



Non-Group Policy

Corporate Social Responsibility India policy – Deutsche Bank AG India

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1. Introduction

The Corporate Social Responsibility (CSR) Policy (**Policy**) governs Deutsche Bank AG, India (“Branch”), Corporate Social Responsibility activities in India.

As a responsible global corporate citizen, Deutsche Bank acts to enable communities and economies to prosper. The Bank supports education projects that empower the next generation to achieve their full potential and helps to remove social and economic barriers that hold them back. It assists enterprises that help to drive positive change in society to get off the ground and reach their next level. And it contributes to stronger and more inclusive communities through local provision to key concerns and by enriching the cultural landscape. Deutsche Bank does this together with like-minded partners from public and private sectors and with the commitment of its own highly-skilled workforce. It encourages its employees to volunteer and fundraise, and supports their efforts to make a difference.

Additionally, in case of natural and human disasters, Deutsche Bank may provide ad-hoc relief and support for long-term reconstruction efforts.

This Policy is in line with global and regional standards for all Corporate Social Responsibility-related activities within Deutsche Bank Group. These standards are laid out in Principles for Corporate Citizenship – Deutsche Bank Group and the Donations Membership and Sponsorship (DMS) Policy. - Deutsche Bank Group

This Policy has been drawn up in line with the provisions of Section 135 of the Companies Act 2013 (**Act**) read with the Companies (Corporate Social responsibility Policy) Rules, 2014 and Companies (Corporate Social responsibility Policy) Rules Amendment Rules, 2021. Accordingly, the Branch allocates 2% of its average net profits made during the 3 immediately preceding financial years for the notified CSR objects under the Act. The constitution of the CSR committee, formulation of the CSR policy, the CSR expenditure amount and guidance on monitoring the CSR projects are all in compliance with the Act. The “Branch Management Board” (**BMB**) assumes the role of the Board of Directors of the company and is responsible for implementation of this Policy.

2. Scope

2.1. Objective

This Policy defines the governance for all Corporate Social Responsibility-related activities by the Branch in India, in order to maximize the benefits for the society, as well as to make CSR an integral part of the Branch’s narrative.

Whenever possible, the CSR function will join forces with other teams within Deutsche Bank Group to implement strategy-aligned activities across markets and to engage relevant stakeholders.

The broad objectives of this Policy are to:

- Establish uniform country-wide standards and procedures for the planning and implementation of CSR activities in India in line with Deutsche Bank Group’s global requirements to protect the Bank’s reputation and prevent the breach of legal and/or regulatory requirements
- Ensure that all CSR activities are conducted in a transparent and efficient manner in compliance with local government regulations, Deutsche Bank’s Group Communications & Corporate Responsibility strategy, the Principles for Corporate Citizenship – Deutsche Bank Group, and any other relevant policies

3. Requirements

3.1 Charter of CSR Activities

Deutsche Bank notes the important developments in the field of CSR policy making in India and recognises the initiative taken by the Ministry of Corporate Affairs in identifying a list of activities eligible for being considered as CSR activities. Given the thorough listing of the activities, Deutsche Bank hereby adopts the same list as its broad charter of activities in India as listed in the Schedule VII under Section 135 of the Companies Act 135 (Annexure 1) read with the definition of “Corporate Social Responsibility” defined under Section 2 (d) of the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

3.2 Focus Areas

In India, the Branch will primary focus in the areas of Education, Healthcare and Social & Environmental Sustainability in order to create impact and achieve results. However, this will not preclude the Branch from supporting any CSR activity falling within the scope of Schedule VII of Section 135 of the Companies Act, 2013 if the activity is approved in line with the process stipulated in this Policy.

3.2.1 Education

The Branch will work directly or with partners towards enabling underprivileged children and youth overcome poverty through education and to reach their full potential, by boosting their aspirations, improving their skill set and by making vocational training and job placements available to them. The Branch will work across the education continuum – primary, secondary and tertiary levels leading up to employability. The Branch will also work directly or with partners to provide life skills to children, youth and adults thereby boosting their confidence and improving their employability.

3.2.2 Healthcare

The Branch will work directly or with partners towards providing end-to-end access to affordable and quality healthcare to children, youth and adults from socially and economically backward background. This includes preventive & early screening of diseases, curative & operative healthcare for fatal diseases as well as capacity building for hospitals & institutions.

