



## Corporate Social Responsibility (CSR) Policy

**Owned by: Corporate Social Responsibility and Sustainability**

**Version No. 9.1**  
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### Version History

Release Date	Version	Revision Description	Approved By
04/12/2008	1.0	Initial version	Board
28/03/2011	1.1	Changes to align with changing practices	Board
25/08/2011	1.2	No change	Board
09/08/2012	1.3	No change	Board
29/07/2013	1.4	No change	Board
09/05/2014	2.0	Changes as mandated by Companies Act, 2013	CSR Committee and Board
13/08/2014	2.1	Minor change w.r.t. focus areas of the policy	CSR Committee and Board
14/05/2015	3.0	Revised policy and projects for FY 2015-16	CSR Committee and Board
11/08/2015	3.1	No change	CSR Committee and Board
09/05/2016	4.0	Revised policy and projects for FY 2016-17	CSR Committee and Board
10/05/2017	5.0	Revised policy and projects for FY 2017-18	CSR Committee and Board
18/05/2018	6.0	Revised policy and projects for FY 2018-19	CSR Committee and Board
23/07/2018	6.1	Minor changes	CSR Committee and Board
15/01/2019	6.2	Minor changes with respect to addition of two new projects and expansion of focus areas of the policy	CSR Committee and Board
13/02/2019	7.0	Revised policy and projects for FY 2019-20	CSR Committee and Board
15/05/2019	7.1	Minor changes	CSR Committee and Board

05/06/2020	8.1	Revised policy and projects for FY 2020-21	CSR Committee and Board
25/06/2021	9.0	Revised policy and projects for FY 2021-22; changes as per Companies Act 2013 and related rules	CSR Committee
23/07/2021	9.1	Revised policy and projects for FY 2021-22	CSR Committee and Board

## Corporate Social Responsibility (CSR) Policy

### Background

Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited (the Company) is committed to give back to the community it operates in, including caring for the environment. The Company aims to minimise the impact of its business on the environment and have a positive effect on society by implementing projects as per its focus areas, in line with activities defined under the Companies Act, 2013 (the Act).

The Corporate Social Responsibility Policy (hereafter referred as 'Policy') of the Company has been designed in consonance with Section 135 of the Act to lay down the guidelines for undertaking CSR projects, in accordance to Companies (Corporate Social Responsibility Policy), Rules, 2014 (hereafter referred to as 'Rules'), as amended from time to time. This Policy lays down the guiding principles or rules that shall apply to all CSR programs/ projects to be undertaken, as per Schedule VII of the Act, as amended from time to time, within the geographical limit of India.

To formulate and monitor the CSR policy of the Company, a CSR Committee of the Board has been constituted. Section 135 of the Act requires the CSR Committee to consist of at least three directors, including an independent director.

### Focus areas and philosophy

The Company will channel its CSR efforts towards **education, environment and healthcare** as per permissible activities mentioned in Schedule VII of the Act:

- Promoting education, including special education, consumer education and awareness, employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water
- Promoting healthcare
- COVID-19 related relief work/support in accordance with MCA guidelines

## **Constitution and functioning of CSR Committee**

The Board of the Company will be responsible for (i) approving CSR policy and disclose its contents in Directors' Report and on the Company's website, (ii) ensuring that activities are undertaken as per the CSR policy and (iii) ensuring that the Company spends, in every financial year, at least two per cent. of the average net profits of the Company made during the three immediately preceding financial years. The Board has also constituted a Corporate Social Responsibility Committee, to further these objectives.

The responsibilities of the CSR Committee include:

- i) formulate and recommend the CSR policy to the Board which shall indicate the activities to be undertaken by the Company as specified in Schedule VII
- ii) recommend the amount of annual CSR expenditure to be incurred
- iii) monitor the amount of expenditure to be incurred, in line with the laid down CSR Policy
- iv) monitor CSR activities through a transparent monitoring mechanism for implementation of the CSR projects undertaken by the Company
- v) periodically monitor the implementation of the CSR policy.

Constitution of the CSR Committee shall be disclosed in the annual Directors' Report and on the website of the Company.

### **1. Budget and Implementation**

#### **Budget**

The Company shall spend a minimum of 2% of the average net profits during the three immediately preceding financial years, on CSR activities. Accordingly, a budget of ₹ 2,07,39,000 is sanctioned by the CSR Committee and the Board for projects to be undertaken in financial year 2021 -22 (Annexure - A).

If the Company does not spend such prescribed amount within the financial year, the Board shall specify the reasons therefore, in the Directors' Report and transfer such unspent amount to a Fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year, unless the unspent amount relates to an ongoing project.

Any amount remaining unspent on an ongoing project shall be transferred to a special account, called Unspent Corporate Social Responsibility Account, within 30 days of end of financial year, and shall only be used for CSR obligations of the Company within a period of three financial years, failing which, the Company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days.

