



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 through an integrated approach of development which focuses on creating sustainable livelihood, promoting education and skills development, creating awareness amongst public at large on public interest topics including financial literacy, facilitating and providing access to formal banking channels for excluded sections, promoting environmental sustainability, and supporting health and sanitation initiatives.

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 contribute to poverty alleviation and to reduce inequalities faced by socially and economically backward sections of society through an integrated approach of interventions in the areas of sustainable livelihood generation and support, women empowerment, financial literacy, safe banking and access to formal banking channels, health, sanitation and hygiene and public awareness on various pertinent social and environmental topics like road and personal safety and environmental sustainability.
2. To promote environmental sustainability and ecological balance through sustainable livelihood initiatives focused on natural resource conservation and management, renewable energy and energy efficiency projects, afforestation and plantation programs, and awareness programs.
3. To promote entrepreneurial culture through skills and capacity development programs aimed to support the growth of MSME sector, and through initiatives aimed to foster innovation by engaging with start-ups, students and technological incubators in academic institutions.
4. To promote education and skills development through initiatives on vocational and livelihood enhancing skills development programs, and programs aimed to nurture the talent of children and students in various fields.

5. To support welfare programs for armed forces veterans, war widows and their dependent children.
6. To support victims of natural calamities and other disasters through relief and rehabilitation programs.

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 and will be reviewed annually.

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. Poverty alleviation and measures to reduce inequalities

- a. Sustainable Livelihoods: Creating sustainable livelihoods is an overarching theme that is pursued to contribute to poverty alleviation and integrated development, especially in some of the poorest districts of the country. The Bank also endeavours to promote women empowerment through such activities by providing them skills and livelihood assets which contribute to improvement in their socio-economic status.
- b. Financial literacy and inclusion: The Bank will promote the cause of Financial Literacy & Inclusion to reduce inequalities faced by socially and economically backward sections of society. These may be undertaken singly and/or in conjunction with the Government initiatives and schemes. The Bank will create awareness on personal financial management aspects through financial literacy initiatives and provide the underserved sections of society – especially rural population, urban poor and migrant workers – with access to formal banking channels and products under financial inclusion initiatives. The Bank may also facilitate the access to Government benefit schemes and social security schemes through banking channels.
- c. Access to finance and entrepreneurship development: Support creation of sustainable income sources through micro-finance and micro-enterprise development and strengthen mechanisms for alternative livelihood.

2. Education and Skills Development

- a. Skill development through vocational education and training: Provide skilling, re-skilling and multi-skilling support to youth including the differently-abled, for gainful employment. The skilling programs may also include life skills coaching and career counseling support.
- b. Consumer education and public 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. Undertake public awareness initiatives on public interest topics such as road and personal safety, environmental sustainability, health, sanitation & hygiene etc.
- c. Skills and talent program for children and students: Undertake programs that hone the skills and talent of children and students through talent competitions, scholarships and learning programs.
- d. Entrepreneurial Skills Development: Engage with start-ups, students and technology incubators in academic institutions to promote innovation and entrepreneurial skills.

3. Environmental Sustainability 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. Renewable energy and emissions reduction: Ensure environmental sustainability, and ecological balance through pursuance of projects that conserve resources and enhance environment such as renewable energy and emissions reduction projects. Create carbon sinks through afforestation and plantation programs.

4. Sanitation & Healthcare

- a. Sanitation and drinking water: Work towards improving/providing sanitation and drinking water facilities for communities/schools and create awareness on health and hygiene topics to bring about a behavioural change.
- b. Healthcare: Support preventive and curative healthcare initiative including conducting health screening and awareness camps.

5. MSME Sector Growth

- a. Support MSME sector capability enhancement: Provide support to MSME sector through dissemination of knowledge leading to enhancement of sector capabilities.

6. **Humanitarian Relief**: Support relief measures during natural and other calamities which may include contribution to Prime Minister's National Relief Fund or any other such prescribed funds.

7. **Armed Forces Veterans**: Support measures for the benefit of armed forces veterans, war widows and their dependents, widows of armed forces injured in action.

'Armed Forces' comprise of the Indian Army, Navy and Air Force while the 'Armed Forces Veterans' are retired members of these forces. 'War Widows' are defined as widows of those armed forces members who have lost their lives in pursuit of their duties during a war.

8. **Capacity Building of Personnel and NGO Partners**: Build the capabilities of the Bank's own personnel as well as that of executing and implementing agencies through training, conferences and experience sharing programmes.