



**AMERICAN EXPRESS SERVICES INDIA PRIVATE LIMITED  
(Earlier Known as American Express Services India Limited)**

**CORPORATE SOCIAL RESPONSIBILITY (“CSR”) POLICY**

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**Policy Name** : **Corporate Social Responsibility (“CSR”) Policy**

**Approval Requirement** : **Board of Directors**

**Effective Date** : **April 01, 2014**

**Prepared by** : **Pankaj Dikshit**

**Policy Owner/Custodian** : **Public Affairs & Communication and Company Secretary**

**Last Review** : **November 2017**

**Next Scheduled Review** : **June 2020**



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## **1. OVERVIEW AND PURPOSE:**

American Express Services India Private Limited (“AESIPL” or the Company or American Express) as a company believes that serving our communities is not only integral to running a business successfully; it is part of our individual responsibilities as corporate citizens. The mission of our program is to bring to life the American Express value of good corporate citizenship by supporting diverse communities in ways that enhance the company's reputation with employees, customers, business partners and other stakeholders.

The purpose of this Corporate Social Responsibility Policy (hereinafter referred to as “CSR Policy” or “the Policy”) is to ensure

- + All charitable contributions are made solely by the Company under the approval of its Board of Directors as recommended by the CSR Committee;
- + CSR contributions are consistent with the goals of the Company's philanthropic efforts and in accordance with the provisions of Companies Act, 2013; and
- + All payments to charities, whether charitable contributions or not, are properly accounted for.

## **2. SCOPE**

This Policy is applicable to AESIPL, its employees and its direct and indirect subsidiaries, if any, who (i) enter into transactions with charities, (ii) receive solicitations from charities for contribution, or (iii) wish to recommend a charitable contribution to a charity.

## **3. KEY DEFINITIONS**

In this Policy, unless the context otherwise requires

- a) ‘Act’ means Companies Act, 2013;
- b) ‘Corporate Social Responsibility’ means Corporate Social Responsibility (CSR) as defined in Section 135 of the Companies Act 2013;
- c) ‘Ministry’ means the Ministry of Corporate Affairs;
- d) ‘Net Profit’ for the section 135 and these rules shall mean net profit before tax as per books of accounts and shall not include profits arising from branches outside India.
- e) 2% CSR spending would be computed as 2% of the average net profits made by the company during every block of three years. For the purpose of First CSR reporting the Net Profit shall mean average of the



- annual net profit of the preceding three financial years ending on or before 31 March 2017.
- f) Tax treatment of CSR spend will be in accordance with the Income Tax Act, 1961 as may be notified by CBDT.
  - g) “CSR Committee” means Corporate Social Responsibility committee of the Board as referred to in section 135 of the Act.
  - h) Annexure means the Annexure appended to this Policy
  - i) Words and expressions used in this Policy and not defined herein but defined in the Act shall have the meaning respectively assigned to them in the Act.
  - j) Charitable Organization, Charity or charities: An organization which qualifies and fulfills the requirements under the Companies Act, 2013 including applicable Rules made thereunder for the time being in force and is eligible to receive funds for CSR activities under the Act.

#### **4. ROLES & RESPONSIBILITIES**

The Company Board on recommendation of CSR Committee shall approve all requests for charitable contributions and ensure that the recipient organizations are eligible for receiving funds for CSR activities as required under the provisions of the Companies Act, 2013.

#### **5. FREQUENCY AND QUORUM OF MEETING**

The CSR Committee shall meet periodically as and when required. Members of the CSR Committee can agree upon mutually regarding time and place for the said meetings. Quorum of the CSR Committee shall be one-third of its total strength or two members, whichever is higher.

#### **6. POLICY REQUIREMENTS**

The Following matters related to CSR Activities and Contributions, Monitoring and CSR Committee Process are included under the respective Annexure as mentioned below

 **CSR Activities and Contributions**      **ANNEXURE - I**

 **Monitoring Process**                                      **ANNEXURE - II**

#### **7. SURPLUS**

Any surplus arising from any CSR projects or Programs or activities shall not form part of business profits of the Company.



## **8. BUILDING CSR CAPACITIES**

The Company may build CSR capacities of its own personnel as well as those of its implementing agencies, charitable institutions, charities etc in accordance with the provisions of the Companies Act, 2013 including any Rules made thereunder for the time being in force. Such expenditure on capacity building shall be eligible as CSR expenditure subject to a maximum of 5% of the total CSR expenditure of the Company in one Financial Year or such amount or percentage of total CSR expenditure as may be prescribed under the Companies Act, 2013 from time to time.

## **9. IMPLEMENTATION OF CSR PROGRAMS**

In order to implement the approved CSR projects, the CSR Committee or Board may involve specialized agencies, which could include NGOs, Trusts, Self-Help Groups, Govt./Semi- Govt./Autonomous Organizations, Professional Consultancy Organizations, Registered Voluntary Organizations, or any other appropriate agency/authorities.

