

**Corporate Social Responsibility (CSR) Policy as recommended by
CSR Committee of Sundaram Finance Holdings Limited
(Framed by the Board of Directors on 19th March 2018 and last amended on
22nd March 2021)**

Over the years the Company has been involved in a number of community-focused activities, in the areas of health, education and preservation of the country's rich culture and heritage. Continuing the tradition, it is recommended that the Company may focus primarily on following activities **to be referred to hereinafter as "CSR activities"**:

- (i) Promoting preventive and general health care, sanitation and provision of safe drinking water;
- (ii) Promoting education by providing financial assistance to deserving educational institutions, meritorious and needy students, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled;
- (iii) Promoting livelihood enhancement projects and road safety projects with special emphasis on driver training programmes;
- (iv) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centre and such other facilities for senior citizens.
- (v) 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;
- (vi) 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;
- (vii) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- (viii) Contributing to rural development projects; and
- (ix) Such other activities and projects covered in Schedule VII to the Companies Act, 2013 from time to time.



(b) Guiding Principles

The guiding principles for selection of the CSR projects, will be dependent on the long term objective of each project, credibility of the Institution that is involved in the implementation and the practical need for such projects.

(c) CSR Outlay

The Company shall endeavour to expend in every financial year, at least 2% of the average net profits earned during the 3 immediately preceding financial years, in pursuance of this Policy and in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility) Rules, 2014.

(d) Manner of Execution of Projects:

The Company will undertake its CSR activities either directly or through a Registered Trust or through a Registered Society or establish another company under Section 8 of the Companies Act, 2013 or even to collaborate with other entities.

The Company will give preference to the local area(s) in and around our offices in India.

(e) Modalities of Utilisation of Funds

The Company will utilise the CSR outlay for each financial year towards healthcare, education, preservation of heritage and other sectors as stated in Corporate Social Responsibility Policy of the Company.

Steps shall be taken to ensure that the contributions are made only to institutions / agencies that have obtained a CSR Registration Number from the Ministry of Corporate Affairs.

Further, the Chief Financial Officer of the Company shall issue a certificate to the effect that the funds disbursed towards CSR have been utilised for the relevant purposes and in the manner as approved by the Board.

(f) Implementation Schedule, Monitoring and Reporting Process

Implementation Schedule

The Secretary & Compliance Officer or such other person as may be nominated by the Chief Executive Officer of the Company shall monitor the implementation



schedules of the various CSR projects towards which the Company has made contributions, on the basis of the timelines indicated by the respective Institutions.

Monitoring and Reporting Process

The Company shall constitute a team under the supervision of the Chief Financial Officer and Secretary & Compliance Officer for the purpose of monitoring the progress of various projects, utilisation of funds and timeliness of implementation.

Where considered necessary, the Chief Executive Officer may advise on-site visits for the purpose of carrying out a due diligence in the case of projects involving an outlay of ₹10 lakhs or more, except in the case of contributions made to the Central/State Government(s). Such on-site monitoring may be carried out either by the employees of the Company or through an independent external agency.

The Secretary & Compliance Officer shall submit a report to the CSR Committee after the closure of each financial year, providing therein brief details about various contributions made during the year under each broad head.

(g) Resource Utilisation

The Company may use the CSR capabilities of their employees or avail of the services of one or more external agencies towards overseeing and monitoring the overall CSR programme of the Company. The administrative expenses to be incurred in this connection shall not exceed 5% of the total CSR outlay of the Company for the financial year.

(h) Impact Assessment

Impact assessment by an independent agency is not applicable since the average CSR obligation of the Company is well below the prescribed limit.

