

# CSR POLICY OF AXIS MAX LIFE INSURANCE LIMITED

## I. PREAMBLE

1.1 Corporate Social Responsibility has been an area of focus for Axis Max Life Insurance Limited, (“**Axis Max Life**” or the “**Company**”) since inception. There has been a conscious effort by the Company to make a difference in the lives of the less privileged through its CSR initiatives.

Axis Max Life has given this priority and effected positive change in the quality of life of the underserved.

1.2 The Companies Act brings an even greater emphasis on CSR with Rules that provide guidance on minimum CSR spend, reporting mechanism, review structure and reporting to the shareholders of the Company. A CSR Committee has been formed at the Board level to oversee CSR activities of the Company.

1.3 The Board has approved this CSR Policy which has been formulated and proposed by the CSR Committee with an objective to outline its CSR focus areas, guiding principles for selection of CSR activities, recommending the amount of CSR expenditure, preparation of annual action plan, implementation, review & monitoring mechanism, and reporting process to the Management and the Board of Directors of the Company.

## II. PHILOSOPHY & OBJECTIVES

Axis Max Life has a vision to be the most admired life insurance company by securing the financial future of its customers. In doing so, it is guided by its mission to have a strong social relevance. To achieve this, it aims to be committed to social causes relevant for its inclusive growth and to contribute to society by supporting causes of education, healthcare, environment, financial literacy & insurance awareness, livelihood and disaster support.

## III. DEFINITIONS AND INTERPRETATIONS

“**Administrative Overheads**” shall have the meaning as defined in the CSR Rules.

“**Annual Action Plan**” shall mean the annual proposed implementation plan in respect of the Axis Max Life CSR Activities to be conducted each year.

**“CSR”** means Corporate Social Responsibility as defined in the CSR Rules.

**“Companies Act”** shall mean the Indian Companies Act, 2013, along with amendments thereto.

**“CSR Activities”** shall mean the permissible CSR activities as per Schedule VII of the Companies Act, subject to the exclusions as provided in the CSR Rules.

**“CSR Committee”** shall mean the CSR Committee of the Board constituted by the Company.

**“CSR Rules”** shall mean the Companies (Corporate Social Responsibility Policy) Rules, 2014, as

amended from time to time.

**“CSR Expenditure”** shall mean the CSR expenditure approved by the Company.

**“International Organization”** shall have the meaning as defined in the CSR Rules.

**“Axis Max Life CSR Policy”** or **“CSR Policy”** shall mean this CSR Policy of Axis Max Life.

**“Axis Max Life CSR Activities”** shall mean the activities undertaken in the Axis Max CSR identified sectors.

**“Axis Max Life CSR Identified Sectors”** mean the following sectors that have been identified under this CSR Policy: (i) Education, (ii) Healthcare, (iii) Environment, (iv) Financial Literacy & Insurance Awareness, (v) Livelihood, (vi) Disaster support and (vii) Support to implementation agencies in mentioned areas.

**“Max India Foundation”** means the registered not-for-profit Trust, founded by Max India Limited

as its Founder / Settlor on January 31, 2002.

**“Ongoing Project”** shall have the meaning as defined in the CSR Rules.

**“Primary and Secondary Education”** shall mean the primary and secondary education system, as is recognized in India.

**“Implementation Agency” shall mean:**

(a) 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) 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) any entity established under an Act of Parliament or a State legislature; or
- (d) 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; or
- (e) Any other entity eligible to undertake CSR activities on behalf of the company which has registered itself with the Central Government to undertake CSR activities on behalf of a company.

#### **IV. CSR IDENTIFIED SECTORS AND CSR ACTIVITIES**

While Axis Max Life shall undertake CSR activities either itself or through implementation agency in all or any of the areas defined in Schedule VII or any applicable provisions of the Companies Act, it shall give primary importance to the Axis Max Life CSR identified sectors – Education, Healthcare, Financial Literacy & Insurance Awareness, Environment, Livelihood & Disaster Response.

##### **4.1 Education**

- a. Provide support to schools to promote education by providing books, education aids, blackboards and equipment for sports, art & craft & other co-curricular activities and basic infrastructure.
- b. Facilitate and ensure quality education, technology-enabled education and value based education, primarily for underprivileged children and children with special needs.
- c. Ensure inclusive growth of children by supporting credible implementation agencies with a good track record, to act on its behalf and create a scalable impact in the field of education.
- d. Encourage participation in sports, para-sports, competitions etc. through provisioning of sports equipment, facilities, kits, training and other related support to ensure holistic growth and development.

