

Corporate Social Responsibility (CSR) Policy as recommended by CSR Committee of Sundaram Asset Management Company Limited

Over the years the Sundaram Finance Group 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) 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 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;

(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 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) Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government

(x) Rural development projects.

(xi) Slum area development

For the purposes of this item, the term '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

(xii) Such other activities as may be notified by the Government from time to time

(b) Modalities and Implementation Schedule for execution of projects or programs or CSR activities:

(i) 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, including a company established by the holding or subsidiary or associate company.

If such trust, society or company is not established by the company or its holding or subsidiary or associate company, it shall have an established track record of three years in undertaking similar programs or projects;

(ii) The CSR projects or programs or activities shall be undertaken only in India.

(iii) The CSR activities shall be undertaken by the Company as projects or programs or activities (either new or ongoing) excluding activities undertaken in pursuance of normal course of its business.

(iv) The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of a company

(v) The implementation Schedule for CSR activities will be dependent on the availability of eligible projects.

(c) Expenditure:

(i) The Board shall ensure that the Company spends, in every financial year, at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years for CSR activities.

For this purpose, "average net profit" shall be calculated in accordance with provisions of Section 198 of the Companies Act, 2013, after deducting therefrom the dividends that may be received from companies in India which are covered under and complying with the provisions of Sec 135 of the Companies Act 2013.

However the net profit in respect of a financial year for which the relevant financial statements were prepared in accordance with the provisions of the Companies Act, 1956, (1 of 1956) shall not be required to be re-calculated in accordance with the provisions of the Companies Act, 2013.

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

(iii) CSR expenditure shall include all expenditure including contribution to corpus for projects or programs relating to CSR activities approved by the Board on the recommendation of CSR Committee.

(iv) The Company may use the CSR capacities of their own personnel in executing the CSR activities and also effectively monitoring the same but such CSR expenditure shall not exceed 5% of total CSR expenditure of the company in one financial year.

(d) Monitoring Process:

The CSR Committee shall monitor the end-use of contributions made on a periodical basis based on the report submitted by the Company.