POLICY ON

CORPORATE SOCIAL RESPONSIBILITY

Dated: 28th July 2020
# Table of Contents

1. **INTRODUCTION**: .................................................................................................................. 3

2. **CSR VISION STATEMENT & OBJECTIVES**: ...................................................................... 3

3. **RESOURCES & ALLOCATION OF FUNDS** ........................................................................ 4

4. **FOCUS AREAS / THRUST AREAS** .................................................................................. 4

5. **PROJECT SELECTION & IMPLEMENTATION**: .................................................................. 5
   5.1 Selection .............................................................................................................................. 5
   5.2 Partner Qualifications and Due Diligence ......................................................................... 5
   5.3 Geography .......................................................................................................................... 6
   5.4 Termination of MoU .......................................................................................................... 6

6. **MONITORING AND FEEDBACK** ..................................................................................... 6

7. **CONSTITUTION AND MEETING OF CSR COMMITTEE** .................................................. 6
   7.1 Constitution ....................................................................................................................... 6
   7.2 Meeting .............................................................................................................................. 7
   7.3 Role and Responsibilities of CSR Committee ................................................................... 7

8. **OTHER COMMITTEES** .................................................................................................... 7
   8.1 Steering Committee ........................................................................................................... 7
   8.2 Working Committee ......................................................................................................... 7
   8.3 CSR Team .......................................................................................................................... 8

9. **GENERAL** ......................................................................................................................... 9

Annexure- A ............................................................................................................................ 10
Annexure- B ............................................................................................................................ 111
Annexure- C ............................................................................................................................ 12
1. INTRODUCTION

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

1.2. RBL 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 fundraise, and supports their efforts to make a difference.

1.3. The Bank’s CSR policy has been framed in accordance with Section 135 of the companies Act 2013 and the rules framed thereunder.

1.4. The policy shall apply to all CSR program/activities undertaken/sponsored by the Bank, executed as direct implementation or through any other trust/society or implementation partner or any other fund set up by the government.

2. CSR VISION, MISSION STATEMENT & OBJECTIVE

2.1. 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:

2.1.1. The CSR Vision is to be the most admired, compassionate and respected organization delivering value to all stakeholders through equitable and inclusive growth.

2.1.2. The CSR Mission is to deliver and promote inclusive growth in the country through various focused initiatives in promoting education, preventive healthcare, women empowerment and sustainable livelihood to catalyze growth and reduce social inequalities.

2.2. The key objectives of RBL Bank’s CSR Policy are to:

2.2.1. Ensure an increased commitment at all levels in the organization to operate its business in an economically, socially and environmentally sustainable manner, while recognizing the interests of all its stakeholders.

2.2.2. Directly or indirectly take up programs that benefit communities at large and results, over a period of time, in enhancing the quality of life and economic well-being of the local populace.

2.2.3. Generate, through its CSR Projects, goodwill for RBL Bank and help reinforce a positive & socially responsible image of RBL Bank as a corporate entity.

2.2.4. Encourage alignment with Social Development Goals (SDGs) related to gender sensitivity, skill enhancement, entrepreneurship development etc.
3. RESOURCES & ALLOCATION OF FUNDS

3.1 Every year a budget for CSR activities shall be decided by the Board on the recommendation of the CSR Committee.

3.2 The committee with abide by the provisions relating to annual expenditure on CSR activities as laid down in Section 135 Schedule VII of the Companies Act, 2013. Such budget shall not be less than 2% of the average net profit made by RBL Bank during the three immediately preceding financial years for year ending March 2019. From April 2019 onwards, as per the amendment of MCA notification date 19th Sep 2018, the budget shall not be less than 2% of net profit for immediately preceding financial year.

3.3 The earmarked annual CSR budget will be transferred to the account called “RBL Bank’s CSR Account”

3.4 The allocation of funds for CSR Projects shall be decided by the CSR Committee. They may take into consideration the recommendation of the Steering Committee. In exceptional circumstances, percentage of budget allocation may be varied with the approval of the Board.

3.5 The terms, conditions and timing of disbursement will be discussed and agreed with the Steering committee, and will typically form part of the Memorandum of Understanding (MoU) executed with the entity implementing the project.

3.6 Projects with value over and above 20 lakhs must have a MoU signed by authorized signatories from both parties. Projects with value below 20 lakh may be disbursed with prior approval from Steering Committee without legal agreement.

3.7 CSR activities undertaken by the Bank will be tracked to ensure allocated funds are spent wisely by implementing partners. Furthermore if there are unspent funds then the amount will not be added to the normal business profits of the Company.

