



Live more, Bank less

DBS Bank India Limited Governance of Corporate Social Responsibility

Group Strategic Marketing & Communications

DBS Bank India Limited (“**DBIL**” / “**Bank**”) is a wholly owned subsidiary of DBS Bank Limited (“**DBL**”) headquartered in Singapore. As a matter of sharing best practices, DBIL draws experience and expertise from DBL when dealing with important transactions, policy level decisions to ensure that the minimum governance standards set by DBL are met. Further, DBIL reckons or considers certain policies and standards prescribed by DBL and adopts them in compliance with Indian regulatory requirements. Accordingly, this Corporate Social Responsibility (“**CSR**”) Policy is adopted as per the standards prescribed by DBL and in compliance with the relevant provisions of the Companies Act, 2013 (“**Companies Act**”) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“**CSR Rules**”).

This Policy states the guiding principles for selection of CSR activities in pursuance of the obligation provided under section 135 of the Companies Act read with CSR Rules and Schedule VII including the modalities of execution, implementation and monitoring mechanism of CSR projects/programmes.

1. DBIL CSR AGENDA /VISION

The Corporate Social Responsibility Committee (“**CSR Committee**”) is constituted by the Board of Directors (“**Board**”) of the Bank with the vision of actively contributing to the social and economic development of the communities, including the communities in which the Bank operates. In doing so, the aim is to build a better, sustainable way of life for the weaker sections of society and to raise the country's human development index.

The CSR activities undertaken by the Bank involve the commitment of both financial and human resources.

2. DEFINITIONS

(a) Applicable Law - Companies Act, CSR Rules, circulars, clarifications, notifications issued by the Ministry of Corporate Affairs or judicial decisions determined by a court of competent jurisdiction in relation to CSR and as amended from time to time.

3. CSR COMMITTEE:

Constitution of CSR Committee:

Subject to the prevalent provisions of Applicable Law from time to time, the Bank’s CSR committee shall comprise of at least three (3) directors, out of which at least one (1) will be an Independent Director.

Roles & Responsibilities of the CSR Committee:

(a) Formulate and recommend to the Board of the Bank, the CSR policy which shall indicate the activities to be undertaken as specified in Schedule VII of the Companies Act.

- (b) Take necessary steps to ensure that the Bank spends at least 2% of its average net profits made during the three immediately preceding financial years (or such other amount as may be prescribed under the Applicable Law in this regard from time to time) in pursuance of this Policy and reports to the Board periodically on the CSR spending.
- (c) Recommend to the Board, the amount of expenditure to be incurred on the activities specified in Schedule VII of the Companies Act.
- (d) Constitute a CSR team and oversee / guide / drive the working of the same.
- (e) Monitor the effectiveness of the implementation of CSR policy of the Bank and ensure that the Bank is taking appropriate measures to undertake CSR projects successfully;
- (f) The CSR Committee shall formulate and recommend to the Board of the Bank, an annual action plan in pursuance of this Policy, which shall include the following, namely:
 - (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act;
 - (ii) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the CSR Rules;
 - (iii) the modalities of utilization of funds and implementation schedules for the projects or programmes;
 - (iv) monitoring and reporting mechanism for the projects or programmes; and
 - (v) details of need and impact assessment, if any, for the projects undertaken by the Bank.

4. CSR ACTIVITIES

- (a) CSR efforts / activities / programmes of the Bank will focus on activities which qualify as CSR initiatives in accordance with Schedule VII of the Companies Act read with the relevant provisions of the CSR Rules as amended from time to time. The activities listed under Schedule VII of the Companies Act are provided under Annexure 1 to the Policy.
- (b) The activities listed out in Annexure I are to be liberally interpreted so as to capture the essence of the subjects enumerated in Schedule VII of the Companies Act. Further, the above list is indicative and will include all activities which are notified from time to time in terms of the Applicable Law. The list above shall be deemed to be amended (without requiring corresponding amendments to this Policy) if there are changes in Applicable Law that amend, modify or clarify the same.
- (c) The Bank endeavors to undertake CSR activities in the following focus areas:
 - (i) Livelihood & Skills
 - (ii) Education (social skills)
 - (iii) Healthcare, Food & Nutrition
- (d) The Bank shall not consider any activities under the purview of CSR which have been expressly restricted under the Applicable Law, *inter alia* including the following:
 - any activity undertaken by the Bank outside India except for training of Indian sports

personnel representing any State or Union territory at national level or India at international level;