- e. Promotion of education, arts & crafts and sports through sponsorships and scholarship support for disadvantaged groups.
- f. Support skill development activities, workshops and training that enable income generation and sustainable livelihoods.
- g. Undertake measures for the benefit and welfare 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.

#### **4.2 Healthcare**

- a. Health camps in identified geographies where the company has its presence.
- b. Blood donation camps in Axis Max Life offices.
- c. Health awareness for disadvantaged communities.
- d. Ensure support during health emergencies and pandemic situations such as distribution of Personal Protective Equipment (PPE) and distribution of food packets to underprivileged families, especially those without employment in current times, and any other urgent requirement for addressing health emergency related needs.
- e. Fulfilling nutrition requirements for underprivileged children and young mothers in backward districts / regions of the country.
- f. Support health care equipment, aids, and other assistive devices for underprivileged communities and people with disabilities.
- g. Promote safe water, sanitation & hygiene (WASH) practices in communities and schools through awareness, workshops and provisioning of toilets, garbage disposal bins and other such facilities and equipment.

#### **4.3 Environment**

- a. Environmental awareness and care in and around the selected areas of operations of the Company. Propagation of a clean healthy environment to ensure good health. Encourage and facilitate plantation drives.
- b. Waste management and correct waste disposal – awareness and implementation in identified locations where the Company has its offices.
- c. Water conservation and rejuvenation initiatives.

#### **4.4 Financial Literacy & Insurance Awareness**

- a. Financial literacy & insurance awareness to women, youth and other relevant members of the society in cities where Axis Max Life Insurance has offices, districts / villages adopted by Axis Max Life.
- b. Financial literacy & insurance awareness in villages near operations of Axis Max Life.
- c. Financial literacy & insurance awareness for students in schools and colleges through simple to understand material in identified locations where Axis Max Life has its offices.
- d. Encourage households to enroll in government promoted insurance, retirement and social security and welfare schemes.

#### **4.5 Livelihood**

- a. Enable livelihood programs such as career counselling, skill development and enabling employment generation or market connect to improve income generation, enhance skills and empower individuals and communities around the selected areas of operations of the Company.
- b. Encourage earning opportunities for women by providing tools, resources, skills and knowledge e.g. sewing machines for war-widows.
- c. Provide career counselling to students from under-privileged communities and enable access to vocational courses to enhance their employability.

#### **4.6 Disaster Support**

- a. Provide material and financial support to local communities in case of any disaster.

#### **4.7 Support Implementation Agencies in Above Mentioned Areas (4.1 to 4.6)**

- a. Provide support to existing activities of implementation agencies.
- b. Involve employees in identifying Implementation Agencies in their geographical areas and create tailored volunteering programs within specified budget and timeline.

### **V. MODALITIES OF EXECUTION AND IMPLEMENTATION SCHEDULES**

The Company shall execute its CSR in the following manner:

**5.1 Through Max India Foundation** which in turn may work with relevant credible implementation agencies, organizations and volunteers to execute work on the ground. Max India Foundation will also provide training support to volunteers to carry out / support in CSR activities.

**5.2 Directly through implementation agencies / vendors** qualified to undertake activities under The Act. Agreements shall be signed with the implementing agencies for each approved project clearly outlining deliverables, timelines, and budget.

**5.3 Volunteering:** Axis Max Life CSR team shall work on its comprehensive employee volunteering program to ensure greater participation of Axis Max Life employees in CSR activities. Senior management shall encourage volunteer programs of the Axis Max Life employees. Company may also collaborate with other companies for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective companies are in a position to report separately on such projects or programs in accordance with these rules.

**5.4 Other Partnerships:** Max India Foundation and Axis Max Life should get prior approval from CSR Committee in case of signing new substantial partnerships. The Company may also engage international organizations for designing monitoring and evaluation of the CSR programs or projects, as well as for capacity building of its own personnel for CSR.

**5.5 Geographical Areas** for Axis Max CSR Activities: The Company shall execute and undertake Axis Max Life CSR Activities in identified locations in and around the cities where the Company has presence.

