

TRANSUNION CIBIL LIMITED
Corporate Social Responsibility (CSR) Policy

Document Name: TU CIBIL – Corporate Social Responsibility (CSR) Policy

Abstract: This policy encompasses TransUnion CIBIL Limited’s (the Company’s) philosophy towards corporate social responsibility, lays down the guidelines and mechanism for undertaking socially relevant programs for welfare and sustainable development of the community at large and complying with all the local regulations in that regard, is titled as the **‘CSR Policy of TransUnion CIBIL Limited.**

VERSION HISTORY

Version	Issue Date	Description and changes	Effective Date
1.0	13 Feb 2017	Initial document	
1.1	22 Oct 2018	Annual Review	
1.2	14 Feb 2019	Annual Review	
1.3	3 Feb 2020	Annual Review	
1.4	11 Nov 2020	Annual Review	
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1.6	June 2, 2022	Regulatory reporting added in section 9	

Table of Content

1.	Introduction and Background	4
2.	CSR Vision and Mission.....	4
3.	Objectives of the Policy	5
4.	Applicability and Scope	5
5.	CSR Budget	5
6.	CSR Governance Structure and Roles and Responsibilities	5
7.	Modalities of Implementation	7
8.	Project/Programme Implementation Guidelines	8
9.	Monitoring and Reporting Framework and Communication	9
10.	Exclusions	10
11.	Exceptions/deviations	10
12.	Policy Owner	10
13.	Amendments	10
14.	Related references/documentations	10
	Annexure 1: Areas of CSR interventions, objectives, activities, and Schedule VII category	11
	Annexure 2: CSR Process document / Standard Operating Procedures (SOP)	11

1. Introduction and Background

TransUnion CIBIL is India's leading credit information company and maintains one of the largest repositories of credit information globally. We have over 5000 members—including all leading banks, financial institutions, non-banking financial companies and housing finance companies— and maintain more than 1 billion credit records of individuals and businesses.

Our mission is to create information solutions that enable businesses to grow and give consumers faster, cheaper access to credit and other services. We create value for our members by helping them manage risk and devise appropriate lending strategies to reduce costs and increase portfolio profitability. With comprehensive, reliable information on consumer and commercial borrowers, they are able to make sound credit decisions about individuals and businesses. Through the power of information, TransUnion CIBIL is working to support our members drive credit penetration and financial inclusion for building a stronger economy.

2. CSR Vision and Mission

Corporate Social Responsibility (CSR) covers the entire process by which an organization approaches, defines and develops its relationships with stakeholders for the common good, and demonstrates its commitment in this regard by the adoption of appropriate strategies and projects. Thus, CSR is not charity or mere donations but a way of going beyond business as usual, creating shared value and contributing to social and environmental good.

The Company's corporate values of Sustainability, Trust & Integrity, and Fairness are guidelines for all the actions. The core value of Sustainability is aligned to taking "utmost care of society" by creating awareness about the less privileged and encouraging the practice of "Giving Back". It is keeping this background in mind that the objectives of the Company's CSR Policy are framed:

- To create self-sustained improvement in the life of the underprivileged by facilitating continued education through financial aid and life skills education
- To empower women & youth through financial independence
- To encourage employees to contribute in terms of monetary and/or effort/time options

CSR Vision

Enriching lives by helping promote education and enable access to economic opportunities along with holistic health & well-being of the society.

CSR Mission

Company's mission is to help foster the socio-economic development and holistic well-being of the underprivileged communities in India. In order to action our philosophy of "Giving Back", we are committed to execute a series of sustainable interventions that promote primary-professional education towards creating economic opportunities and also support programmes for improving community health to advance the quality of lives.

All of the Company's CSR activities will need to be

- Meaningful
- Connected to organizational values
- Able to create opportunities for effort/time voluntary options

The 3 Cs of the Company's CSR are

- Clarity
- Commitment
- Contribution

3. Objectives of the Policy

TransUnion CIBIL Limited has embarked upon the process of institutionalizing its commitment at being socially responsible with an aim of sustainable development of society. The purpose of this Policy is to define the Company's vision, guiding principles, governance structures, strategy, and programmes for its corporate social responsibility efforts.

4. Applicability and Scope

This Policy has been formulated in consonance with Section 135 of Companies Act, 2013 (Act) on CSR and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules) as notified by the Ministry of Corporate Affairs in 2014 and the rules/circulars/amendments framed therein or as modified from time to time by the Ministry of Corporate Affairs. The Policy shall apply to all CSR projects/programmes undertaken by the Company in India as per Schedule VII of the Act. This Policy shall be applicable to the Company including all its divisions, and all the employees.