The Board of the Company shall satisfy itself that the funds disbursed for CSR projects, are utilised for the purposes and in the manner as approved by it and the Chief Financial Officer shall certify to that effect.

*Treatment of administrative overheads*

The Board shall ensure that the administrative overheads on CSR projects, do not exceed 5% of total CSR expenditure of the Company for the financial year.

*Treatment of surplus amount*

- Any surplus arising out of the CSR activities shall not form part of the business profit and shall be ploughed back into the same project; or
- Shall be transferred to the Unspent CSR Account and spent in pursuance of CSR policy and annual action plan of the Company; or
- Transfer such surplus amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

*Treatment of spend of excess amount*

In case the Company spends an amount in excess of the prescribed amount under the Act, such amount may be set off against the requirement to spend for future CSR projects up to immediate succeeding three financial years, provided that the Board shall pass a resolution to that effect and the excess amount shall not include the surplus arising out of the CSR activities.

*CSR expenditure will exclude the expenditure incurred on:*

- a. normal course of business, including regulatory or statutory obligations.
- b. any activity undertaken outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level.
- c. Activities benefitting employees of the Company.
- d. Contribution of any amount directly or indirectly to any political party under section 182 of the Act.
- e. Direct or indirect contribution to religious association/ organisation/ outfit or person.
- f. Activities undertaken for deriving marketing benefits for Company's products or services.

As part of its voluntary CSR initiatives, the Company may also provide support for relief and rehabilitation during natural disasters. The support amount will be decided on a case to case basis and will be over and above the approved CSR budget.

Any contribution to bonafide charitable and other funds will be outside the purview of CSR Policy and will be governed by the provisions of the Companies Act, 2013.

Contribution to any single trust, society or Section 8 company shall not exceed ₹ 40 lakhs for a financial year and due diligence of the trust, society or Section 8 company will be undertaken by the Company.

On approval by the Board, the amount under CSR budget will be disbursed for direct implementation by the Company as per the procurement process or to the trust/ society/ company as agreed with them.

Payments for the CSR projects implemented by CSR partners may be released as advance, provided that the amount for the first installment is capped at 50% of the total project

support budget except for those of shareholder trusts/ disaster relief including epidemics and pandemic.

### **Implementation**

As per provisions of the Act, the Company can undertake CSR activities itself or through outside trusts, societies or Section 8 companies in India, provided that these have at least 3 years of track record of undertaking such activities. It will be ensured that the Board of Directors and the CSR Committee members do not have any direct interest in the said entity.

Such implementing agencies with whom, the Company will partner for undertaking CSR projects shall be registered with the Ministry of Corporate Affairs, Central Government.

The Company may also collaborate or pool resources with other companies to undertake CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spends provided that the CSR Committees of the respective companies are in a position to report separately on such projects or programmes.

The Company shall give preference to the local areas around where it operates, for spending the amount earmarked for CSR projects. This will include locations where the Company has its head office, branches and bank branches of the distributors.

All CSR projects shall be based on an evaluation of the proposal which should have clear objectives and some measurable impact (depending on the nature of the project, need assessment/ baseline studies may be carried out as and when required) and shall allow for staff engagement through volunteering where possible or appropriate

## **2. CSR Review Group**

There shall be a management level CSR Review Group comprising of four direct reports of the CEO (nominated by him), Chief Financial Officer being a mandatory member, which shall meet at least once in a quarter or as need arises.

The key responsibilities of the CSR Review Group shall include

- reviewing the projects update and the CSR Policy before they are presented to the CSR Committee and the Board
- to provide regular guidance and support to the CSR Team
- advise the CSR Team on the implementation modalities of any new and amended CSR laws and Rules
- advise on the type, scope and geography of new CSR projects to be undertaken
- monitoring implementation of various CSR projects and adherence of various legal requirements
- monitoring the timely spend of CSR budget as per the schedules approved
- suggest volunteering activities to be undertaken

### **3. Monitoring**

The CSR Committee is responsible to monitor progress and impact of CSR activities, projects and programmes undertaken. It will ensure a transparent monitoring process. Projects will be monitored through:

- Quarterly/ half yearly/ annual progress report (whichever are applicable as per the MoU)
- Fund utilization/ expense report/ certificate (as per the MoU)
- Field visits/ digital engagement by members of the CSR Committee, employees or by the CSR Team
- Employee volunteering initiatives; wherever possible.
- Impact assessment as per requirement/as per law
- In case of ongoing project/s, the Board of the Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation through quarterly updates of the CSR Committee.