**5.6 Beneficiaries for the Axis Max Life CSR Activities:**

1. Children (0-18 years)
2. Women
3. Youth (18-25 years)
4. Senior citizens
5. Others – society at large

**5.7 Impact Assessment:**

If the average CSR obligation of the Company in pursuance of Section 135(5) of the Companies Act is ten crore rupees or more, in the three immediately preceding financial years, the Company shall undertake impact assessment through an independent agency, of its CSR projects having outlays of one (1) crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

The impact assessment reports shall be placed before the Board and shall be annexed to the annual report on CSR.

The expenditure on such impact assessment may be booked by the Company towards CSR for that financial year, which shall not exceed the limits prescribed in the Companies Act and the CSR Rules.

**VI. CSR FUNDING AND CSR EXPENDITURE**

**6.1 CSR Budget:** In order to ensure funding for the Axis Max Life CSR activities, Axis Max Life shall allocate 2% (two percent) of the average net profits before tax made by the Company (Shareholders' Profit) in its immediately preceding three financial years.

**6.2 CSR Expenditure Funds:** The CSR Committee shall present the Annual Action Plan to the Board, detailing the action steps, modalities and the estimated CSR expenditure to the

Company, for the Board's approval. The CSR Committee shall prepare the Annual Action Plan together with Max India Foundation or any other NGO it decided to work with. Max India Foundation must ensure that the part of CSR Budget identified as per section 135 of the Companies Act, 2013 allocated to them is spent during the financial year.

**6.3 Surplus Arising Out of CSR Activities:** Any surplus arising out of the CSR activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or shall be transferred to the Unspent CSR Account and spent in pursuance of CSR Policy and Annual Action Plan of the Company or transfer such surplus amount to a Fund specified in Schedule VII of the Companies Act, within a period of six months of the expiry of the financial year.

**6.4 Treatment of Excess Expenditure:** Where a company spends an amount in excess of requirement provided under sub-section (5) of section 135 of the Companies Act, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 of the Companies Act up to immediate succeeding three financial years subject to the conditions stipulated under the Companies Act.

No prior approval shall be required in case the CSR expenditure exceeds 5% of the approved annual CSR budget for FY '26 and the management may, at its discretion, decide to spend more towards CSR expenditure within this limit and the additional expenditure shall be ratified in the subsequent meeting and recommended the same to the Board for its approval.

**6.5 Treatment of Unspent CSR Expenditure:** If the Company fails to spend the CSR funds as obligated under the relevant provisions of the Companies Act, the Board shall, in its report made under the Companies Act, specify the reasons for not spending the amount and such unspent CSR funds shall be treated as per the specified provisions of the Companies Act.

**6.6 Annual Action Plan:** The CSR Committee shall formulate and recommend to the Board, separately or as a part of the CSR Policy, an annual action plan as per the provisions of the



Companies Act, provided that Board may alter such plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

**6.7 Ownership of Assets:** CSR expenditure of the Company may include creation or acquisition of capital assets which shall be held by Max India Foundation / beneficiaries / public authority as per the provisions of the Companies Act read with CSR Rules.

## **VII. Website Disclosures**

The composition of the CSR Committee, and CSR Policy and projects approved by the Board shall be disclosed on Axis Max Life's website.

## **VIII. Monitoring Process of CSR Activities**

**8.1 Reporting to CSR Committee.** Max India Foundation and other Implementation Agencies with which the Company may decide to work directly, shall provide a progress report to the CSR Committee in each meeting or, at such intervals and at such times as the CSR Committee shall require. The progress on CSR issues selected by the Company will be reported in the Annual Report in the format prescribed by the CSR Rules.

**8.2 Reporting to the Board.** The CSR Committee, after approval, shall submit its report giving status of the CSR activities undertaken, CSR expenditure incurred and such other details as may be required by the Board, in accordance with applicable laws.

## **Responsibilities of the Board**

a. The Board shall ensure that the CSR activities are undertaken by the Company itself or through the implementation agencies as prescribed under the CSR Rules.

- b. The Board shall satisfy itself that the funds so disbursed have been utilized for the purposes and in the manner as approved by it and the Chief Financial Officer of the Company shall certify to the effect.
- c. The Board shall monitor the implementation of the ongoing projects 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.
- d. The Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year.
- e. Approve and consider recommendations on the Corporate Social Responsibility Policy of the Company proposed by the CSR Committee and review it from time to time.

**8.3 Key Performance Indicators:** To be determined from time to time based on nature of project.

**IX. Board Report and Annual Report.** The Board Report of the Company shall include an annual report on CSR containing particulars as specified in the CSR Rules and other applicable laws.