

Corporate Social Responsibility Policy

Preamble

Corporate Social Responsibility (CSR) is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large. The CSR is the process by which an organization approaches, defines and develops its relationships with stakeholders for common good, and demonstrates its commitment.

IDBI Federal Life Insurance Company Limited (IDBI Federal) believes that CSR is not charity or mere donations but a way of going beyond business as usual, creating shared values and contributing to social and environmental good. IDBI Federal's objective is to pro-actively support meaningful socio-economic development and work towards developing an enabling environment that will help citizens to realize their aspirations towards leading a meaningful life. IDBI Federal will endeavor its untiring efforts towards making a material and unwavering difference to the lives of the disadvantaged sections of the society.

Objective

To define IDBI Federal's CSR framework;

To lay down the guidelines & mechanism to carry out CSR project/program;

To identify and evaluate the areas of intervention and projects that will be adopted by IDBI Federal as part of the CSR initiatives;

To formulate processes and structure for evaluation and monitoring of the CSR programs/projects

To reinforce a positive and socially responsible image of IDBI Federal as a separate corporate identity;

To constitute a CSR committee of the Board that will oversee implement of the CSR policy and ensure Compliances under the Companies Act, 2013 (the Act) and the rules made there under.

Governance Framework

CSR Committee:

In terms of section 135 of the Companies Act, 2013 and rules made there under, IDBI Federal has constituted a Corporate Social Responsibility Committee comprising with the following directors:

- Mr. R. K. Bansal - Chairman
- Mr. Suresh Kumar

- Mr. Philippe Latour
- Mr. J. Balsasubramanian

Permanent Invitee: Chief Executive Officer/Whole Time Director/Managing Director of the Company.

The Committee shall be responsible for overseeing IDBI Federal's CSR policy, programs its compliance and reporting to the Board of Directors of the Company.

Role of the CSR Committee

1. Formulate the Corporate Social Responsibility (CSR) Policy of the Company which shall indicate the CSR activities to be undertaken by the Company as permitted under the Companies Act, 2013 and rules notified thereunder from time to time.
2. The Committee shall approve the internal processes and activities to be undertaken by the Company.
3. The Committee shall approve the amount of expenditure to be incurred on CSR activities.
4. The Committee shall ensure that the Company is taking appropriate steps for proper implementation of the CSR policy.
5. The Committee shall monitor implementation of the CSR policy from time to time.
6. The Committee shall ensure disclosure of the content of the CSR policy in the report of the Board of Directors & website of the Company.
7. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

CSR sub-committee:

CSR sub-committee, comprising of representative from various departments shall screen the proposals received, make recommendations to the Board CSR Committee, oversee the execution of the projects/programs for the purpose of satisfactory completion and do all such incidental and allied things in connection therewith.

Expenditure on CSR Activities:

IDBI Federal shall spend in every Financial Year at least 2% of the average net profits (made during the 3 immediately preceding Financial Years) Or such other amount as may be prescribed under the Companies Act 2013 or any rules, regulations, circulars issued/amended thereunder from time to time, on the CSR initiatives. In case entire budget is not spent in a financial year, reasons for the same shall be specified and disclosed in the Board's Report.

The budget of the CSR initiatives shall be approved by the Board as a part of the overall business plan of the Company. Based on the approved budget, funds would be allocated for projects/programs identified under CSR activities on yearly basis by the Company.

Surplus if any, arising out of CSR projects/program or activities shall not form the part of the business of IDBI Federal and the same will be utilized in the following years or for another project in the same year.

Any unutilized CSR allocation of a particular year shall be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature.

Scope

IDBI Federal will undertake the CSR activities as specified in the Schedule VII to the Companies Act, 2013(amended from time to time), but will not be limited to the following;

- i. Eradicating under, poverty and malnutrition, promoting health care including preventive health care and sanitation, including contribution to the Swachh Bharat Kosh set by the Central Government for the promotion of sanitation and making available safe drinking water;
- ii. Promoting education, including special education an 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 homer and hotels 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;
- 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 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 windows and their dependents;
- vii. Training to promote rural sports, nationally recognised sports, paralympic 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 or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- x. Rural development projects. (Slum area shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.)

Without prejudice to the above, following activities, by way of illustration, shall also be carried out by the IDBI Federal specifically in the promoting education, if it deems fit;

- Protecting consumer's interest, promoting excellence in customer service, support and complaint resolution;
- Promoting consumer protection activities, consumer rights awareness.
- Providing effective consumer grievance redressal mechanism.
- Literacy/Awareness programs and activities
- Skill & Capacity building, promotion of "Vocational skill" livelihood enhancement projects in the area of economics, finance & commerce
- Research activities on subject related to economic, health, social research etc.
- Promotion of awareness of healthcare including preventive health care, for the benefit of community at large.
- Promotion of nationally recognized sports.

The CSR Committee shall decide the scope and CSR activities to be undertaken by the Company in any financial year. While deciding so, the Committee will give preference to the activities which promote insurance awareness, education, training, skill building etc. permissible under the overall framework of the Companies Act and rules notified thereunder as amended from time to time.

IDBI Federal would carry out its CSR activities with the objectives of the overall development, at the same time, it would give preferences to the local areas around the locations where it operates in India for spending the amount earmarked for CSR activities.

Monitoring & Reporting

CSR sub-committee shall be responsible for monitoring the projects/programs undertaken by the Company under the CSR activities and shall provide its report to the CSR Committee periodically.

CSR Activities does not include:

- Activities undertaken in pursuance of company's normal course of business;
- Activities which benefit only with the employees of the company and their benefit;
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act.
- Activities undertaken outside India;
- Expenses incurred by the Company for fulfilment of any Act/Statute of the regulations (such as Labour Laws, Land acquisitions, etc)
- Any other activities specified under the Act and the rules made there under amended from time to time.
