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| Policy No.   | AMHI/CSR/V.01                             | <br><a href="http://www.apollomunichinsurance.com">www.apollomunichinsurance.com</a> |
| Policy Name: | Policy on Corporate Social Responsibility |   |

**APOLLO MUNICH HEALTH INSURANCE COMPANY LIMITED  
POLICY  
ON  
CORPORATE SOCIAL RESPONSIBILITY**

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| Policy Reference & Version No.: | AMHI/CSR V.01      |
| Original Date of Issue:         | 02.02.2017         |
| Approved By:                    | Board of Directors |

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## 1. Applicability

1.1 Corporate Social Responsibility (CSR) Policy is to ensure that Apollo Munich Health Insurance Company Limited (AMHI) complies with Section 135 of Companies Act 2013 on Corporate Social Responsibility, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Guidelines for Corporate Governance for insurers in India (Guidelines) dated 18<sup>th</sup> May, 2016 issued by the Insurance Regulatory and Development Authority of India (IRDAI).

1.2 Taking CSR as a sustainable social initiative, we aim to align and integrate our resources with society's developmental needs towards creating a better tomorrow. In AMHI, Corporate Social Responsibility is focused on enhancing the lives of the local community in which it operates. We strongly believe in contributing towards the betterment of society and endeavour to create a positive impact, while achieving our business goals.


1.3 The Company's value system revolves around Compassion, Accountability, Responsiveness and Expert (CARE). The Company would ensure that its values are reflected in every task it performs, every decision it takes. This would help the Company to work as a team towards creating and sustaining value for all its stakeholders, namely Customers, Business, Partners, Shareholders, Employees and most importantly, the Society at large. Whilst doing the business, the Company would actively ingrain the CARE principles into its business decision including CSR activities. This policy is aimed at continuing and enhancing the Company's initiative, and clearly defines the broad guidelines and framework for implementation, along with the responsibilities to ensure the same.

1.4 In terms of the provisions of Section 135 (1) of the Companies Act, 2013 (the Act), every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any of the three preceding financial years shall constitute a Corporate Social Responsibility Committee of the Board (CSR Committee) consisting of three or more directors, out of which at least one director shall be an independent director.

1.5 The CSR Committee shall inter-alia formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.

1.6 The CSR Committee is duly constituted by the Board of Directors of the Company comprising of the following members:

- Ms. Shobana Kamineni, Whole-time Director
- Mr. M B N Rao, Independent Director
- Mr. Antony Jacob, Whole-time Director & CEO

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1.7 The Company proposes to carry out all or any of the CSR activities as specified in the Schedule VII of the Act read with applicable rules including the following activities as amended from time to time.

**CSR Activities:**

- i. To continue and enhance Company's commitment to the cause of healthcare, wellness and education.
- ii. To work towards ensuring environment sustainability.
- iii. In consultation with the local community, the Company will design and effectively implement projects in areas such as healthcare, education and skills development.

**2. Broad Principles and Practice:**

2.1 The Board of Directors will approve all CSR activities of the Company as specified in Schedule VII of the Companies Act, 2013.

2.2 Only activities or projects undertaken within the territorial boundaries of India shall be considered as CSR Expenditure.

2.3 The Company annually commits to spend two per cent (2%) of the average net profit made during the three immediately preceding financial years on the CSR activities.

2.4 The Company shall ensure that it specifies the reasons in its Board Report for not spending the earmarked amount in case the Company fails to spend such amount.

2.5 The Company shall ensure that it gives preference to local areas around its operations for spending the earmarked for CSR projects.

2.6 The Company may tie-up/collaborate with other entities that are authorised for undertaking such CSR projects.


2.7 The Company confirms that the surplus arising out of CSR projects, shall not be considered a part of the business profits of the Company. Surplus, if any will be utilised the following year or for another project in the same year.

2.8 The CSR Policy will be available on the Company's website.

2.9 The Company will set up a review mechanism to monitor the progress of the CSR project, under the aegis of the CSR Committee.

**3. Responsibilities:**

3.1 The CSR Committee will be responsible for the finalisation of all CSR activities.

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3.2 The CSR Committee may appoint/hire outsourcing agencies/entities/individuals for CSR and related activities.

3.3 The CSR Committee shall ensure that all applicable laws/ guidelines and Company policies are met in regards to the CSR projects to be undertaken.

3.4 CSR Projects and Programmes: In line with its objectives, the CSR Committee shall recommend CSR projects and programmes for the approval of the Board.

3.5 The CSR Committee shall meet at-least twice in each financial year.

3.6 The Board of Directors shall:

- approve the CSR Policy based on the recommendation of the CSR Committee;
- approve the CSR activities based on the recommendation of the CSR Committee; and
- review the CSR Policy and CSR activities annually or as required from time to time.

#### **4. Monitoring Mechanism**

4.1. The CSR Committee shall review the implementation of the approved CSR Program.

4.2 The progress of the CSR activities shall be reviewed at-least twice a year, including the annual review by the CSR Committee.

4.3 The Chief Financial Officer shall be responsible for monitoring expense on CSR activities with respect to the plan and submission of the same to the CSR Committee and the Board.


4.4 The CSR Committee will submit a report to the Board at the end of the year as per the format prescribed under Companies Act 2013 and applicable laws .The Board will report CSR performance in its Annual Report.

#### **5. Exclusion:**

5.1 The CSR projects/ programmes that benefit only the employees of the Company and/or their families shall not be considered as CSR activities, within the purview of this Policy and Section 135 of the Companies Act, 2013.

5.2 CSR activities do not include the activities undertaken in pursuance of normal course of business of the Company.

5.3 The Company's contribution of any amount directly or indirectly to any political party under Section 182 of the Act, shall not be considered as a CSR activity.

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## 6. Amendments to the CSR Policy:

6.1 The Board of directors shall have the power to amend the CSR Policy, and incorporate modifications at any point of time, as recommended by the CSR Committee.

## 7. CSR Funds:

7.1 CSR Funds i.e. the funds for expenditure on CSR projects of the Company shall consist of not less than two percent (2%) of the average net profits of the Company made during the three financial years immediately preceding the concerned financial year.

## 8. Accounting

8.1. The expense incurred on CSR shall not be included for the purpose of calculation of ceilings on Expenses of Management under Section 40B or Section 40C of the Insurance Act, 1938, as the case may be.

8.2. The expenses incurred on CSR activities should not be charged to the Policyholders' Account.