This Policy will serve as a guiding document to help identify, execute and monitor CSR projects/programmes in keeping with the spirit of the Policy. This Policy would function as a guiding mechanism for the Company's CSR activities and enable adherence to laws, ethical standards, and international practices in this regard.

5. CSR Budget

TransUnion CIBIL Limited shall spend, in every financial year, at least 2% of the average net profit made during the immediately preceding three financial years or such amount as may be determined from time to time by the Company on its CSR projects/programmes.

Net profit shall mean profit before tax as per books of accounts and shall not include (i) profits arising from branches outside India and (ii) any dividend received from other companies in India, which are covered under and complying with the provisions of section 135 of the Act.

6. CSR Governance Structure and Roles and Responsibilities

The Company has put in place the following governance structure to ensure that this Policy is implemented and monitored effectively. The roles and responsibilities are defined at each governance level:

6.1 Board of Directors

The Company's Board of Directors will be responsible for following activities:

- Approve the CSR policy of the Company, CSR projects/programmes/activities to be undertaken by the Company and modalities of operation and the budget for the projects/programmes/activities.
- Ensure that the projects/programmes/activities included in CSR Policy of the Company are undertaken by the Company, although primary responsibility lies with the CSR Committee.

- Ensure that the Company spends, in every financial year, at least two percent of the average net profits made during the immediately preceding three financial years or such amount as may be determined from time to time by the Company, in pursuance of this policy.
- Satisfy itself that the funds so disbursed have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer (or the person responsible for financial management) shall certify to the effect.
- Monitor the implementation of an ongoing project i.e. a multi-year project undertaken by the Company in fulfilment of its CSR obligation having timelines not exceeding three years excluding the financial year in which such project was commenced, if any, with reference to the approved timelines and year-wise allocation and to make modifications, if any, for smooth implementation of the project within the overall permissible time period.

6.2 CSR Committee

The CSR Committee will have at least three members from the Board of Directors, out of which at least one director shall be an independent director. The CSR Committee will be responsible for driving the Company's CSR initiatives. The CSR Committee will give strategic direction, finalize and approve annual goals of the CSR projects/programmes selected, allocate budgets on a yearly basis and monitor progress.

The CSR Committee will be specifically responsible for the following:

- Recommend the CSR Policy to the Board for approval which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- Formulate and recommend to the Board, an annual action plan, which shall include the following, namely:-
 - a) The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - b) The manner of execution of such projects or programmes;
 - c) The modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - d) Monitoring and reporting mechanism for the projects or programmes;
 - e) Details of need and impact assessment, if any, for the projects undertaken by the Company
- Recommend to the Board, any alteration to the aforesaid annual action plan;
- Recommend the amount of expenditure to be incurred on the CSR activities to the Board for approval;
- Ensure that the CSR Policy of the Company is monitored on a regular basis and is updated from time to time for any change or enhancement in scope and the same is recommended to the Board for approval;
- Monitoring the progress of the activities being undertaken under the policy;
- Approve the design of the CSR activities and the budgets proposed and recommend to the Board for approval;
- Oversee the overall implementation and reporting of the CSR projects/programmes as approved by the Board.

The members of the CSR Committee are:

Ms. Teresa McCafferty	Chairperson
Mr. David Gilbert	Member
Mr. Shanker Annaswamy	Member

6.3 CSR Team

The CSR manager will be responsible for ground level implementation of all CSR projects/programmes. He / She will be responsible for following:

- a) Be the first point of contact for effective project/programme implementation on the ground
- b) Setting guidelines and framework of CSR project/programme
- c) Recommend projects/programmes, modality of operations and monitoring mechanism
- d) Ensure that the programmes/projects proposed are in line with Schedule VII of The Companies Act, 2013
- e) Ensure meaningful and impactful CSR fund utilization aligning with Company CSR focus
- f) End to end CSR implementation starting from project/programme identification, partner identification, due diligence of NGO's, creating operating model, active monitoring and reporting
- g) Active monitoring of funds disbursed to partners by field visit & verification, wherever applicable as per the nature of the project/programme
- h) Ensuring FUC (Fund Utilization Certificate), 80G receipts & project/programme reports, wherever applicable from the respective partners
- i) Carrying active and meaningful employee engagement initiatives ensure that the CSR goals are achieved within the proposed timeframe and budget allocated, and will periodically report the progress of each project/programme to the Board and the CSR Committee.