3.3.3 Social and Environment Sustainability

The Branch will work directly or with partners to develop sustainable ideas that drive social and environmental change for increasing the country’s forest and water reserves and usage of renewable energy

- I. Community Conservancy: promote community conservancy as a win-win solution for reducing man-animal conflict and increasing forest cover
- II. Financial models: introduce new financing ideas in sustainability
- III. Renewable Energy: promote usage of environmental friendly alternate energy
- IV. Cleaner India: partner with partners on creating cleaner & greener cities & forests
- V. Water conservation: with a focus on clean drinking water and water for agriculture in drought hit areas

3.3.4 Disaster Relief

The Branch will also make funds available directly or through implementing partners to support natural disaster relief efforts as may be required in the country from time to time.

Preference will be given to local area(s), where the Branch and/or other Deutsche Bank Group entities operate, after giving due consideration to the scope for CSR related activities in the said area(s).

4. Roles and Responsibilities

This Policy applies to all employees of businesses, regional management and infrastructure functions (i.e. all employees) of the Branch in India.

The CSR Committee shall formulate and recommend to the BMB the list of CSR activities proposed for the Branch and the annual action plan for implementation of the CSR activities..

Individual employees must comply with the requirements of this Policy and supervisors are responsible for ensuring compliance.

Any employee who has knowledge of a potential or actual violation of this Policy must promptly report this to the CSR Committee according to the existing policy and guidelines.

The Branch requires transparency and integrity in all of its business dealings and this principle applies fully to all CSR activities as well.

5. Record Retention

Records governed by this policy must be maintained in accordance with applicable Deutsche Bank, local and/or divisional policies or procedures.

6. Restrictions and Prohibitions

The following activities are prone to have a negative effect on Deutsche Bank's image and as a result should be avoided. The Branch will *not*, in its CSR activities:

- (a) Support organizations that discriminate on the basis of age, sex, race, religion, national origin, sexual orientation, or disability with respect to employment, volunteer participation, or the provision of services
- (b) Solicit financial support for politicians, candidates for political office or political parties. Political donations made by individual employees must not jeopardize the bank's regional and global reputation
- (c) Engage with organizations and programs that are adverse to the Branch, or that may involve a potential conflict of interest for the Branch;
- (d) Reward, attempt to reward or to influence persons or entities that do business with, or are in a position to generate business for, the Branch;
- (e) Use any type of CSR activity in violation of local and international bribery and corruption and other financial crime laws, rules, regulations or internal DB policies and control

Note: The Branch can exclude certain types of organisations (e.g. political parties or activist organizations) to protect the bank's integrity and reputation.

7. Governance Framework / Key Operating Procedures

CSR Committee: The Branch will set up a CSR Committee of the BMB. This will be the apex body that will formulate and recommend to the BMB, an annual plan in pursuance of this Policy, which will include;

- the list of CSR Projects/Programmes that are approved to be undertaken;
- the manner of execution of these Projects/programmes;
- the modalities of utilisation of funds and implementation schedules of the CSR Projects/Programmes;

- Monitoring and reporting mechanism;
- Details of need and impact assessment.

The CSR Committee for the Financial Year 2021-22 comprises of the following BMB Members:

1. Khurshed Dordi, Chief Operating Officer, India (Chairperson)
2. Avinash Prabhu, Chief Financial Officer, India along with
3. Ruchi Khemka, Head of Corporate Responsibility, India (Nominee of the Bank)

While the CSR Committee will be the apex body responsible for all financial decisions and programme approvals, it may work with relevant officers of the Branch/group for effective and efficient management of the various programmes and attendant processes. Such officers will be responsible to and report to the Committee for all activities undertaken to implement/manage the approved CSR programme.

