



Edelweiss Tokio Life Insurance Company Limited

Corporate Social Responsibility Policy

APPROVED BY BOARD OF DIRECTORS

<u>VERSION NUMBER</u>	<u>DATE OF APPROVAL</u>
VERSION 1	January 21, 2015
VERSION 2	May 15, 2023

Introduction:

Edelweiss Tokio Life Insurance Company Limited (“Edelweiss Tokio Life / the Company”) is engaged in the business of Life Insurance. Edelweiss Tokio Life is a subsidiary of Edelweiss Financial Services Limited (EFSL). EFSL is engaged in the business of Investment Banking and the equity shares of EFSL are listed on National Stock Exchange of India Limited and BSE Limited.

Edelweiss Group is one of India’s leading diversified financial services Group. EFSL along with its subsidiaries offers a large range of products and services spanning across asset classes and consumer segments. Edelweiss Group’s businesses are broadly divided into Credit including Retail Finance and Debt Capital Markets, Financial Markets including Asset Management, Commodities and Life Insurance.

The Corporate Social Responsibility (CSR) Policy of the Company has been designed in consonance with Section 135 of Companies Act, 2013 (“the Act”) and the Companies (Corporate Social Responsibility Policy), Rules 2014, as amended from time to time / directions made there under and Guidelines of Corporate Governance for Insurers in India issued by Insurance Regulatory and Development Authority of India (IRDAI) on May 18, 2016 for effective CSR execution based on CSR Committee directions. The policy sets out the rules that need to be adhered to while taking up and implementing the CSR activities.

Short title & Applicability:

This Policy is titled as the ‘*Edelweiss Tokio Life CSR Policy*’ and it shall apply to all CSR initiatives and activities taken up by the Company for the benefit of the society.

CSR Philosophy and Vision Statement:

To leverage the capacity and capital to equip and enable the social sector achieve the greatest impact on the lives of the poor in India.

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 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 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.

Scope of the CSR activities:

The Company will undertake CSR projects in accordance with the Schedule VII of the Companies Act, 2013 as amended from time to time.

- (i) 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 available safe drinking water.
- (ii) Promoting education including special education and employment enhancing vocational 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 majors for reducing inequalities in 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 including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga.
- (v) Protection of national heritage, art and culture including restoration of building 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, 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, Paralympic sports and Olympic sports.
- (viii) 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 govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women.

(ix) (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).

(x) rural development projects.

(xi) slum area development.

(xii) disaster management, including relief, rehabilitation and reconstruction activities.

The above list is illustrative and not exhaustive. The CSR committee of the Board of Directors is authorised to consider also CSR activities which not included in this list.

It is clarified that the following activities shall not be considered as CSR activity:

- (i) Activities undertaken in pursuance of Company's normal course of business;
- (ii) Activity undertaken by the company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- (iii) Contribution of any amount directly or indirectly to any political party under Section 182 of the Act;
- (iv) Activities benefitting employees of the company. activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- (v) Activities supported by Company on sponsorship basis for deriving marketing benefits for its products or services;
- (vi) Any other activities specified under the Act and the rules made thereunder amended from time to time.

Funding & Allocation:

For achieving its CSR objectives, the Company shall allocate 2% of its average Net Profits as may be approved by the Board of Directors, as its Annual CSR Budget in each Financial Year.

Allocation of the Annual Budget for CSR activities in any given year shall be as per the provisions of the Companies Act, 2013 and Rules made thereof as amended from time to time. Any unspent/unutilized CSR allocation of a particular year will be carried forward to the next year, i.e., the CSR budget will be non-lapsable in nature. If the CSR allocated amount is not spent in entirety in a Financial Year, the Board shall, in its report made Section 134(3)(o) of the Act, specify the reasons for not spending the amount and the said unspent amounts shall be dealt with in accordance with the provisions of Section 135(5) and 135(6) of the Act and Rules made thereunder.

It is clarified that the surplus arising out of CSR projects or activities shall not form part of the business profit of the Company.

