

# **AXIS TRUSTEE SERVICES LIMITED**

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

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1. ATSL 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 Company's corporate vision and the aspiration to be the Trustee of Choice for Customers, Investors, Employees and Community.
3. The Company'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 undertaken/sponsored by the Company executed through Axis Bank Foundation or through any other Trust and to the contributions made by ATSL to Prime Minister's National Relief Fund or any other fund set up by the Government.

### **CSR Purpose Statement**

To make a meaningful and measurable impact in the lives of underprivileged and vulnerable communities of the country by supporting initiatives aimed at creating conditions suitable for sustainable livelihood in these communities. ATSL also aims to promote literacy among the disadvantaged and differently-abled people.

### **CSR Guiding Principles**

1. To create meaningful socio-economic impact in the lives of vulnerable and underprivileged sections of the society that include differently-abled, street children, destitute women, children of sexually exploited women and people suffering from natural disasters.
2. To create sustainable livelihood, as stated above, through interventions that facilitate access to Government's programs, schemes and infrastructure, particularly relating to the areas of education, natural resource management, agriculture, horticulture and livestock development, micro-enterprise, vocational training and skill development.
3. To ensure project management through application of results-based management approach, focusing on appropriately defined systems and processes that measure the impact of the various projects and activities.
4. To develop as a learning organization through focus on documentation, qualitative research and dissemination to internal and external stakeholders.

## CSR Program Areas

1. ATSL will support programs and activities in the following areas.

### 1.1. Education

a. **Special education for the disabled:** Support basic, secondary and vocational education for children and youth with disability. Increase outreach to the disabled and provide them with access to education (at the primary, secondary and higher secondary levels) and vocational training.

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.

### 1.2. Vocational education and training

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.

b. **Skill development through vocational education and training:** Provide skilling, re-skilling and multi-skilling support to youth for gainful employment.

## 2. Livelihood enhancement and rural development

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.

b. **Access to finance/financial inclusion and entrepreneurship development:** Support creation of sustainable income sources through micro-finance and microenterprise development and strengthen mechanisms for alternative livelihood.

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

**4. Capacity building** of personnel and NGO partners: ATSL will entrust all CSR activities to Axis Bank Foundation since it will have constraint on appointing dedicated staff for the same. ATSL expects that Axis 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.

**5. Humanitarian relief:** ATSL will support relief efforts during natural calamities in India.

6. Any other activities, which may be permitted under Companies Act, 2013.

## **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 Company.

## **Validity of CSR policy**

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

## **Execution of CSR**

1. The Company shall implement its programs through Axis Bank Foundation as well as through other agencies and entities as it deems suitable for executing its strategy for CSR.

## **CSR Governance Structure**

### **Roles and responsibilities: Board of Directors**

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

1. Approval of the CSR Policy of the Company.
2. Disclosure of the Policy in its report and placing the same on the Company's website as prescribed under Section 135 of the Companies Act 2013.
3. Ensure that it specifies the reasons in its report for not spending the earmarked amount in case the Company does not spend such amount during the financial year.
4. It will have the power to make any change(s) in the constitution of the CSR Committee.

### **Monitoring and Reporting Framework**

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

1. Clear objectives developed out of societal needs that are determined through baselines studies and research.
2. Precise targets, time lines and measureable parameters wherever possible.
3. A progress monitoring and reporting framework aligned to the requirements of Section 135 of the Companies Act.

**Budget Monitoring**

1. The Company will establish an accounting system to ensure project-wise accounting of CSR spends.

**Reporting Framework**

1. The progress of CSR projects and expenditure will be reviewed by the CSR Committee once a quarter.

2. The Company will report on CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.

## **TERMS OF REFERENCE FOR THE COMMITTEE ON CORPORATE SOCIAL RESPONSIBILITY (CSR)**

**I. Size:** Three directors.

**II. Composition:** At least one director to be an independent director.

### **III. Duties of the CSR Committee**

- (i) Formulating and recommending to the Board, the Corporate Social Responsibility (CSR) strategy of ATSL including the CSR Policy and its implementation such that the Bank's social, environmental and economic activities are aligned.
- (ii) Formulating and recommending to the Board, the CSR activities to be undertaken by the Bank either directly or through Axis Bank Foundation and determining the CSR projects / programmes which the Bank plans to undertake during the year of implementation, specifying modalities of execution in the areas / sectors chosen and implementation schedules for the same.
- (iii) Recommending the amount of expenditure to be incurred on the CSR activities.
- (iv) Review and monitor the compliance of initiatives undertaken and evaluate performance of the activities against the agreed targets.
- (v) Conduct an impact-assessment of the various initiatives undertaken in terms of the CSR Policy at periodic intervals.
- (vi) Instituting a transparent monitoring mechanism for ensuring implementation of the projects / programmes / activities proposed to be undertaken by the Bank.
- (vii) Reviewing and recommending the annual CSR report for the Board's approval and for public disclosure.
- (viii) Performing such other duties with respect to CSR activities, as may be required to be done under any law, statute, rules, regulations etc. enacted by Government of India, Reserve Bank of India or by any other regulatory or statutory body.

### **IV. Meetings**

- (i) The Committee shall meet at half-yearly intervals and as and when required.
- (ii) The quorum shall be two members.
- (iii) The Company Secretary shall act as the secretary to the Committee.