parameters as well as its ability to undertake the identified project/program.
- b. Registration with the Ministry of Corporate Affairs (MCA) vide CSR Form 1;
- c. In case of any adverse findings against an existing or potential implementing partner, as the case may be, at any point prior to, during or after the implementation of a CSR project, the Bank reserves the right to take corrective measures as required.
- d. The Bank shall enter into a Memorandum of Understanding (MoU) or other such binding agreements with implementation partners that it intends to onboard, setting out the terms and conditions relating to the proposed Project(s)/Program(s), as deemed necessary and appropriate.

IX. Monitoring Mechanism

The Bank shall establish and implement an effective monitoring mechanism to inter-alia ensure the following:

- i. Objectives of the Project(s)/Program(s) are developed basis societal needs and in line with the CSR Policy of the Bank.
- ii. Targets, milestones and other measurable parameters, are prescribed, wherever possible.
- iii. Appropriate monitoring and reporting systems aligned to the requirements under Section 135 of the Companies Act, 2013 and the relevant Rules made thereunder, are in place.
- iv. Such monitoring systems may also include field visits to program sites by members of the Board, CSR Committee and/or officers of the Bank, enhanced due diligence of implementation partner(s) or CSR project(s)/program(s), and such other actions as may be deemed appropriate by the Bank.

X. Reporting Framework

The Bank shall, set in place a reporting framework that includes:

- i. The details of CSR Project(s)/Program(s) undertaken by the Bank during a Financial Year, the status of its implementation, the impact thereof on targeted participants, the CSR Funds allocated and amounts spent and remaining unspent as at the end of every

quarter/financial year, shall be put up to the CSR Committee, for their review and noting, as appropriate.

- ii. The Bank shall disclose details of the CSR Project(s)/Program(s) undertaken by it during a Financial Year in the CSR Report which forms part of the Annual Report, in accordance with the provisions of Section 135 of the Companies Act 2013 and the relevant Rules framed thereunder, as amended, from time to time.
- iii. **CFO Certification:** The Chief Financial Officer (CFO) of the Bank shall certify at least on an annual basis or as and when necessary that the CSR funds so disbursed have been utilized for the purpose and in the manner as approved by the Board.

XI. Impact Assessment

Impact assessment of Project(s)/Program(s) shall be carried out in accordance with the Rules formulated and amended by the Ministry of Corporate Affairs (MCA) and notified from time-to-time.

Accordingly, CSR Project(s)/Program(s) with outlays of ₹1 crore and above and which have completed at least one year from the date of completion of the said Project/Program shall be identified for impact assessment. Agencies that are specialized in carrying out impact assessments shall be identified and onboarded followed by the necessary due process for carrying out such assessments. During the evaluation stage of a proposal for a Project/Program, the Bank shall endeavour to capture the output, outcome and impact indicators to measure impact effectively.

Impact assessment reports for eligible Projects/Programs shall be placed before the Board and disclosed as specified in the Act and Rules.

XII. Review of CSR Policy

This CSR Policy shall be reviewed annually or pursuant to any amendments to the CSR norms or for any reason as deemed appropriate by the Board. Any amendment to the CSR Policy would be subject to the review and approval of the Board.

This CSR Policy has been reviewed and approved by the CSR Committee at its meeting held on December 10, 2024 and by the Board of Directors (the Board) of the Bank at its meeting held on **January 16, 2025** and the CSR Policy shall come into effect from **January 2025**.