## **10. EXPENSES THAT WILL NOT QUALIFY AS CSR CONTRIBUTIONS**

Following shall not be considered as CSR activity:

- ✚ Contribution of any amount directly or indirectly to any political Party under section 182 of the Act;
- ✚ Contribution or Expenditure of any amount directly or indirectly for the exclusive benefits of the Company's Employees;
- ✚ Contribution or Expenditure of any amount directly or indirectly for any CSR projects, programs or activities undertaken outside India.

## **11. EXCEPTION / CONFLICT / INTERPRETATION RESOLUTION**

Any Exception, Conflict, interpretation etc shall be resolved in discussion with the Public Affairs Leader and the General Counsel Office. Such matters shall also be brought to the notice of CSR Committee and the Board of the Company for their recommendation and advice. The Boards' advice and/or recommendation shall be final and binding on the Company.



## **12. REVIEW & APPROVAL REQUIREMENTS**

The CSR Committee shall review the policy at such interval as may be deemed necessary and shall recommend the revised policy to the Board of Directors of the Company for their approval and adoption as may deemed necessary in this regard.

## **13. POLICY REVISION HISTORY**

Previous Approval Date:

Sl. No.	Dates
1	April 2014
2	May 2015
3	May 2016
4	June 2017

Current Approval Date: November 2017

\*There are no changes that may affect the CSR Policy substantially.

**\*\*\* End \*\*\***



## **ANNEXURE - I**

### **CSR ACTIVITIES AND CONTRIBUTIONS**

Our CSR activities are focused towards supporting visionary nonprofit organizations that are

- ✦ Encouraging community service where our employees and customers live and work including activities covered under Schedule VII of the Companies Act, 2013, as applicable for the time being in force.
- ✦ Preserving and sustaining unique historic places for the future

#### **Theme: Community Service**

- Encouraging community service where our employees and customers live and work
  - ✦ Encourage good citizenship by supporting organizations that cultivate meaningful opportunities for civic engagement by our employees and members of the community, whether as volunteers, donors, voters or patrons.
  - ✦ Natural disaster prevention and post-disaster rebuilding
  - ✦ Eradicating extreme hunger and poverty
  - ✦ Promotion of education
  - ✦ Promoting gender equality and empowering women
  - ✦ Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government or the State Governments for socio-economic development and relief
  - ✦ Environmental education and protection of flora and fauna, conservation of natural resources and maintain quality of soil, air and water
  - ✦ Education programs including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled

#### **Criteria:**

Support programs that encourage community service and civic participation, and deliver measurable outcomes that have a lasting impact on communities through one or more of the following:

- Building capacity of its own personnel as well as those of its implementing agencies, charitable institutions, charities etc by assisting



- them in developing, engaging and retaining community members as volunteers.
- Engaging community members and American Express employees in ongoing service. This may involve a variety of activities from promoting individual philanthropy, volunteerism or participation in local civic organizations.

### **Theme: Historic Preservation**

- Protecting, preserving, and sustaining unique historic places and works of art and culture for the future
  - Support organizations and projects to protect, preserve or rediscover major historic sites and monuments in order to provide ongoing sustainable access and enjoyment for current and future audiences. The programs we support include historic landmarks and public spaces with an emphasis on preserving sites that represent diverse cultures within India.
  - Support organizations and projects that preserves, protect or rediscover works of art; promote and develop traditional arts, culture and handicrafts

### **Criteria:**

- Restoring historic places to ensure ongoing public access and interaction with the site(s).
- Preserving historic places for future or innovative use.

Sustaining historic places by creating systems to manage increased visitor activities and environmental impacts.





## **ANNEXURE - II**

### **MONITORING PROCESS**

**CSR Committee:** CSR Committee (“The Committee”) of the Board constituted in accordance with the Provisions of the companies Act, 2013 including any other applicable provisions, rules etc for the time being in force shall have the responsibilities of oversight and compliance of the provisions relating to CSR. The name of the current Committee members are mentioned in Annexure III.

**Annual CSR Spend:** During first Board Meeting of the Financial Year, the committee shall recommend to the Board of Directors of the company, the amount required to be spent on CSR activities, projects etc including the manner of expenditure in that Financial year. The amount so required to be spent shall be calculated in accordance with the provisions of the Companies Act, 2013 or any rules made thereunder and for the time being in force.

**Committee Meetings:** The committee shall meet at such frequencies / interval as required under the provisions of the Companies Act, 2013 including any other rules, provisions for the time being in force or as may be deemed necessary and required. That Committee shall, inter alia, review the ongoing CSR spends, projects, compliance with CSR Policy, report to the Board of Directors on any excess or shortfall in CSR spends etc.

**Annual CSR Committee Responsibility Statement:** The Committee shall prepare and review the Annual CSR Committee Responsibility Statement in accordance with the Provisions of the Companies Act, 2013 including any rules made thereunder. Such Responsibility statement shall be recommended to the Board of Directors of the Company.

**Miscellaneous:** The Committee shall act in accordance with the requirements of the Companies Act, 2013 including any delegations of the Board of Directors of the company for matters related to CSR activities, policies including any incidental & ancillary matters as may be deemed necessary and required.