8. General Guidelines for Grants: Project section and management

The Branch will work with non-profit organizations and agencies, meeting the criteria laid down in the Act read with the Companies (Corporate Social responsibility Policy) Amendment Rules, 2021 including any CSR Foundation set up by the Branch/ group, which directly or indirectly provide services and support to disadvantaged individuals, families and communities and who channel the funds to directly benefit the targeted beneficiaries. In general, all CSR activities which are not inconsistent with the provisions of the local laws should:

- reflect the Branch's Corporate Social Responsibility strategy;
- promote best practices and provide initial funding for projects;
- enjoy high relevance in a defined target group and involve employees and other stakeholders wherever possible;
- provide for engaging communication and stakeholder involvement;
- involve a sustainable commitment and have a long-term effect on the community; and
- comply with all external relevant laws, rules and regulations of the respective jurisdiction, as well as internal policies

As a general rule, to be considered for a grant, a grantee is required to be a non-profit organisation, registered under the prescribed rules and regulations, with an established track record of minimum three years in undertaking similar programmes and projects meeting the criteria laid down in the Act read with the Companies (Corporate Social responsibility Policy) Amendment Rules, 2021, having the requisite FCRA registration and also having being registered with the Registrar of Companies.

Selected grantees will execute the projects funded by the Branch under a well laid out Memorandum of Understanding including terms of reference, clear roles and responsibilities and project criteria.

The partners will provide periodic progress reports and annually provide the following reports:

- Funds utilisation report with supporting documents
- Beneficiary progress report
- Project impact report

8.1 Project selection criteria

- I. **Community impact:** Do the proceeds benefit a broad community in a positive way and help the community move towards sustainable economic independence?
- II. **Financial need:** Has the proposal demonstrated that there is a real need for financial assistance for the project being proposed?
- III. **Management capability:** Does the current organisational structure reflect integrity and capability in administering the proposed programme in a fair and transparent manner?

- IV. **Alignment of organisation:** Does the beneficiary organisation have religious or political objectives or affiliations? Is the organisation secular in serving the broader community? Leverage potential: Does the project take advantage of opportunities to leverage Branch's funding from other private, foundation and government sources to ensure sustainability of the programme?
- V. **Inclusive growth:** Does the organisation promote inclusive growth?
- VI. **Innovative solutions:** Is the project promoting innovative ways to provide long-term benefits?
- VII. **Involvement potential:** Can the Branch's staff be involved in volunteering activities in the project? Does the project aim at encouraging proactive engagement of community stakeholders in all development processes of the project?
- VIII. **Measurable Results:** The project should produce measurable results which must be quantifiable and have feasible monitoring and evaluation indicators that can be tracked
- IX. **Sustainable:** The project should have potential for replicability, scalability and sustainability
- X. **Exit:** The project should have a clear exit strategy

While the CSR Committee will have the primary responsibility to identify potential CSR projects/partners, the employees in general are also encouraged to suggest/refer projects and partners to the Committee.

Initial Screening: concerned officers of the Branch/group will do an initial screening to establish minimum track record, general reputation, compliance status and alignment of a project to this Policy and other internal DB policies and controls.

Referral to the CSR Committee: once the initial checks are positive, the proposal will be referred to the CSR Committee for approval to invite the project/NGO to apply via the formal Grant Application process. An invitation to enter the formal grant application process does not imply that the project will be approved. This will be made clear to the applying NGOs.

8.2 Grant Application Process

- I. Project applications should be made in a specified Grant Application Format
- II. Each request for approval should be made in a formal manner with original signatures and attachments for audit and record-keeping
- III. Each project should have provisions for monitoring and impact valuation and should provide periodic implementation reports
- IV. Each project application is evaluated on its own merits to be in compliance with our purpose and objectives
- V. Funding levels are flexible and are dictated by the needs of the organisation and funding availability

8.3 Grant Appraisal Process

- I. The duly filled in Grant Application Form will be submitted to the Committee
- II. The Committee or a subset (as the supervising Manager for a particular Programme) may request further information and documentation, as appropriate
- III. Due diligence checks and reviews on the organisation including field visits will be performed to ensure that it meets the criteria of our selection
- IV. To mitigate reputational risks and ensure proper use of funds, a special screening may apply including those relating to anti-financial crime.
- V. A thorough appraisal of the project design and objectives will be performed to ensure its feasibility
- VI. The Committee or the Supervising Manager may ask for meetings with the Project representatives as part of its appraisal process

8.4 Grant Approval Process

- I. Once a project is identified and the selection criteria are fully met, the final project proposal will be discussed by the full CSR Committee
- II. The Committee will review the project application and DB will have the right to approve/reject the proposal or ask for more information/amendments in the proposal
- III. Upon in-principal approval by the Committee subject to all internal DB controls being satisfied, the Branch will enter into an MOU with the applicant for the project
- IV. The proposed agreement will be sent to Legal, Compliance, Tax and where required to Anti-Financial Crime, for clearance. It will then be sent to the Committee for final approvals before it is presented to Finance for payment. CSR team will follow up for original copy of receipt or acknowledgement of payment.