### **4. Reporting**

- i) The Board of Directors of the Company shall, after taking into account the recommendations of CSR Committee, approve the CSR Policy for the Company and the same shall be displayed on the Company's website.
- ii) The Board's Report of the Company shall include an annual report on CSR containing particulars as specified in the Act and Rules.

The CSR Policy and Projects approved by the Board shall be disclosed on the website of the Company.

In the event of any conflict between the provisions of this Policy and the Act or Rules or any other statutory enactments/ rules/ laws, the provisions of such Act or Rules or any other statutory enactments/ rules/ laws would prevail.

### **5. CSR Team and Employee Engagement**

Corporate Social Responsibility and Sustainability team, will be responsible for implementation of the CSR framework at the Company.

No employee will carry out any CSR activity in the name of the Company.

As much as possible, volunteering will be an important component of all CSR initiatives. Volunteering will be encouraged under the themes 'Protsaahan' and 'Partners in Progress' for all CSR activities of the Company as engaging employees in community investment programmes is an opportunity to sensitize them and increase camaraderie and bonding among them. Volunteering also ensures that the investments are maximized as colleagues are present to monitor progress and can check that funds are used for the purpose for which they have been given.

**CSR Activities for FY 2021-22**

The Company proposes to implement the following projects under CSR for FY 2021-22:

Sl. No.	Trust/ Society/ Company Name	Project Name	Location (District & State)	Project/ Activity Brief	Project Period	Total Expenditure (₹)	Deliverables/ Outcome/ Impact
1.	Ashray (Society)	Jalashay	Patan (Santalpur) Gujarat	<p>The project aims to support farmers of Santalpur Taluka by enhancing their existing agricultural practices and addressing farming constraints including ecological barriers by initiating suitable solutions for the same.</p> <p>Following this, the project aims to create an entire value chain from "Product Creation to Marketing" and work hand-in-hand with farmers to provide them with livelihood security. Additionally, it also intends to work on food security and health by establishing kitchen gardens thereby catering the communities with a range of vegetables to choose from and consume.</p>	1 April 2021 – 31 March 2022	32,00,000	<p>Increase in area of landholding under aromatic plants owing to phytoremediation, which will cover approximate 25 farmers (25 bighas).</p> <p>Training &amp; Exposure visit of approx 600 farmers</p> <p>Integrated Farming System, installation of Holiya structure &amp; creation of Kitchen Gardens – 34 farmers</p> <p>Increase in availability of clean water for irrigation &amp; livestock for approx 1500 beneficiaries</p> <p>Cooperative Formation – 1 (approx 15 women)</p>
2.	Advit Foundation (Trust)	Jal Jeevan	Medak Telangana	The project addresses a resource enhancement model of setting up a farmer training centre that will house food drying systems and set up their value chains for greater market	1 April 2021 – 31 March 2022	32,00,000	<p>A total of 100 community members will be trained on farm produce drying</p> <p>5 value chains - moringa, neem, mango, papaya and tomato will be set up to</p>

				<p>connect thereby encouraging more farmer families to take up entrepreneurship and be water sensitive.</p> <p>Basis the intervention, the following will be completed:</p> <p>Training and mobilisation on the Aagun dryer systems to ensure sustainability and easy adoption.</p> <ul style="list-style-type: none"> <li>- Set up value chains</li> <li>- market linkages</li> <li>- branding and packaging</li> <li>- consolidation as farmer groups or SHGs</li> </ul> <p>Handholding for water structure maintenance and handing over to the panchayat.</p>			<p>encourage microenterprise set up. More value chains will also be explored</p> <p>Water structure will be handed over to the panchayat for future maintenance.</p> <p>Water user group will be formed in the village.</p>
3.	Amba Foundation (Society)	Ujjwal Bhawishya	East Delhi (Slum area)	<p>Education and vocational training for self-reliance:</p> <p>To provide Non-Formal Education (NFE) and vocational training in computers and beauty parlour management to children, youth and women from marginalized sections of society</p> <p>Production &amp; marketing of products for income generation.</p> <p>Conduct adult literacy for women</p>	1 April 2021 – 31 March 2022	29,50,000	<p>Non formal education to 100 children and Adult literacy to 15 women</p> <p>Vocational Training (Computers) Total 90</p> <p>Basic Computers -20</p> <p>Advance Computers-30</p> <p>Short Training Courses-40</p> <p>Vocational Training (Beauty Parlour) – Total 80 Youth (women) Six month Training- 40</p> <p>Short Training Courses-40</p>