7. Modalities of Implementation

The Company will implement the CSR projects/programmes either through itself or through a registered public trust or company established under Section 8 of the Act or a registered society, registered under section 12A and 80G of the Income Tax Act, 1961, in accordance with its stated policy.

Implementation of CSR projects/programmes would be undertaken by implementation partners with an established track record of 3 years in undertaking similar activities with support from project management consultants and social enterprises, as may be required.

With effect from April 01, 2021, such implementation partners must be registered with the Central Government by filing the form CSR 1 of the CSR Rules and must meet such other requirements as may be prescribed under the Act and the CSR Rules. While availing services of consultants or any other organizations for a CSR project/programme, the Company will seek proposals from various consultants and organizations and will then make a final decision based on criteria which are critical to the success of that particular CSR project/programme.

The Company may also collaborate with other companies for undertaking projects or programmes or CSR activities in such a manner that the CSR committees of respective companies are in a position to report separately on such projects or programmes in accordance with the CSR Rules.

As creating socially conscious and contributing citizens is the underlying objective of the Company's CSR agenda, all Company employees are eligible to take "One Man-Day" in a financial year to contribute time and efforts to volunteer at any NGO.

The Company may also spend the CSR amount for creation or acquisition of a capital asset which shall be held by: (a) a company established under section 8 of the Act, or a Registered Public Trust or Registered Society, having charitable objects and CSR Registration Number; or (b) beneficiaries of the concerned CSR project, in the form of self-help groups, collectives, entities; or (c) a public authority.

If the Company fails to spend the CSR amount, the Company shall transfer the unspent amount to a fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year, unless the unspent amount relates to any ongoing project. In the event the unspent amount relates to an ongoing project, the unspent amount shall be transferred to Unspent CSR Account within a period of thirty days from the end of the financial year and shall be spent in pursuance of its obligations towards this Policy within a period of three financial years from the date of such transfer, failing which, the Company shall transfer the same to a fund specified in Schedule VII of the Act, within a period of thirty days from the date of completion of the third financial year.

In the event the Company spends an amount in excess of the requirements under the Act, the Company may set off such excess amount against the requirement to spend the CSR amount up to immediate succeeding three financial years subject to the conditions that (i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any; and (ii) the Board passes a resolution to this effect.

The surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company and shall be ploughed back into the same project or programme or shall be transferred to the Unspent CSR Account and spent in pursuance of this Policy and annual action plan of the Company or transfer such surplus amount to a fund specified in Schedule VII of the Act, within a period of six months of the expiry of the financial year.

8. Project/Programme Implementation Guidelines

The Company will aim to follow the below guidelines in executing CSR projects/programmes:

8.1 Project/program Development

Every project/programme must develop a proposal including information such as project/programme description and duration, information about the partner organization including proof of legal status, and amount of funding or other resources required. The Company may on a best efforts basis consider any projects/programmes run internationally as well as capacity building for the CSR team of the Company. The Company may evaluate designing, monitoring, and evaluation of the same from an Indian context.

However, at all times the Company shall only undertake projects/programmes as are approved under the Schedule VII of the Companies Act, 2013.

8.2 Project/programme Approval

The project/programme details should be submitted to the CSR Committee for their consideration and evaluation and thereafter to the Board for their approval. The projects/programmes will be implemented after receiving approval from the CSR Committee.

8.3 Project/programme Implementation

The total costs for all projects/programmes will be within the CSR budget as per the mandate or as approved by Board of Directors.

8.4 Project/programme Criteria

All CSR interventions will be undertaken in project or programme mode and will relate to the items specified in Schedule VII of the Companies Act, 2013 or through such activities as may be permitted under the Companies Act, 2013 and the rules framed therein and various circulars/notifications issued thereunder or as modified from time to time.

8.5 Project/programme Location

The Company shall give preference to the local areas or areas around it where it operates, for spending the amount earmarked for CSR activities. The CSR Committee may also identify such other areas, as it may deem fit, and recommend to the Board for undertaking CSR activities.

9. Monitoring and Reporting Framework and Communication

The CSR Committee shall meet once in a quarter or as and when the need arises to review and guide the CSR activities of the Company. They shall meet to monitor the progress of CSR projects/programmes, CSR spending, and review if any changes are required. During the half-yearly meeting, the CSR Committee will also review the CSR policy to discuss if any changes are required in it. However, it may also meet at an early period in case of changes to a particular project/programme or review of CSR policy is required.