- contribution of any amount directly or indirectly to any political party under section 182 of the Companies Act;
- activities benefitting employees of the Bank as defined in clause (k) of section 2 of the Code on Wages, 2019 (29 of 2019);
- activities supported by the Bank on sponsorship basis for deriving marketing benefits for its products or services;
- activities carried out for fulfilment of any other statutory obligations under any law in force in India; and
- Activities undertaken by DBIL in pursuance of its normal course of business.

5. IDENTIFICATION AND APPROVAL OF PROJECTS:

- (a) the Bank will provide a list of all CSR projects or programmes which it plans to undertake, as a part of its annual action plan to be formulated in accordance with the Applicable Law.
- (b) the Bank's annual action plan for CSR will specify the modalities of execution of all the projects or programmes and implementation schedules in line with the provisions of the Applicable Law. Any modifications to the annual action plan shall be approved by the Board, duly recording reasons for such modification.
- (c) All projects undertaken will follow a procedure of assessment to check the suitability of each project/programmes and whether it falls in the list of activities covered in Schedule VII of the Companies Act. The Bank shall follow the mechanism for approval and record keeping of the projects to ensure governance and oversight.
- (d) Project identification mechanism:
 - (i) All projects shall be planned in a participatory manner, in consultation with the CSR Committee and the Management CSR Committee ("MCC"), wherever required before being taken to the Board for their approval.
 - (ii) MCC shall shortlist the CSR projects after conducting due diligence on the activity proposed to be undertaken under the project as well as the entity through which projects are intended to be undertaken. The projects shortlisted by the MCC are placed before the CSR Committee for its recommendation to the Board for approval.
 - (iii) The CSR Committee shall ensure the focus area mapping process, prioritize the requirements, and ensure a project is conceptualised, implemented and monitored by the CSR Committee on every critical milestone and in respect of all other aspects.

- (iv) The CSR Committee, while formulating the annual action plan and recommending it to the Board, will accord priority to projects in the focus areas of the Bank as mentioned in Annexure 1.

6. CSR IMPLEMENTATION:

- (a) The Board and CSR Committee will ensure compliance with all the relevant requirements of Applicable Law, as amended from time to time.
- (b) The activities may be implemented by either the Bank itself with the involvement of bank employees or through implementing agencies eligible to undertake CSR activities as per the Applicable Law.
- (c) The implementation agencies will also be screened based on the Bank's internal screening criteria to ascertain their eligibility, credibility and ability to execute the proposed projects.
- (d) The Bank also collaborates with other players in the social sector such as charities and voluntary welfare organisations (VWOs) eligible to undertake CSR activities to bring about social impact and transformation.
- (e) Any expenditure incurred on the CSR Programmes or activities undertaken only in India shall qualify as CSR expenditure.
- (f) The Bank will endeavor to give preference to the local area and areas around it, where it operates, for spending the amount earmarked for CSR activities.
- (g) Surplus arising funds from CSR activities will be ploughed back into the same project or transferred to the Unspent CSR Account. These funds will be utilized according to this Policy and annual action plan, or allocated to a fund specified in Schedule VII of the Companies Act, within six months after the end of the financial year.
- (h) For ongoing projects, any remaining unspent amount at the end of a financial year must be transferred to the Unspent CSR Account within 30 days. This amount should be spent on the project within three financial years. If the funds are not utilized by the end of the third financial year, they must be transferred to a fund specified in Schedule VII of the Companies Act within 30 days following the completion of the third financial year.
- (i) In any year, where the Bank has spent in excess of its CSR obligation, such excess spending shall be available for set off against the Bank's CSR obligations for up to the next 3 financial years in accordance with Applicable Law, and the Board shall be competent to pass a resolution in this regard.
- (j) The Bank may spend its CSR budget for the creation or acquisition of a capital asset subject to fulfilment of conditions specified under Applicable Law.
- (k) Administrative overheads for CSR shall not exceed 5% of total CSR expenditure of the Bank for the financial year.

