

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

OBJECTIVE/SUMMARY OF THE PROCEDURE

Companies Act 2013, highlights the importance of CSR as a strategic tool for sustainable growth of people, and communities we operate in and the Company as a whole. In line with the global principles followed by BNP Paribas & in terms of the Act, the following policy has been formed.



BNP PARIBAS
ASSET MANAGEMENT

The asset manager
for a changing
world

BACKGROUND

BNP Paribas Asset Management India Private Limited (AMC) is a part of BNP Paribas Group.

APPROACH TO CSR

For the BNP Paribas Group, implementing its Corporate Social Responsibility (CSR) policy means financing the real economy while striving to protect the environment and fight against exclusion.

Formally launched in 2001, and reinforced in 2010, BNP Paribas Group's Corporate Social Responsibility is rooted in four pillars, in which actions as a responsible Bank take concrete form:

The 4 pillars of BNP Paribas' CSR Policy



TITLE AND APPLICABILITY

This CSR Policy has been prepared by AMC in line with the provisions of Section 135 of the Companies Act 2013 (the Act). This policy shall apply to all Corporate Social Responsibility (CSR) initiatives, projects, programmes, and activities undertaken by the BNP Paribas Asset Management India Private Limited.

This Policy shall serve as a guiding document to help identify, execute, and monitor CSR projects in keeping with the spirit of the Section 135 of the Company Act 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules).

CSR PROGRAMME AREAS - INDIA

The programme areas shall be aligned with those of the BNP Paribas Foundation. These are in keeping with activities listed in schedule VII of Section 135 of the Companies Act 2013. AMC through its CSR activities will support programmes/projects and activities from among the following areas:

1. Education:

- ✚ Supporting intervention to strengthen primary and secondary education of underprivileged children.
- ✚ Improving access to education for children from disadvantaged backgrounds by supporting interventions for primary and secondary education.

- + Working towards improvement in the quality of education through teacher training, school leadership training, exposure trips or similar activities.
- + Promoting special education for differently abled children
- + Support technical training institutes, skill development centres, non-formal vocational programmes for the purpose of creating livelihood opportunities, soft skills training and capacity building for rural youth.

2. Gender equality and Women's Empowerment

- + Empower women by supporting them in the formation of self-help groups and facilitate establishing credit linkages with financial institutions for availing loans to start small enterprises.
- + Undertake training for women on financial literacy and market linkage, enhance their vocational skills, conduct credit counselling and provide them with the knowledge on becoming successful entrepreneurs.

3. Healthcare

- + Support fully equipped mobile medical vans that travel through select remote rural regions in India and provide primary health care services to the underprivileged that lack basic access to health services.
- + Support provision of clean and safe drinking water to rural communities.
- + Development and construction of water tanks and rain-water harvesting schemes in villages.
- + Support provision of better sanitation services. Activities may include conducting awareness campaigns on improved sanitation techniques, easy access to safe drinking water and water storage and treatment techniques to reduce the spread of water borne diseases.
- + Provide food to the community members who are unable to afford the same and also provide nutritional supplements/fortified food to tackle the issue of malnutrition.
- + Support research centers/institutes working in the field of innovative medicine to combat infectious diseases. Support new research projects in medicine and healthcare.

4. Art & Culture

- + Maintenance and conservation of monuments and sites of archaeological and heritage value.
- + Promotion of literary, visual and performing arts and preservation of ancient traditions such as ancient Indian musical instruments.
- + Maintenance, preservation and conservation of archival records and archival libraries.
- + Promotion and strengthening of regional and local museums.
- + Contributing towards the restoration of ancient heritage works, and support the publication of books highlighting valuable collections from museums.

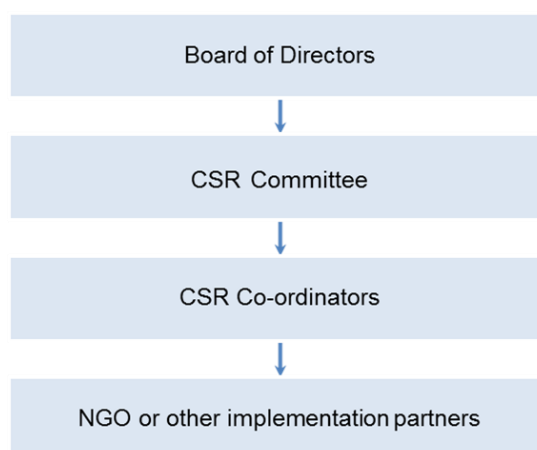
5. Rural Development

- + To develop infrastructural facilities for providing electricity through solar lights or alternate renewable energy to nearby villages.
- + Promoting self/gainful employment opportunities by training rural youth for jobs such as welding, fabrication, and other electronic appliances.
- + Undertaking projects that work towards the overall village/community development in rural areas, encompassing areas such as access to healthcare and education, improving the environment, infrastructure, promoting livelihood generation activities, etc. This may include projects like community resources management (water, sanitation, community (panchayat) areas, road and rail development, hospitals or health centers, schools, anganwadi centres.)