The Company may undertake an assessment, as and when needed, in order to evaluate the social impact of its CSR projects/programmes on the communities. Without prejudice to the foregoing sentence, in the event the Company is having an average CSR obligation of ten crore rupees or more in pursuance of Section 135(5) of the Act, in the three immediately preceding financial years, the Company shall undertake an impact assessment impact of its CSR projects (i) having outlays of one crore rupees or more; and (ii) which have been completed not less than one year before undertaking the impact study, through an independent agency, in accordance with the Act and the CSR Rules. The Company shall place the impact assessment report before the Board and shall annex the report to the annual report on CSR. This will also help the Company to obtain learnings which will help increase project/programme efficiency and scalability.

The Company will incorporate the details of CSR activities along with the financial spends in the annual report of the Company in the manner as prescribed under the Act and the CSR Rules. The CSR activities will also be reflected in the annual accounts of Company under the head 'Expenditure under CSR Activities' and will be mentioned in the Director's report. The CSR Committee will present quarterly reports at the Board-level CSR Committee's quarterly meetings. All regulatory filings prescribed under the Companies Act, 2013 and the rules/circulars/amendments framed therein or as modified shall be filed with the Ministry of Corporate Affairs from time to time.

The Company will be communicating its CSR efforts to all its employees and external stakeholders through its own website, or other appropriate dissemination channels. The composition of the CSR Committee, CSR Policy of TransUnion CIBIL Limited and projects/programmes approved by the Board will also be uploaded on the website of the Company.

10. Exclusions

The following activities shall not form part of the Company's CSR activities:

- Activities which are undertaken in pursuance of normal course of business of the Company;
- Any activity undertaken by the Company outside India except for training of Indian sports personnel representing any State or Union territory at national level or India at international level;
- Contribution of any amount directly or indirectly to any political party under section 182 of the Act;
- Activities benefitting employees of the Company as defined in clause (k) of section 2 of the Code on Wages, 2019;
- Activities supported by the Company on sponsorship basis for deriving marketing benefits for its products or services;
- Activities carried out for fulfilment of any other statutory obligations under any law in force in India;
- Such other activities, prohibited or not eligible to be undertaken as CSR activities, as may be prescribed under the Act and/or the CSR Rules.

11. Exceptions/deviations

All exceptions and deviations to this Policy shall be approved by CSR Committee.

12. Policy Owner

The Chief Operating Officer (COO) is the process owner of this Policy.

13. Amendments

Based on the recommendation of the CSR Committee, the Company can modify this Policy at any time to the extent deemed necessary by the Company, from time to time, including to maintain compliance with local laws.

14. Related references/documentations

- i. Process document / Standard Operating Procedures (SOP) which defines roles of relevant stakeholders and details the following
 - a) SOP for Execution of CSR Projects
- ii. The process document / SOPs shall be reviewed by the CSR team on timely intervals and changes, if any, shall be approved by Chief Operating Officer (COO).

Annexure 1: Areas of CSR interventions, objectives, activities, and Schedule VII category

Enumerated below are the cause areas under which the Company will implement its CSR projects/programmes based on the recommendation of the CSR Committee. The Company may undertake CSR activities other than the activities mentioned below in line with Schedule VII of the Act and the rules/circulars/amendments framed therein or as modified from time to time by the Ministry of Corporate Affairs and as approved by the CSR Committee from time to time.

CSR Focus	Objectives	Schedule VII Category
Project 'Shiksha': Imparting Education	<ul style="list-style-type: none"> Providing primary education through supporting disadvantaged groups in community Providing quality education through financial support 	<p><i>i). "Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive healthcare and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water."</i></p> <p><i>ii) "Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects"</i></p> <p><i>iii) "Gender equality and women empowerment"</i></p>
Project 'Udaan' : Scholarship Program	<ul style="list-style-type: none"> Supporting students having limited resource to pursue their dreams of professional & vocational education by awarding scholarship Creating sustainable development through sponsoring students and making students independent & capable of earning 	
Project 'Udyog': Livelihood Project	<ul style="list-style-type: none"> Imparting vocational trainings to provide livelihood by enabling community youth to earn a sustainable income Empowering community youth by imparting vocational skills thus creating sustainable livelihood 	
Project 'Aarogya': Promoting Healthcare	<ul style="list-style-type: none"> Financially supporting the treatment of the pediatric cancer patients Providing healthcare support to the underprivileged community 	

Annexure 2: CSR Process document / Standard Operating Procedures (SOP)



CSR SOP.pdf