8.5 Project Implementation

The CSR Committee will determine the execution modality of a selected CSR programme including the details relating to the time period/ duration over which the particular programme will be spread and depending upon the nature of the programme, the extent of coverage and the intended impact of the programme. The execution modalities will be incorporated in the MOU signed between the grantor and the grantee.

8.6 Project Monitoring and Evaluation

The CSR Committee will institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Branch. The monitoring process will include the following:

- I. Regular reports by the Grantee – funds utilisation reports, beneficiary progress report, intermediate and final impact reports, Audited annual reports
- II. Annual monitoring visits
- III. A separate project evaluation report.

8.7 Project Closure

All CSR activities must be documented and in line with the requirements of the Principles for Corporate Citizenship, the global DMS policy, the global Corporate Volunteering policy the parameters set out by Communications & CSR Business Management and the Archiving and Record Retention Policy and comply with Deutsche Bank Group governance standards (e.g. Code of Ethics, Compliance, Anti-Financial Crime)

8.8 Project Reporting

Half-yearly updates and an annual review of CSR projects will be sent to members of the CSR Committee and also furnished to the BMB.

The Branch will file with ROC an annual report of CSR activities undertaken along with the audited Financial Statements for the period under review.

8.9 CSR Grant Budget for the Financial Year

For each financial year, the CSR Committee will recommend and the BMB will approve a CSR expenditure budget for the Branch calculated to be no less than lower of the limit set up under the Banking Regulation Act or the Companies Act, 2013, as the case maybe.

The budget will be spent in the chosen projects under the following categories:

1. Education projects

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- 2. Healthcare projects
- 3. Social & Environment Sustainability projects
- 4. Disaster Relief

The surplus, if any, arising out of the CSR expenditure shall also be expended in CSR activities as per this policy and such surplus shall not form part of business profits of the group or the respective group entity.

The CSR Committee will provide a report to the BMB on the utilisation of funds and achievement of project objectives for the year under review.

9. Associated Policies

Principles for Corporate Citizenship – Deutsche Bank Group

Donations, Memberships and Sponsorships Policy

Anti-Bribery and Corruption Policy

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10. Glossary

Term	Definition
Committee	Decision-making forum established pursuant to the “Committee Governance Policy – Deutsche Bank Group” for a specific purpose and an unlimited period of time
DB AG	Deutsche Bank AG including its branches and representative offices
Business Allocation Plan	Documents the allocation of responsibilities amongst the members of the Management Board of DB AG
DB Group	DB AG and Legal Entities in which DB AG (directly or indirectly) holds an equity or voting capital share of more than 50%
Employee	Any individual with an employment contract directly with a Legal Entity of DB Group
Global Head	Employees with global responsibility for a Unit reporting directly to a member of the Management Board of DB AG
<u>Integrated Consequence Management Framework (iCMF)</u>	Refers to the framework established and published by HR that helps managers and employees in DB AG understand how positive and poor performance are addressed, as well as how related controls work
Legal Entity	DB AG and / or any of its Subsidiaries
Management Board [of DB AG]	Governing body of DB AG responsible for managing DB AG
Subsidiary	Companies established pursuant to local laws and regulations of which Deutsche Bank AG is the direct or indirect parent company with majority participation. This will include any branches and representative offices of these Subsidiaries.
Unit	Refers to the organisational areas within DB Group, such as corporate divisions and infrastructure functions, as per the DB Business Allocation Plan.

11. List of Annexes and Attachments

Annex 1: Schedule VII

Annex 1: Schedule VII

(See sections 135)

Activities which may be included by companies in their Corporate Social Responsibility Policies

Activities relating to:—

- (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.