				from the same community  Organise health and nutrition camps for the beneficiaries, their families and the community at large.			Mentoring & Support to 24 SHGs  Production & marketing of Products for income generation.  Health Camp – 1 Nutrition Camp-1
4.	Navjyoti India Foundation (Society)	Unnati	Gurugram (Rural areas) Haryana	To promote employment oriented skills/ up-gradation training to adolescent girls and women from the rural community.  To provide awareness on social issues to adolescent girls and women.  To encourage self-employment by providing related training on entrepreneurship and exposure visits and liaison with the trained institutes, export houses and other avenues in order to strengthen placement opportunities for the trained girls and women.	1 August 2021 – 31 March 2022	28,09,000	105-120 women beneficiaries from rural areas will be imparted training in stitching, tailoring and related/other vocations and upgradation workshops/ bootcamps;  Entrepreneurship training will be provided to beneficiaries basis aptitude/interest;  Provide awareness on social, digital, financial literacy and legal aspects to adolescent girls, women - 50 members  Website development & maintenance and support for brand Unnati's online sales for gradual self reliance of rural women from over 90 villages
5.	Aide et Action (Company)	Saakaar	Ganjam & Sambalpur - Odisha  And  Wayanad -Kerala	To create entry level employment and self-employment opportunities for local marginalized youth through employability and life skill training to	1 August 2021 – 31 March 2022	35,00,000	Employability training to around 300 youth at three locations in bedside patient care assistance, automobile repairing, fitter, electrical repairing

				lead them towards self reliance.			and hospitality or any other suitable trade in underserved/rural areas;
							<p>The project will try to ensure that 40% of the beneficiaries are women and priority would also be given to youth with disability;</p> <p>The project will promote placement entrepreneurship in the trades</p> <p>Placement rate of at least 75%</p>
6.	United Way Mumbai (Trust)	COVID 19 - Asha	Kolkata West Bengal	<p>Support to the government hospitals in Kolkata to fight against COVID by providing medical equipment and protective equipment.</p> <p>Supply of equipment such as Oxygen Concentrators and Multipara Monitors help provide adequate treatment to patients suffering from severe symptoms of Covid-19. In addition the provision of protective gear will help ensure the safety of health care workers in the hospitals being supported</p>	1 August 2021 – 30 November 2021	20,00,000	<p>Procurement and handover of Oxygen Concentrators, Multipara monitors, N95 Masks and PPE kits to COVID designated Government hospitals in Kolkata (the quantity for above shall be basis the current rate at the time of implementation of the project)</p> <p>Reduced infections amongst the frontline workers and recovery of infected patients</p>
7.	Swades Foundation (Company)	Sanjeevani	Raigad Maharashtra	To ensure early detection and medical treatment of Children with	1 August 2021 – 31 March 2022	10,80,000	Aim to provide heart & eye surgeries to identified children

				Special Needs (CWSN). The core idea of the project is early identification, management and medical/surgical treatment of rural children suffering from ailments related to low vision & congenital heart diseases. Children supported for this program belong to underprivileged communities from seven blocks of Raigad District, Maharashtra.			(8 heart surgeries & 12 eye surgeries). It covers the assessment of children during primary screening, post screening interventions, referrals to partner hospitals, advanced/Surgical Intervention at partner hospitals and home based rehabilitation  Ensure detection at an early stage & minimizing damage caused by fatal diseases Improved quality of life for these children & their households by ensuring smooth rehabilitation & augmenting their chance at formal employment
8.	Friends of Tribal Society (affiliated implementing body of Ekal Abhiyan Trust) -	Prajwal	Gulbarga, Chamaraja nagar & Mysore Karnataka	To bring informal basic education in remote rural and tribal villages to the underprivileged children between the age group of 6-14 years along with educating them about personal hygiene and Sanskar Shiksha (culture education).  The aim is to impart fivefold education through Ekal Vidyalaya – Basic Education, Health Education, Development Education, Empowerment	1 August 2021 – 31 March 2022	20,00,000	The project will cover 136 schools of rural/ tribal villages. Each school caters 25 to 35 students in a village (approx 4000 direct beneficiaries).  The curriculum covers read, write, arithmetic, health and hygiene, local sports, development education and moral values.  Basic primary education to children in these remote villages

				Education and Sanskar Shiksha.			would enable them access to further higher education.
<b>Total</b>						<b>2,07,39,000</b>	

## Notes

- Re-appropriation of the budget/ line items may be allowed due to any exigency and as sometimes it is difficult to predict the exact expenditure amount at the beginning of the project – post review, a maximum of 10% re-appropriation may be allowed in the project heads by CSR department and over 10% by the CSR Review Group and the same shall be documented and communicated to the CSR Committee
- Mandatory taxes will be added as applicable and the actual expenditure on projects and overheads/ administrative expenditure in the financial year will be presented to the CSR Committee after closing
- Vocational/ skill training and agreed locations may be changed by the CSR team due to any exigency or requirement and the same to be communicated to the CSR Review Group and also to the CSR Committee of the Board in the next meeting
- The abovementioned NGO partners may from time to time engage vendors/ agencies for the completion of the implementation of the above projects.