3.8 Up to 5% of CSR amount can be utilized for administrative expenses and carried forward for the next year. An additional 5% of CSR budget can be utilized for Impact Assessment / Need Assessment Studies under CSR, provided the same is carried out through a third party evaluation process.
4. **FOCUS AREAS / THRUST AREAS**

4.1 Sustainable Livelihood

As a bank focused on priority sector lending, there is huge potential for us to translate the impact into creation of sustainable livelihoods. The lack of livelihood opportunities at the grassroots level is one of the main causes of mass migration into cities leading to several social and economic problems. Our efforts in this area are focused but not limited to enhancing livelihood opportunities for micro entrepreneurs, improving farming techniques, development of allied income generation activities, vocational training, and promotion of rural development projects.

4.2 Education

We will support education by way of financial assistance at all levels up to graduation. As and when required, we will participate in projects supported by National Skill Development Corporation (NSDC), Krishi Vigyan Kendra (KVK), Industrial Training Institutes (ITI) and Farmers’ Service Societies (FSS) and other similar abled bodies for training and skill building of unemployed youth. Priority will be given to the girl child and women for education and training initiatives. Education, training and rehabilitation of mentally and physically challenged children/ persons will also be taken up under the cause of education.

4.3 Preventive Healthcare

Our endeavor is to work extensively on preventive healthcare while focusing on Retinoblastoma – eye cancer for children and Retinopathy in diabetic patients. In the spirit of preventive healthcare, another initiative undertaken by the bank is Blood Donation Drive that is conducted across all our branches wherein customers are also invited. Apart from this, support for health care services of senior citizens and physically / mentally disadvantaged persons are causes that may be taken up from time to time.

4.4 Gender Equality

The gender equality initiatives taken up under CSR aims to create an equitable society by providing opportunities to the groups marginalized on the basis of gender. The bank’s CSR will work with women and sexual minorities to support them in education, skills training and employment opportunities. Over and above these stated focus areas, the Bank may support projects in other areas as defined under Schedule VII on the recommendation of the Board.
5 PROJECT SELECTION & IMPLEMENTATION

5.1 Selection

CSR Projects shall be undertaken within the defined ambit of the identified thrust areas. Projects shall be selected on basis of need identification studies or internal need assessment or receipt of proposals. Projects shall be evaluated against goals and milestones defined for the project together with the implementing agency (if any).

5.2. Partner Qualifications and Due Diligence

RBL Bank shall undertake measures to ensure that projects are awarded to certified implementation agencies, be they vocational training institutes, registered trusts, societies or Section 8 Companies operating in India. The Bank shall 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 and registration forms according to Section 80G/12A. Potential partner NGOs will undergo thorough due diligence and will be checked to ensure that they fulfill the criteria listed in Section 135 Schedule VII.

5.3 Geography

RBL Bank shall undertake projects in multiple geographies to impact more lives. It shall, however, prioritise the areas in and around its current or future operations. This shall ensure the participation of employees through volunteering as well as better monitoring of the projects.

5.4 Termination of MoU

In case any CSR project is not implemented as per the terms agreed in the MoU, RBL Bank at its discretion may discontinue funding the project at any time during the course of implementation.

6. MONITORING AND FEEDBACK

6.1. The CSR Team will be responsible for monitoring of approved projects. This will be done by way of an agreed process with the implementation partner and it will include one of these as basic monitoring and evaluation tool - site visit, review meeting, progress report.

6.2 To ensure effective implementation of the CSR Projects undertaken, a monitoring mechanism will be put in place. The progress of CSR Projects under implementation will be reported to Steering Committee on regular intervals.

6.3 RBL Bank shall conduct impact studies on a periodic basis, through independent professional third parties/professional institutions, especially on the strategic and high value programmes.

6.4 The progress report of CSR Projects under implementation in the format given in Annexure- B shall be placed before the Board on bi-annual basis.
6.5 CSR initiatives of RBL Bank will also be reported in its Annual Report. The Board level CSR committee, based on the reports presented by the Working Committee will annually publish a report on the CSR projects as a part of the Director’s report. The format as prescribed by the Section 135 Schedule VII of the Companies Act, 2013 will be adhered to. The same has been outlined in Annexure B.

7. CONSTITUTION AND MEETING OF CSR COMMITTEE

7.1 Constitution
CSR Committee shall consist of three or more directors of which at least one member should be an independent director and members of Steering Committee as permanent attendees. The Board, at its meeting held on February 21, 2014, had approved constitution of CSR Committee. As part of Companies Amendment Act, 2017, amendment 37, published on 3rd January 2018, for companies where Independent Directors are not needed to be appointed, the companies will now constitute the CSR Committee with two or more Directors.

7.2 Meeting
The Corporate Social Responsibility functions of RBL Bank will be coordinated and monitored by the CSR Committee for the successful implementation of Bank’s CSR Policy. The CSR Committee will meet at least twice in a year.

7.3 Role and responsibilities of CSR Committee
The key roles and responsibilities of the CSR Committee would be to implement the CSR policy. Broadly the roles and responsibilities are the following:

- Formulation of broad guidelines for selection of the projects, planning, execution, monitoring and evaluation.
- Selection of projects in accordance with policy framework & guidelines.
- Finalization of annual budgetary requirement for each project along with the targets.
- Formulation of strategies for efficient implementation of projects.
- Periodic reporting of all CSR Projects, as required.

