



CORPORATE SOCIAL RESPONSIBILITY POLICY

VERSION:
4.0

1. POLICY OVERVIEW

1.1 Preamble

The Ministry of Corporate Affairs (“MCA”) has formalized certain obligations of the Indian Corporate Sector in the area of Corporate Social Responsibility (“CSR”) in the Companies Act, 2013 (“the Act”). Various explanatory notifications have also since been issued operationalizing various aspects of the legislation.

Citibank N.A. India branch (“Citi”) has developed this Corporate Social Responsibility Policy (“the Policy”) to comply with the requirements of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (“the Rules”).

1.2 Purpose and Mission of Citibank N.A.’s CSR strategy

In line with [Citi’s global mission and value proposition](#) of enabling growth and economic progress, and the Act, Citibank N.A.’s strategy is focused on strengthening communities, enabling progress and ensuring positive impact in the communities we work in. At Citi, CSR It is strongly connected with the principles of Sustainability; we believe that an organization should make decisions based not only on financial factors, but also on the social and environmental impact of such actions. Therefore, it is the core corporate responsibility of Citi to practice its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

1.3 Owner

This policy is owned by Citi India Public Affairs. This policy, and any changes to this policy, must be enacted in accordance with the applicable laws, rules and regulations and must be approved by the Public Affairs Officer and CSR Committee, and will become effective only approval by the India Country Coordination Committee (CCC).

1.4 Effective Date

This policy is effective 1st April 2014 and has been subsequently updated and approved by the CCC on 17th December 2021.

1.5 Applicability

The Policy will apply to all CSR projects undertaken by Citi in India as per Section 135, Schedule VII of the Act, as may be amended from time to time.

1.6 CSR Programmatic Areas

In line with the Purpose and Mission stated in section 1.2 and as per the guidelines laid out in Schedule VII, Section 135, of the India Companies Act, 2013, Citi will undertake CSR projects/programs in alignment with the following areas:

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water
- (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 centers 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
- (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 widows and their dependents
- (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 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) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- (x) Rural development projects
- (xi) Disaster management, including relief, rehabilitation and reconstruction activities

This is an indicative list only and may change from time to time based on subsequent notifications and rules issued by the Ministry of Corporate Affairs.

2. Governance

2.1 The Country Coordination Committee (CCC)

The CCC will be responsible for:

- Approval of the Policy, subject to any changes/modifications that the CCC may deem necessary
- Publishing CSR Policy, composition of the CSR Committee, annual CSR spend, and projects approved by the CCC in line with the requirements specified in the Act and Rules and any subsequent amendments.
- Ensuring that CSR projects/programs undertaken by CBNA are in compliance with the Policy
- Specifying the reasons for not spending the required amount on CSR projects/programs in its annual report, in the event the CBNA fails to spend such amount. Projects selected for Impact assessment will also be placed before the CCC.
- Satisfying itself regarding the utilization of the disbursed CSR funds
- Disclosing contents of such policy in its report and also place it on the company's website, if any.
- If CBNA fails to spend at least two per cent of the average net profits of the Bank, the CCC shall, in its report made under clause (o) of sub-section (3) of section 134, specify the reasons for not spending the amount and transfer the unspent CSR amount as per provisions of sections 135(5) and 135(6) of the Act.

2.2 CSR Committee

The Bank will form a CSR Committee (“the Committee”).

2.2.1 Composition

The composition of the CSR Committee will be drawn from the members of the CCC and shall be chaired by the CEO. The Committee will have the Public Affairs Officer as a permanent invitee. Any additional members from Citi’s Senior Leadership team can be permanent invitees of the CSR Committee. Any changes to the composition of the CSR committee will be updated in the Citi CSR policy and reflected on the website.

An internal or external advisor may be appointed by the Committee to advise the Committee on CSR matters. The composition of the Committee shall be disclosed on the policy and the website. The quorum for the Committee meetings shall be the majority of the members (or their nominees) being present, in addition to the Chairperson.

The constitution of the CSR committee will be declared annually by the CCC. The members of the committee will be displayed on the company website (if available) in the format highlighted below;

Sl. No.	Name of director	Designation/Nature of directorship
1	Ashu Khullar	CEO Citi India, Region Head South Asia /Chair of Committee
2	Subhayu Mishra	Public Affairs Officer Citi India, Cluster Head, South Asia/Member
3	K Balasubramanian	Head Corporate Banking Group, South Asia/Member
4	Mridula Iyer	Head - Treasury & Trade Solutions (TTS), Citi South Asia/Member
5	Rajeev Mantri	India Subcontinent Cluster Chief Finance Officer/Member
6	Padmaja Chakravarty	General Counsel for Citi India, Sri Lanka and Bangladesh/Member
7	Balaji Nuthalapadi	Head – Operations and Technology, Citi South Asia /Member
8	Rajarshi Chakraborty	Chief Operating Officer/Member
9	Nina Nagpal	Head, Citicorp Finance India Ltd /Member

2.2.2 Number of Meetings

There would be a minimum of 2 meetings annually and one every quarter if feasible, or as and when required.

