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## **POLICY ON CORPORATE SOCIAL RESPONSIBILITY**

### **A. Title and Applicability**

Hyundai India Insurance Broking Private Limited (“HIIBPL” or “the Company”) is committed to operate and grow its business in a socially responsible way. In line with the global CSV (Creating Shared Value) program of the Hyundai Group, ‘Hyundai Continue’ we stand committed to creating a sustainable future by actively participating in improving the quality of life of people, giving preference to local communities where we operate.

We have developed our Corporate Social Responsibility Policy (“CSR Policy” or “Policy”) in accordance with Section 135 of the Companies Act, 2013 (“Act”) and the Rules made thereunder.

This Policy shall apply to all CSR programs of the Company.

### **B. CSR Approach**

As a responsible corporate citizen, the Company strives to create a meaningful impact to society through its CSR program which will focus on a wide range of issues under road safety, water conservation, health and hygiene, skill development, education, social advancement, gender equality, empowerment of women, ensuring environmental sustainability and rural development projects, mainly in the communities it serves. The approach will be to focus on a few CSR programs to create a visible and lasting impact.

The Company shall also develop a CSR annual action plan covering details of the program, manner of execution, modality of utilization, monitoring and reporting mechanism and impact assessment, wherever applicable. The Company will establish and maintain a robust monitoring and evaluation process for all the CSR projects and programs.

### **C. CSR Program Areas**

The Companies Act, 2013 together with the Rules notified thereunder and Schedule VII to the Act and circular(s) and notification(s) issued by the Ministry of Corporate Affairs (MCA), from time to time provides a framework for companies to define the focus areas for its CSR program. HIIBPL’s focus areas and the projects undertaken by the Company shall therefore remain within the boundaries set by law. The provisions herein shall be read in consonance with the Act.

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The Company will focus primarily on the following programs.

I. **COMMUNITY DEVELOPMENT:** The Company is committed to improving the well-being of the local community by implementing social projects in villages and local communities.

- a) **Water and Sanitation:** Depending on local needs and in consultation with the community, the Company will undertake projects to ensure supply of clean drinking water, upgrade solid and liquid waste management facilities, upgrade sanitary facilities in government schools etc. The Company will supplement these efforts with awareness campaigns and participation in community led initiatives.
- b) **Education:** In partnership with the local communities, the Company will upgrade infrastructure of Government schools and focus on improving the learning levels and all-round development of students and youth in the communities. The Company, both directly and through its implementing agencies will continue to work with various bodies including State Governments and other not-for-profit organizations for holistic development of the children.
- c) **Health:** The Company will assess the health care needs of the local community and undertake projects to provide preventive health care.
- d) **Skill Development:** The Company aims to promote employment enhancing vocational skills, especially for youth, through livelihood enhancement projects. Enabling India's youth to gain skill that can provide opportunities is key to realizing the potential of India's demographic divide and driving inclusive growth. Improving employability of the youth from lower income sections of society will remain an important focus area of our CSR programme.
- e) **Women empowerment:** The Company will enhance the livelihood opportunities for women in poor and marginalized sections through creating awareness about the welfare schemes available for them, enhancing their financial literacy and setting up self help groups.

## II. Road Safety:

- a) **Road Safety Education and Enforcement:** The Company will promote road safety among people through print, audio and visual media. The Company will design and initiate specific road safety awareness programs for school children, women and youth.
- b) **Promoting safety culture:** The Company will also promote safety through supply of protective head gears, setting up hazard signs on roads and highways and other road safety initiatives.

### **III. Promoting arts and culture**

HIIB will provide forums for promoting and developing traditional arts and handicrafts and work with artisans from under privileged sections of society to showcase their talent.

### **IV. Others:**

In addition to the above, the Company may also focus on the CSR areas as specified in Schedule VII to the Act as amended from time to time.

### **D. CSR Budget**

The Board of Directors of the Company shall ensure that in each financial year, the Company spends at least 2% of the average net profits made during the immediately preceding three financial years on CSR activities.

The unspent amount of CSR during a financial year, if any, not pertaining to any ongoing project shall be transferred by the company to any fund specified in Schedule VII of the Act within six months from the close of the financial year.

