

ICICI SECURITIES LIMITED

**CORPORATE SOCIAL RESPONSIBILITY
POLICY**

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A. Introduction

Corporate Social Responsibility (CSR) is the commitment of companies to provide resources and support activities focused on enhancing economic and social development. It is the effort made by companies to improve the living conditions of the local area in which they operate and the society at large. The activities taken up as part of corporate social responsibility reflect the intent to create a positive impact on society without seeking any commensurate monetary benefits.

CSR has been a long-standing commitment at ICICI Securities and the ICICI Group and forms an integral part of our activities. ICICI Group's contribution to social sector development includes several pioneering interventions, and is implemented through the involvement of stakeholders within the Group and the broader community. ICICI Bank established the ICICI Foundation for Inclusive Growth (ICICI Foundation) in 2008 with a view to significantly expand the ICICI Group's activities in the area of CSR. Over the last few years, ICICI Foundation has developed significant projects in specific areas, and has built capabilities for direct project implementation as opposed to extending financial support to other organizations.

Our Company's objective is to pro-actively support meaningful socio-economic development in India and enable a larger number of people to participate in and benefit from India's economic progress. This is based on the belief that growth and development are effective only when they result in wider access to opportunities and benefit a broader section of society. The Company aims to identify critical areas of development that require investments and intervention, and which can help to realize India's potential for growth and prosperity.

The Corporate Social Responsibility Policy (CSR Policy) sets out the framework guiding the Company's CSR activities. The Policy also sets out the rules that need to be adhered to while taking up and implementing CSR activities.

B. Scope of Corporate Social Responsibility Policy

The Policy would pertain to all activities undertaken by the Company towards fulfilling its corporate social responsibility objectives. The policy would also ensure compliance with Section 135 of the Companies Act, 2013 ("the Act").

C. Governance structure

The Corporate Social Responsibility Committee (CSR Committee) is the governing body that will articulate the scope of CSR activities for the Company and ensure compliance with the CSR Policy. The CSR Committee would comprise of three or more Directors including at least one independent Director.

The CSR Committee shall:

- i. Formulate and recommend to the Board the CSR Policy and any amendments thereto;**
- ii. Indicate the activities to be undertaken by the Company as specified in the Act;**
- iii. Review and recommend the annual CSR plan to the Board;**
- iv. Monitor the CSR activities and compliance with the CSR policy from time to time; and**
- v. Review and implement, if required, any other matter related to CSR initiatives.**

The Committee shall meet at least twice in every financial year.

The Board of Directors shall:

- i. Approve the CSR Policy based on the recommendation of the CSR Committee;**
- ii. Approve the CSR activities and annual CSR plan based on the recommendation of the CSR Committee; and**
- iii. Review the CSR Policy and CSR activities.**

D. Operating framework

1. CSR activities will be undertaken in areas identified by the CSR Committee. An annual CSR plan shall be presented to the CSR Committee and, based on its recommendations, to the Board of Directors of the Company for approval.
2. CSR activities shall be undertaken by the Company directly or through ICICI Foundation or through any other entity.
3. ICICI Foundation shall continue to be funded by the Company. Contributions by the Company to ICICI Foundation shall form part of the Company's CSR outlay
4. Activities undertaken by the Company may include projects being implemented directly by the Company as well as contributions to not-for-profit entities other than ICICI Foundation for CSR projects that the Company agrees to finance as part of CSR. Such entities & projects shall be supported after ascertaining the credibility of the agency and its track record in implementing projects. The entity shall generally have a track record of atleast three years in implementing such projects.
5. The responsibility for implementation of identified activities/ projects shall be as per the organizational structure approved by the Managing Director & CEO.

6. The annual plan shall incorporate the following:
 - i. The prescribed outlay on CSR as per the Act and related rules as amended from time to time;
 - ii. Key CSR activities proposed to be undertaken during the year, including analysis of their eligibility for classification as CSR under the Act and related rules as amended from time to time, their conformity with the CSR Policy and their implementation schedules;
 - iii. Proposed outlay on each activity;
 - iv. Activities to be undertaken by the Company directly.
 - v. Activities to be undertaken by the Foundation and the Company's contribution to ICICI Foundation;
 - vi. Activities to be undertaken by other entities and the Company's contribution to such entities; and
 - vii. Aggregate proposed outlay and reasons for shortfall, if any, compared to the prescribed outlay.
7. The authority to incur expenditures under the above plan shall be as per the approved Delegation of Financial Powers in the Company.
8. Funds would be disbursed either in tranches or as one-time payment. The terms, conditions and timing of disbursement would be conditional upon the nature and requirement of the CSR project or programme.
9. Surplus arising out of CSR projects shall not form part of the business profit of the Company

E. Monitoring

The CSR Committee shall ensure a transparent monitoring mechanism for CSR activities.

1. The CSR Committee shall review the progress of CSR activities at least twice a year, including the annual review.
2. The Chief Financial Officer shall be responsible for monitoring expense on CSR activities with respect to the plan and submission of the same to the CSR Committee and the Board.
3. The Board of Directors shall review the progress of CSR activities at least annually.
4. The activities of ICICI Foundation for Inclusive Growth (ICICI Foundation) is overseen by the Governing Council of ICICI Foundation. The Company shall endeavor to obtain appropriate confirmation from ICICI Foundation on spend toward various projects identified.

