

ICICI Securities Limited

Corporate Social Responsibility Policy

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 Limited ('ICICI Securities'/'the Company') 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 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"), Schedule VII of the Act, the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('Rules'), General Circular No. 14 /2021, Companies (Accounts) Amendment Rules, 2022 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022. as amended from time to time.

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. Recommend the amount of expenditure to be incurred on CSR activities;
- iii. Indicate the activities to be undertaken by the Company as specified in the Act;
- iv. Review and recommend the annual CSR plan to the Board;
- v. Monitor the CSR activities and compliance with the CSR policy from time to time; and
- vi. 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

CSR expenditure can be incurred in multiple modes as detailed below:

1. Activities Route:

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.

- 1.1. Activities proposed to be undertaken by the Company can be taken forward directly or through ICICI Foundation or any eligible implementing entities as listed below:
 - a. Category I: Entity established by the Company itself or along with any other company - a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80 G of the Income Tax Act, 1961 (43 of 1961), established by the company, either singly or along with any other company; or
 - b. Category II: Entity established by the Central Government or State Government - a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government; or
 - c. Category III: Statutory bodies - any entity established under an Act of Parliament or a State legislature; or
 - d. Category IV: Public agencies - a company established under section 8 of the Act, or a registered public trust or a registered society, exempted under sub-clauses (iv), (v), (vi) or (via) of clause (23C) of section 10 or registered under section 12A and approved under 80G of the Income Tax Act, 1961, and having an established track record of at least three years in undertaking similar activities.

- 1.2. The implementing entities have to be registered with the Central Government by filing form CSR-1.
- 1.3. The Company may also collaborate with other companies for undertaking CSR projects in such a manner that project reporting is separate and in accordance with the CSR rules.
- 1.4. The Company may engage with an international organisation for the purpose of designing, monitoring and evaluation of its CSR projects or capacity building of its own personnel.
2. 'Contribution to funds route', which allows the contributions to various funds as specified in Schedule VII of the Act.
3. Contribution to incubators and R&D projects, as specified in item (ix)(a) and contribution to institutes/organisations, engaged in research and development activity, as specified under item (ix)(b) of Schedule VII of the Act.
4. The responsibility for implementation of identified activities/ projects shall be as per the organizational structure approved by the Managing Director & CEO.
5. The Company shall undertake impact assessment of the projects/activities, as per "the Act" and the ('Rules'), as amended from time to time. Further, the Company shall book the permissible expenditure incurred for impact assessment, towards Corporate Social Responsibility for that financial year.
6. In case of ongoing project, the Board of our Company shall monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall make modifications, if any, for smooth implementation of the project within the overall permissible time period.
7. Administrative overheads are the expenses incurred by the company for 'general management and administration' of CSR functions. Further, the Company can book the permissible expenditure incurred for administrative overheads, towards Corporate Social Responsibility for that financial year.
8. The annual plan shall incorporate the following:
 - The prescribed outlay on CSR as per the Act and related rules as amended from time to time;
 - Key CSR activities proposed to be undertaken during the year, including analysis of their eligibility for classification as CSR activity under the Act and related rules as amended from time to time, their conformity with the CSR Policy and their implementation schedules;
 - i. Proposed outlay on each activity;
 - ii. Activities to be undertaken by the Company directly;

- iii. Activities to be undertaken by ICICI Foundation and the Company's contribution to ICICI Foundation;
 - iv. Activities to be undertaken by other entities and the Company's contribution to such entities;
 - v. Manner of the execution of such projects;
 - vi. Modalities of utilisation of funds and implementation of schedule for the projects;
 - vii. Monitoring and reporting mechanism for the projects;
 - viii. Details of need and impact assessment, if any, for the project undertaken by the Company.
 - ix. Aggregate proposed outlay and reasons for shortfall, if any, compared to the prescribed outlay.
9. The authority to incur expenditures under the above plan shall be as per the approved Delegation of Financial Powers in the Company.
10. 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.
11. The Board of Directors of the company shall mandatorily disclose the following on their website, if any, for public access: (i) Composition of the CSR Committee; (ii) CSR Policy; and (iii) Projects approved by the Board

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 Finance team under 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 Board shall
 - i. satisfy itself that the funds so disbursed have been utilised for the purpose and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to that effect;
 - ii. for any ongoing project, monitor the implementation of the project with reference to the approved timelines and year-wise allocation and shall be competent to make modification, if any required.
5. The activities of ICICI Foundation for Inclusive Growth (ICICI Foundation) would also be overseen by the Governing Council of ICICI Foundation.

F. Disclosure

The Company shall include in its annual report on CSR Activities to be included in the Board's Report, commencing with the annual report for the year ending March 31, 2023, the information on CSR as prescribed in **Annexure II of Companies (Corporate Social Responsibility Policy) Amendment Rules, 2022** as amended from time to time.

The Company shall furnish a report on Corporate Social Responsibility in Form CSR-2 to the Registrar for the preceding financial year (2020-2021) and onwards as an addendum to Form AOC-4.

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:

1. Education

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

The healthcare challenge in India spans a number of dimensions, including access to affordable healthcare and preventive healthcare, sanitation facilities and safe drinking water for the less privileged, r; 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 and preventive 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

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

The Company strongly believes that to improve the overall economic condition there is a need for 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 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. Contributions or Funds provided to Incubators or Research and Development projects or Public Funded Universities

The Company shall provide support to develop a culture of entrepreneurship and create employment opportunities by contributions to Incubators and Research and Development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government. The Company shall support to Public Funded Universities, Indian Institute of Technology

(IITs); and other approved entities engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

6. Environment initiatives:

The Company shall provide support to create a positive impact to our environment. Projects that shall be undertaken are initiatives that help to ensure environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water.

7. Other areas

The Company shall provide support to specific needs such as Disaster management, including relief, rehabilitation and reconstruction activities, Contributions to funds set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women and Rural Development Projects

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.

In the event of any change in the Definitions, Act, Rules or Schedule VII of the Act which are contrary to the provisions of this Policy, the said Definitions, Act, Rules or Schedule VII of the Act shall will prevail.