The unspent amount of CSR during a financial year, if any, pertaining to any ongoing project, fulfilling such conditions as may be prescribed under the Act or the Rules made thereunder, and under the Policy, shall be transferred to a special bank account to be opened in this behalf for that financial year in a scheduled bank to be called "Unspent CSR Account" and such amount shall be spent by the Company towards CSR activities within a period of three financial years from the date of the transfer, failing which the Company shall transfer the same to a fund specified in Schedule VII of the Act within 30 days from the expiry of the third financial year.

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

### **E. Implementation**

The Company's CSR projects will be aligned to the Policy.

The mode of implementation may include a combination of direct implementation by setting up a CSR Team and/or implementation through partnerships with Trusts/Foundation/Societies/NGOs etc.

The Company may use services of expert agencies, consultancy firms etc. when required for designing projects surveys and impact assessments.

The CEO of the Company will be authorized to sign Memorandum of Understanding (MOUs)/Agreements with the implementing partners, setting out the terms and conditions relating to the implementation of the CSR Project(s), as deemed appropriate.

## **F. Roles and Responsibilities**

### **I. Board of Directors**

The Board of Directors of the Company will be responsible for:

- Approval of the CSR Policy of the Company.
- Disclosing the content of the Policy in its Report and placing the Policy on the Company's website in such a manner as prescribed under Section 135 of the Companies Act, 2013 read with the CSR rules.
- Ensuring that the projects mentioned in the Policy are undertaken by the Company.
- Ensuring that in every financial year, the Company spends at least 2% of its average net profits made during the immediately preceding three financial years.
- Ensuring that the Company gives preference to the local areas around its operations for spending the amount earmarked for CSR.
- Ensuring that it specifies the reasons in its Report for not spending the earmarked amount in case the Company fails to spend such an amount.

### **II. Corporate Social Responsibility Committee ("CSR Committee")**

**Composition of the CSR Committee:** The composition of the CSR Committee shall be determined by the Board of Directors of the Company. The Board of Directors may re-constitute the Committee, as and when required, in accordance with the applicable provisions of Act read with rules made thereunder.

#### **Responsibility of the CSR Committee**

The responsibilities of the CSR Committee would be as follows:

- Formulate & recommend the CSR Policy to the Board of Directors and review the same from time to time in accordance with the extant laws relating to CSR, formulate the CSR action plan and budget for the year, classification of projects as Ongoing and others and to obtain approval of the Board of Directors.
- Implement the activities either directly or through any other Implementation Partner.

- Create a transparent monitoring mechanism of CSR initiatives.
- Review Impact Assessment Reports on the projects in accordance with the Rules
- Hold regular meetings and have their decisions approved/ratified by the Board from time to time
- Submit periodic reports to the Board for the activities undertaken.
- Initiate action on treatment of Unspent CSR Funds at the close of every financial year

### **G. Monitoring and Reporting Framework**

The Company shall put in place an effective mechanism to inter alia ensure the following:

- Objectives are developed in line with the CSR Policy of the Company which will have a positive impact on society.
- Targets, Milestones and other measurable parameters are developed for all the projects.
- A progressive monitoring and reporting framework aligned with the requirements of the Act and Rules
- Monitoring framework may include site visits by members of the CSR Committee and officers of the company, enhanced due diligence of the implementing partner or CSR projects and such other actions as may be deemed appropriate by the company.

The details of the CSR Projects undertaken by the Company during the Financial Year, the status of its implementation, the impact thereof on targeted participants, the details of funds allocated and amounts which remained unspent as at the end of every financial year shall be submitted to the CSR Committee for their review and noting.

A third party Impact assessment will be done for the projects as per the provisions of the Act and the Rules framed thereunder, as amended, from time to time.

The Company will disclose the details of the CSR Projects undertaken by it during the financial year in the CSR Report which forms part of the Annual Report, in accordance with the provisions of the Act and the Rules framed thereunder, as amended, from time to time.

### **H. Review of CSR Policy**

The CSR Policy should be reviewed at least annually or pursuant to any amendments to CSR law or any reason deemed appropriate by the law.

The Amendments to the CSR Policy has been approved by the CSR Committee and the Board of Directors of the Company at their meeting held on 24th January 2024 and the new Policy will come into effect from the above said date.

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