To the extent the CSR Entity does not spend at least 90% of the annual CSR target amount for the fiscal year, the exception to spend less than 90% must be presented to the CCC and approved by the CCC.

The CSR Committee shall be responsible for:

- Timely updates to the CCC, on CSR projects/programs to be undertaken by Citi
- Timely updates to the CCC, on expenditure to be incurred for each CSR project/program
- Recommending to the CSR Committees of other Citi India Franchise CSR Committees
- Monitoring CSR activities

2.2.3 Voting and Reserved Matters

All matters arising at the CSR Committee will be decided by a simple majority of votes. In situations where a committee member proposes an initiative or program, they will be required to recuse themselves from voting for the same.

Approval of the annual contribution/expenditure plan will require a unanimous vote of the CSR Committee.

2.3 Citi Citizenship Team

Citi's CSR program will be delivered and managed by the Citizenship team, on behalf and under the authority of the CSR Committee. This will include all the managing, planning and execution. The team will be responsible for the day to day running and management of the CSR programs.

Some of the key responsibilities of the Citizenship team are listed below:

- Program strategy in alignment with Purpose and Mission laid out in section 1.2
- Program design and implementation
- Program budgets and changes in cost allocation
- Monitoring and Evaluation oversight
- Reporting to the Committee

3. IMPLEMENTATION

The CSR Committee may decide to undertake /carry out its CSR activities in India, presented by the Citizenship Team, through a registered trust or registered society or implementation through other partners such as third-party NGOs with track record of 3 years or section 8 company established by the Bank or its affiliates and as permitted under the Act from time to time. The Bank 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 the Act and the Rules.

In the case of any unspent amount arising from the CSR spend, the unspent amount will be transferred to a special account named as “Unspent Corporate Social Responsibility Account”.

- Any amount remaining unspent under sub-section (5), pursuant to any ongoing project, fulfilling such conditions as may be prescribed, undertaken by a company in pursuance of its Corporate Social Responsibility Policy, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account to be opened by the company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account, and such amount shall be spent by the company in pursuance of its obligation towards the Corporate Social Responsibility Policy within a period of three financial years from the date of such transfer, failing which, the company shall transfer the same to a Fund specified in Schedule VII, within a period of thirty days from the date of completion of the third financial year.
- and, unless the unspent amount relates to any ongoing project referred to in sub-section (6), transfer such unspent amount to a Fund specified in Schedule VII, within a period of six months of the expiry of the financial year.

Citi will ensure that surplus (if any) arising out of CSR projects or programs or activities shall not be treated as profits from business operations and will be ploughed back in the respective projects or programs or activities.

4. MONITORING, REPORTING and IMPACT ASSESSMENTS

The CSR Committee shall monitor and review the progress of activities undertaken/ completed and on a quarterly basis, review the implementation of the Policy and CSR activities. The CSR Committee may engage auditors/third parties to assess the CSR spends undertaken by the Bank to ensure compliance with the Act, Rules and this Policy, adequacy of controls and monitoring/reporting framework.

Monitoring

- The Citizenship team will monitor the programmatic and financial progress of the projects through an independent third- party external agency. This will be presented to the CSR Committee for their review.
- The CSR committee shall monitor effectiveness of various programs undertaken in line with CSR Act and future amendments to the same

Reporting

- The Citizenship team will share with the CSR Committee who shall recommend to the CCC, an annual action plan outlining the list of CSR projects or programs, modalities of execution and utilization, M&E, details of needs and impact assessment.
- The CCC report shall consist of a section on CSR as per the format prescribed under the Rules including completed Annexure I or II and any impact assessment reports.

Impact Assessment

- The CSR Committee shall engage an independent assessor to undertake impact assessments of CSR projects having outlays of one crore rupees or more within a year of CSR project completion.
- Citi may undertake CSR activities collaboratively with other Citi India affiliates and be guided by Citi's internal policies.

4.1 Amendment to CSR policy

Citi reserves its right to amend or modify the Policy in whole or in part, so long as it is not inconsistent with the provision of the Act and Rules. This will be approved by the CCC.

Version History

Version	Date of Adoption	Changes
1.	Effective April 1, 2014	Whole Policy is adopted
2.	Effective December 7, 2020	Whole Policy is adopted
3.	Effective December 17, 2021	Whole Policy is adopted
4.	March 2023	Committee members are updated

Annexure 1 - Schedule VII, Section 135, of the Companies Act

- (i) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water
- (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 centers 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
- (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 widows and their dependents
- (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 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
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