Implementation:

CSR programmes of the Company may be undertaken by it directly or by the EdelGive Foundation, a fellow subsidiary, as may be decided by the CSR Committee and the Board of Directors of the Company.

EdelGive Foundation (EdelGive) is the strategic philanthropic arm of the Edelweiss Group and was registered as a charitable company under Section 25 of the Companies Act, 1956. It has been established to drive large-scale sustainable change in the social sector.

EdelGive seeks to build a strong and high impact social sector for a better India by leveraging the capacity and capital of the for-profit world to equip and enable the social sector to achieve the greatest impact on the lives of the poor.

EdelGive makes efficient investments in non-profits through grant funding. Each investment involves intensive due diligence along with efficient monitoring and evaluation processes. EdelGive works closely with select NGOs to effectively tackle organizational development challenges and as such, utilizes the expertise and skills of Edelweiss Group employees to provide solutions to investee NGOs in the areas of strategic planning, financial sustainability, human resources and technology.

The EdelGive Engagement:

EdelGive Foundation shall utilise the funds received from the Company towards projects undertaken in compliance with this CSR policy. Each project shall be adopted after clearly defining the objectives, activities, key performance indicators, monitoring and evaluating tools, and impact measurement techniques to be used.

EdelGive Foundation shall periodically report to the CSR Committee, details of projects undertaken by it in compliance with Section 135 of the Companies Act, 2013.

The EdelGive Approach:

- (i) **Investing for Impact:** Manages philanthropy based on the Venture Philanthropy model. Accordingly, measures the impact of the support extended to investee Non-profits through a tangible framework, which includes emphasis on measurable outcomes, achievement of objectives, financial accountability and management competencies.
- (ii) **Advisory Services, Knowledge Sharing and Capacity Building:** Provides tailored advisory services based on deep sectoral knowledge and information sharing network as well as capacity-building initiatives to maximize impact.
- (iii) **Effective Platform:** Works as a zerocost platform to build networks and facilitate grant funding between the corporate sector and non-profit sector. All administrative expenses are borne by Edelweiss.
- (iv) **Professional Management:** The Foundation is professionally managed by a dedicated team that has extensive for-profit, commercial expertise as well as social and grassroots experience. The team carrying out the CSR initiatives is deeply committed to their causes and communities.

Current sectors of Focus of EdelGive Foundation:

- (i) **Education:** The Foundation is focused to go beyond literacy and enrolment and work on projects seeking to improve the public delivery system, particularly with respect to learning outcomes and competencies and shifts in attitudes and aspirations. The projects shall have high level of involvement with stakeholders and shall include life skills education that is crucial for vulnerable groups in deprived communities.
- (ii) **Livelihoods:** EdelGive seeks to enhance income levels and employability through models that aim to reduce the social and economic vulnerability of rural communities. This involves creating and enhancing sustainable livelihood opportunities in the area by harnessing the right resources as well as providing financial inclusion services to rural communities.
- (iii) **Women's Empowerment:** EdelGive supports women-centric programmes that are designed to empower both adolescent girls and women through education and livelihood initiatives.

Monitoring:

- (i) To ensure effective implementation of the CSR programmes undertaken by EdelGive, a monitoring mechanism will be put in place.
- (ii) The progress of CSR programmes undertaken will be reported by EdelGive to CSR Committee on a quarterly basis and the CSR Committee shall review the progress of activities.

(iii) Edelweiss Tokio Life shall enter into an agreement with EdelGive for the arrangement of undertaking CSR activities on its behalf.

(iv) CSR initiatives of the Company will also be reported in the Annual Report of the Company.

Reporting:

The Company shall follow and comply with the requirements for disclosure of the composition of CSR Committee, CSR Policy and/or CSR activities in the Board's Report and on the website of the company or otherwise, as may be required, in terms of the provisions of the Act.

Miscellaneous:

In case of any doubt with regard to any provision(s) of the CSR Policy, a reference can be made to CSR Committee of Board of Directors. In all such matters, the interpretation & decision of the CSR Committee of the Board of Directors shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Government, from time to time.

The Board may review the CSR Policy from time to time and make suitable modifications, as may be necessary.