F. Disclosure

The Company shall include in its annual report, commencing with the annual report for the year ending March 31, 2019, the following information on CSR.

- i. A description of contents of the CSR policy;
- ii. An overview of the CSR activities;
- iii. The composition of the CSR Committee;
- iv. Average net profit for the preceding three financial years;
- v. Prescribed CSR expenditure;
- vi. Details of amount spent in the prescribed format;
- vii. Amount unspent, if any, and reasons for not spending the amount;
- viii. Responsibility statement of the CSR Committee that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and CSR Policy; and
- ix. Such other matters as may be specified from time to time for inclusion in the annual report

The above information shall also be displayed on the Company's website.

G. Corporate Social Responsibility Activities

The CSR Committee of the Company would consider and approve the projects or programmes that the Company should undertake as CSR in India. Any project or programme that is exclusively for the benefit of the Company's employees would not be considered as CSR.

The Company's primary focus areas for CSR activities are:

[Below content includes paragraph set in **bold or italic** type and plain type, which have equal importance in understanding of the Company's CSR activities. Paragraph in **bold or italic** type indicate the wordings as outlined in the Schedule VII of the Companies Act 2013, while plain type is internal explanation covering one or more outlined items by Companies Act, 2013]

1. Education

Schedule VII (ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects

Education represents a critical area of action to realise India's growth potential as also make it inclusive, by enabling children from all sections of society to have access to quality basic education that equips them for taking up higher education or job-oriented

skill training. At the same time, India's institutions of higher learning also require investment in capacity building to support India's growing and evolving needs and become global centres of excellence.

The Company shall work with not-for-profit organizations to improve the quality of education in government and municipal schools, which account for the vast majority of school-going children in the country. The Company will work with institutes of higher education for focused capacity-building in specified disciplines, particularly finance & management.

With the growth and rising complexity of financial needs and available products & services, financial education and counselling along with financial and retirement planning is a key area requiring attention. The Company will continue to work on initiatives that guide individuals in understanding financial products including increasing awareness of investment, insurance and pension products as a long term tool for protection and wealth creation.

2. Health care

Schedule VII (i) eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation including contribution to Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water; (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; (x) rural development projects

The healthcare challenge in India spans a number of dimensions, including access to affordable healthcare for the poor; awareness of health issues & available facilities/benefits among the less privileged segments of society and specific vulnerable sections of the population; and child malnutrition, which impairs the capacity of a child to lead a healthy and productive life. Addressing this challenge is essential to achieve the objective of inclusive growth.

The Company shall focus on developing innovative models with the potential to scale up and bring about improvements in the delivery of healthcare to the marginalised segments of society. These will seek to enhance the availability of affordable healthcare to low income households, improve health seeking behavior among low – income and vulnerable groups through higher awareness and improve child nutrition. Initiatives to promote access to healthcare is backed by insurance will continue to be a focus area.

3. Skill development and sustainable livelihoods

Schedule VII (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 centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups

Enabling India's youth to gain skills that can provide employment is key to realizing the potential of India's demographic dividend and driving inclusive growth. Improving employability of the youth from lower-income sections of society is hence an important focus area.

The Company shall partner with various organizations who provide job-oriented skill training.

The ICICI Academy for Skills has been set up across the country to provide job-oriented skill training to youth. Several centers have been set up across the country. In this initiative, ICICI Foundation is also leveraging the skills and training capabilities of large corporates in developing training modules in their respective domains. ICICI Foundation is also liaising with corporates and businesses to get the trained youth employed, through a job portal.

4. Financial inclusion

Schedule VII (iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups; (x) rural development projects

The Company strongly believes that to improve the overall economic condition of the low income population and to empower them with means to overcome adversities or inequalities, access to financial services is an important factor. Increasing the participation of the rural population as well as the urban poor and migrant workers in the economic mainstream and the formal financial system is imperative for India to leverage its growth potential. The Company recognizes the need for critical interventions in promoting rural development and will initiate programs that would empower the rural people.

5. Support employee engagement in CSR activities

The Company supports the involvement of its employees in CSR activities. The Company will encourage employees to participate in CSR activities of the Company. Further the Company will endeavour to involve employees in social initiatives such as organizing annual blood donation camp, donation and services to locations hot by natural disaster, etc.

6. Capacity building for corporate social responsibility

The Company shall promote incubation of expertise for implementing corporate social responsibility initiatives. It shall work towards providing a platform for organizations engaged in social initiatives, and discussion & thought leadership on critical challenges to inclusive growth. The Company shall support initiatives that promote individual and corporate philanthropy.

7. Contributions or funds provided to technology incubators for Start-ups

Schedule VII (ix) contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government.

The Company intends to promote entrepreneurship, innovative ideas for technological development- to achieve sustainability and create employment opportunities.

8. Other areas

The Company shall provide support to specific needs such as natural disasters, through financial as well as logistical support.

Apart from the activities undertaken in the above focus areas, the CSR Committee may choose to select activities in areas or subjects, as prescribed in Schedule VII of the Companies Act, 2013.