

POLICY ON CORPORATE SOCIAL RESPONSIBILITY

CSR Policy: Version 4



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1. Introduction

The Bank's Corporate Social Responsibility (CSR) policy is framed in accordance with Section 135 of the Companies Act 2013, the rules made there under, the amendments, guidelines and clarifications through the FAQs issued by the Ministry of Corporate Affairs (MCA) from time to time. (Collectively referred to as MCA guidelines)

The policy will apply to all CSR program/projects/activities undertaken either directly or through the implementing agency.

This policy encompasses RBL Bank's (Bank) philosophy for discharging its responsibility as a responsible corporate and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of the community at large.

The Bank does this together with like-minded partners from public and private sectors and with the commitment of its own highly skilled workforce. It encourages its employees to volunteer and support CSR programs.

2. CSR Vision, Mission Statement & Objective

Through its CSR projects, the Bank aims to promote sustained growth in fulfillment of its role as a Socially Responsible Corporate. The Bank has defined its Vision & Mission for CSR in alignment with the Mission Statement of the Bank as below:

- **The CSR Vision** is to be the most admired, compassionate, and respected organization delivering value to all stakeholders through equitable and inclusive growth.
- **The CSR Mission** is to deliver and promote inclusive growth in the country through various focused initiatives

3. Governance Structure

The Board will have an oversight of the CSR activities through the Corporate Social Responsibility Committee (CSR Committee). The CSR Committee will consist of three or more Directors of which at least one member should be an Independent Director. The Board of the Bank has constituted a CSR Committee in accordance with the provisions of the MCA guidelines and defined its terms of reference

CSR Committee will recommend to the Board, the strategy, the CSR Policy, CSR Activities, manner of execution of the projects, modalities for utilization of the funds, monitoring and reporting mechanisms and other incidental and ancillary aspects relating to the CSR projects. The Board

will review, plan, decide, ensure /oversight of execution, and monitor the CSR activities of the Bank based on the recommendations of the CSR Committee.

In addition to the above, the Bank may put in place appropriate internal governance structure as deemed necessary.

4. CSR Approach and Thrust Areas

The CSR Committee will identify the focus areas from the themes as specified in the Schedule VII of the Companies Act 2013. The guiding principles would be as under:

The Bank aims to reach the unserved and underserved marginal population of our nation through its CSR program. It follows a 5-S strategy i.e., Sector, Segment, Spatial, Support and Synergy as under:

- **Sector:** The Bank's focus areas for CSR are articulated as H.E.LO. i.e., Health, Education and Livelihood Opportunities.
- **Segment:** RBL Bank's CSR efforts are directed at beneficiaries from marginalized communities including Persons with Disabilities (PWDs), low social economic background and vulnerable Group of people like Sanitation Workers, Migrant Workers, and underprivileged Women & Children. This focus on marginalized communities broadens the scope for the Bank to reach out to larger yet more specific beneficiary groups.
- **Spatial:** Geographical preferences, which are synergized with the Bank's footprint as well as government's aspirational districts.
- **Support:** The nature of support provided by the Bank under the CSR policy i.e., grant, supporting the operational or capital expenses of the project, collaborative fund-raising, advisory support, capacity building etc.
- **Synergy:** Synergy with the Vision, Mission, Values, and the overall strategy of the Bank as well as the Sustainable Development Goals to make this world a better place for the next generations.

5. CSR Budget

The overall amount to be committed to CSR in accordance with the MCA guidelines as amended from time to time, will be approved by the Board as recommended by the CSR Committee, through its annual action plan carrying list of CSR programs/projects approved to be taken.

6. Project Selection, Implementation and Monitoring

- **Identification & Selection:**

Bank may directly execute its CSR projects or indirectly by engaging executing partners who may approach the Bank with proposals or Bank shall approach an appropriate partner . Sources of identification may be referrals, direct or Request for Proposal process. (RFP) Projects will be identified based on their alignment with the Bank's Priority and CSR Strategy.

Projects will be selected based on need identification studies/internal need assessment/receipt of proposals either directly or through referrals. Illustrative documents will be collected at various stages for due diligence according to bank standards. Projects will be evaluated against goals, milestones and outcomes defined for the project together with the implementing agency. (Other than ongoing). Once the selection is done, both parties will enter into Memorandum of Understanding (MOU)/Agreement for the project tenure.

- **Partner Qualifications and Due Diligence for indirect projects**

The Bank will undertake measures to ensure that projects will be awarded to certified implementation partners, be they vocational training institutes, registered trusts, societies, or Section 8 Companies operating in India. The Bank will ensure that the implementation agencies have a clearly explained mission/vision and an established track record of three years in undertaking similar projects or programs. They should be able to produce their latest audit, annual reports, CSR 1 and registration forms according to Section 80G/12A. Detailed Profiling of the NGO including the founders will be carried out as may be required. Potential partner NGOs will undergo thorough due diligence and the selection of implementation agencies/ partners will be in accordance with related provisions under MCA guidelines and /or any other applicable provisions in this regard.

- **Implementation.**

The CSR activities will be undertaken by the Bank itself (Direct Projects) with the involvement of various Bank employees/ units or indirectly through eligible implementing partners, as permitted under the MCA guidelines.

- **Monitoring.**

✓ The CSR Team of RBL Bank will be responsible for monitoring approved CSR projects. This will be done by way of an agreed process through the MOU with the implementation partner and may include evaluation tools e.g., site visit, review meeting, quarterly progress, and financial report as appropriate.

✓ To ensure effective implementation of the CSR Projects undertaken, a monitoring mechanism, including financial monitoring, will be in place. The Bank, after seeking the requisite approvals, may discontinue further funding the project at any time during implementation with prior written intimation of at least 30 days, wherever in the opinion of the Bank, in case any CSR project is not implemented as per the terms agreed in the MoU and/or for any breach of trust etc. The decision of the Bank in this regard will be final and binding on the implementation agency/ partner

- ✓ The Bank will undertake impact assessment of its projects through an independent agency, of the CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study, in accordance with related provisions under MCA guidelines and /or any other applicable provisions in this regard.
- ✓ The status and progress of CSR Projects under implementation will be placed before the CSR Committee at least once a year. After the same is placed to the committee it will also be placed before the Board with the recommendations of the Committee if any.

7. Disclosures

The CSR Policy, Composition of the Committee and the projects approved by the Board will be displayed on the website of the Bank. The Bank shall include as a part of the Board report an Annual report on CSR in the format as prescribed in the MCA guidelines

8. Others

- All CSR activities and expenses made thereon will be subject to audit.
- The Bank reserves the right to modify, cancel, add, or amend any of the above provisions of the policy.
- Any or all provisions of the CSR policy shall be subject to revision/amendment in accordance with the applicable laws/rules/ guidelines on the subject, every year or as and when regulatory changes from time to time.
- In the event of any of the provisions herein are not consistent and/or appear to be inconsistent with the MCA guidelines, in such case the provisions of the MCA will prevail.