7. DISCLOSURE & REPORTING:

- (a) Reporting and disclosures on the CSR initiatives undertaken by the Bank during a financial year will form part of the Annual Report of the Bank.

(b) The Annual Report on CSR activities shall consist of information *inter alia* as required under Applicable Law and will be included in the Board's report in the format specified under the Applicable Law.

(c) The Bank shall disclose the CSR Policy, composition of CSR Committee and the CSR projects approved by the Board for the financial year on its website.

8. MONITORING & REPORTING:

The Bank's Board will ensure a transparent monitoring mechanism for ensuring effective implementation of the projects/programmes/activities proposed to be undertaken by the Bank. The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it.

(a) The Board has the responsibility of monitoring approved projects and funds disbursements for such projects. The CSR Committee may assist the Board to ensure such implementation and monitoring. A transparent system of regular monitoring and reporting mechanisms will be put in place as desired by the Applicable Law.

(b) CSR Committee shall review the progress of CSR activities at least once in a year and report to the Board accordingly.

(c) The Bank may engage international organisations for designing, monitoring and evaluation of the CSR projects or programmes as per this Policy as well as for capacity building of their own personnel for CSR.

(d) In case of an Ongoing Project, the Board shall monitor the implementation of the same with reference to the approved timelines and year-wise allocation and shall be competent to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

(e) Bank may obtain periodical updates and reports including utilization certifications, program completion reports. etc. CSR team of the Bank may also engage in site visits to ensure smooth implementation.

The Bank shall undertake impact assessment of projects as approved by the Board in the annual action plan and as per Applicable Law. The impact assessment report(s) shall be placed before the CSR Committee & the Board and disclosed on the website of the Bank.

9. REVIEW:

This Policy has been formulated pursuant to legal requirements under Applicable Law. To the extent any of the matters referred herein arise from Applicable Law, and such matters are amended, clarified or deleted under Applicable Law, then such amendment, clarification or deletion shall be

deemed to be incorporated herein. In case of any contradiction or variance between this Policy and the provisions under the Applicable laws, the provisions of the Applicable Law shall prevail. The Board, on recommendation of CSR Committee, shall review and update this Policy once in three (3) years or as and when required, whichever is earlier, or as and when any changes are to be incorporated due to changes in Applicable Law.

VERSION HISTORY

Version	Date of Issue	Summary of Key Changes in CSR Policy and Terms of Reference
1.0	July 2021	Policy Issued
2.0	May 2023	<ol style="list-style-type: none"> 1. Formulation (and alteration) of annual action plan of CSR projects. 2. Preference to local areas while undertaking CSR is being made directory rather than mandatory. 3. CSR activities aligned with the applicable laws. 4. Requirement of pre-clearance of CSR projects from legal / compliance team. 5. Obligations with respect to implementation of CSR are being elaborated (Unspent CSR amount, monitoring of CSR projects, disclosure requirements etc.) 6. Non mandatory provisions of the Policy are moved to the TOR/ CSR process document.
3.0	May 2025	From a good governance

		<p>perspective, CSR Policy of the Bank have been reviewed in consultation with the CSR compliance consultant and certain explicit clauses are included/modified in the said policy in order to align it further with the Bank's CSR processes in light of the regulatory requirements.</p>
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Annexure 1

- (a) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making safe drinking water available.
- (b) Promoting education including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.
- (c) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care center and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.
- (d) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (e) Protection of national heritage, art 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.
- (f) Measures for the benefit of armed forces veterans, war widows and their dependents, Central Armed Police Forces and Central Para Military Forces veterans, and their dependents including widows.
- (g) Training to promote rural sports nationally recognized sports Paralympics sports and Olympic sports.

(h) Contribution to the Prime Minister's National Relief Fund, or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled caste the Scheduled Tribes, other backward classes minorities and women.

(i) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;

and

(b) Contributions to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

(j) Rural development projects.

(k) Slum area development

(l) Disaster management, including relief, rehabilitation and reconstruction.