8. OTHER COMMITTEES

8.1 Steering Committee
CSR Committee may establish a Steering Committee to assist the CSR Committee in discharging its responsibilities prescribed in this policy. Steering Committee shall comprise of at least two Management Committee members. The members of Steering Committee may be appointed/changed from time to time by the CSR Committee.
8.2 Working Committee

CSR Committee may also establish a Working Committee. Key responsibilities of Working Committee shall be as below:

- It shall provide recommendation regarding target group, geography and what sectors or issues it wishes to address.
- Make recommendations to update the policy in light of changes in the laws and rules
- Ensure on-ground implementation of projects
- To oversee the progress of CSR Projects under implementation and report the same to Steering Committee
- To coordinate with different Central, State Government Departments and all other stakeholders including service providers for successful implementation of CSR Projects.
- It will be responsible for mobilizing volunteers and facilitating the CSR activities in various states.
- It shall provide recommendation on selection of the projects, planning, execution, monitoring and evaluation.

The members of Working Committee may be appointed/ changed or made redundant and revived as required from time to time by the Head CSR / MD & CEO of RBL Bank.

8.3. CSR Team

The CSR team is responsible for administering and executing the policy.

Roles & Responsibilities

- Evaluate projects as per the framework
- Implement projects based on set targets and action plans
- Find suitable implementation partners, conduct due diligence and get approval from the Board
- Evaluate possible collaborations with other organizations on CSR projects
- Send bi-annual reports to the Board
9. GENERAL

9.1 All CSR activities and expenses made thereon will be subject to audit.

9.2 RBL Bank reserves the right to modify, cancel, add, or amend any of the above rules/guidelines.

9.3 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, from time to time.

9.4 In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference should be made to CSR Committee. In all such matters, the interpretation and decision of the CSR Committee shall be final.

9.6 As per MCA vide general circular No. 10/2020 dated 23rd March, 2020 has clarified that spending CSR funds for COVID-19 related activities shall qualify as CSR expenditure. It is further clarified that funds may be spent for various activities related to COVID-19 under items nos. (i) and (xii) of Schedule VII relating to promotion of health care including preventive health care and sanitation, and disaster management. MCA vide General Circular No. 15/2020 dated 10 April 2020, clarifies COVID-19 related expenses that can be covered under Corporate Social Responsibility (CSR). Further, MCA as per general circular No. 21/2014 dated 18.06.2014, items in Schedule VII are broad based and may be interpreted liberally for this purpose.
Annexure- A

List of activities that can be undertaken by RBL Bank under RBL Bank’s CSR Policy

SCHEDULE VII, Section 135

I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;

II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;

III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;

IV. 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;

V. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

VI. Measures for the benefit of armed forces veterans, war widows and their dependents; the Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans and their dependents including widows.

VII. Training to promote rural sports, nationally recognized sports, para-Olympic sports and Olympic sports;

VIII. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

IX. Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defense Research and Development Organization (DRDO), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

X. Rural development projects.

XI. Slum Area development

XII. Disaster management, including relief, rehabilitation and reconstruction activities.
## Annexure- B

**Format of Progress Report**

<table>
<thead>
<tr>
<th>Sr No</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CSR project/activity identified</td>
<td>Sector in which the project is covered</td>
<td>Projects/Programmes</td>
<td>Amount outlay (budget) programme wise</td>
<td>Amount spent on the programme/project Subheads</td>
<td>Cumulative spend upto the reporting period</td>
<td>Amount spent Direct through implementing agency</td>
</tr>
<tr>
<td></td>
<td>1. Local areas/others</td>
<td>2. Specify the state/district</td>
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</tr>
<tr>
<td></td>
<td>1. Direct expenditure on projects</td>
<td>2. Over heads</td>
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## CSR Committee

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Mr. D. Sivanandhan</td>
<td>Committee Chairman</td>
</tr>
<tr>
<td>2.</td>
<td>Mr. Vishwavir Ahuja</td>
<td>Member</td>
</tr>
<tr>
<td>3.</td>
<td>Mr. Ishan Raina</td>
<td>Member</td>
</tr>
<tr>
<td>4.</td>
<td>Mr. Vijay Mahajan</td>
<td>Member</td>
</tr>
<tr>
<td>5.</td>
<td>Ms. Ranjana Agarwal</td>
<td>Member</td>
</tr>
<tr>
<td>6.</td>
<td>Ms. Shanta Vallury Gandhi</td>
<td>Permanent Attendee</td>
</tr>
</tbody>
</table>

## Steering Committee

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Mr. Vishwavir Ahuja</td>
<td>Member</td>
</tr>
<tr>
<td>2.</td>
<td>Ms. Shanta Vallury Gandhi</td>
<td>Member</td>
</tr>
</tbody>
</table>