6. Environment

- + Organizing sensitization programmes on environment management, harmful effects of climate change, water pollution, and pollution control, among others.
- + Contribution to **Prime Minister's National Relief Fund**/ any other fund set up by the Central Government

GOVERNANCE STRUCTURE



RESPONSIBILITY OF BOARD OF DIRECTORS OF AMC FOR CSR INITIATIVES

Subject to provisions of the Companies Act 2013 and the Rules of the Act, the Board of Directors of AMC shall:

1. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed.
2. **Ensure that the AMC's CSR activities are in keeping with its Corporate Social Responsibility Policy** and are related to the activities included in Schedule VII of the Act.
3. Ensure that the AMC spends, in every financial year, at least 2% of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR Policy.
4. If AMC fails to spend such amount, the Board of Directors shall, in its report made under clause (o) of the sub-section (3) of the section 134 of the Companies Act 2013, specify the reasons for not spending the amount.
5. The Board of Directors shall have the power to make any change(s) in the constitution of the CSR Committee.

COMPOSITION OF CSR COMMITTEE

The composition of the CSR Committee of Company is as under:

S. No.	Name	Designation/Category
1.	Sharad Kumar Sharma, MD & CEO	Chairman
2.	Rakesh Vengayil, Director	Committee Member
3.	Chandan Bhattacharya, Director	Committee Member

ROLE OF THE CSR COMMITTEE

Subject to the provisions of the Companies Act 2013, the CSR Committee may:

1. Prepare, revise and modify the CSR Policy for Company and place the same with the Board of Directors for their approval.
2. Provide guidelines for selection of projects/programmes and implementing partners to the CSR Coordinators and ensure that the programmes/projects undertaken by AMC are aligned with its approved CSR policy and Schedule VII of the Section 135, Companies Act 2013.
3. Recommend annual budgets with respect to CSR programmes.
4. Monitor and periodically review the progress/performance of CSR Projects/ Programmes vis-a-vis fund utilisation and develop a reporting framework therefor;
5. Assist the Board of Directors in preparation of the annual CSR report as required to be filed under the provisions of the Companies Act 2013/CSR Rules;

6. Review the findings and recommendations regarding CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants;
7. In case, Company is not able to spend the stipulated 2% of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board of Directors;

CSR BUDGET

The CSR Committee shall recommend to the Board the amount of expenditure to be incurred on the CSR activities to be undertaken by AMC as specified in Schedule VII of the Companies Act 2013.

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of the Company.

IMPLEMENTATION

The Company shall implement its CSR programmes/projects:

- ✚ Through an implementation partner that may be a public charitable trust or a society registered under applicable Act or a Company registered under Section 8 of the Companies Act 2013; or
- ✚ Through its CSR Coordinators.

AMC shall formulate criteria and procedure for selection, screening and due diligence of its implementing partners.

MONITORING

The Committee shall institute a monitoring and review mechanism to monitor its CSR project/programmes. The monitoring mechanisms shall include:

1. Clear targets, timelines and measurable indicators, wherever possible.
2. A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Act and the Rules thereunder.
3. Periodicity of monitoring reports shall be quarterly or half yearly, as the Committee may decide, which will be placed before the Committee at its meetings at quarterly or half yearly intervals.

REPORTING

The CSR Committee of the Company shall monitor progress of CSR projects and report to the Board of Directors. The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.

VALIDITY OF CSR POLICY

Any modification/amendment in the CSR Policy shall be carried out by the CSR Committee with the approval of the Board of Directors of the Company.

GOVERNING LAW

All terms or expressions not defined in this Policy would bear the same meanings as defined under the Act including rules, guidelines issued thereunder and any amendments thereto.

The reference of Company" or "AMC" or "We" or "Our" in this Policy would mean BNP Paribas Asset Management India Private Limited.

This Corporate Social Responsibility Policy has been formally adopted and approved by Board of Directors of the Company, in accordance with Section 135 of the Act and the Rules made thereunder to undertake CSR activities.