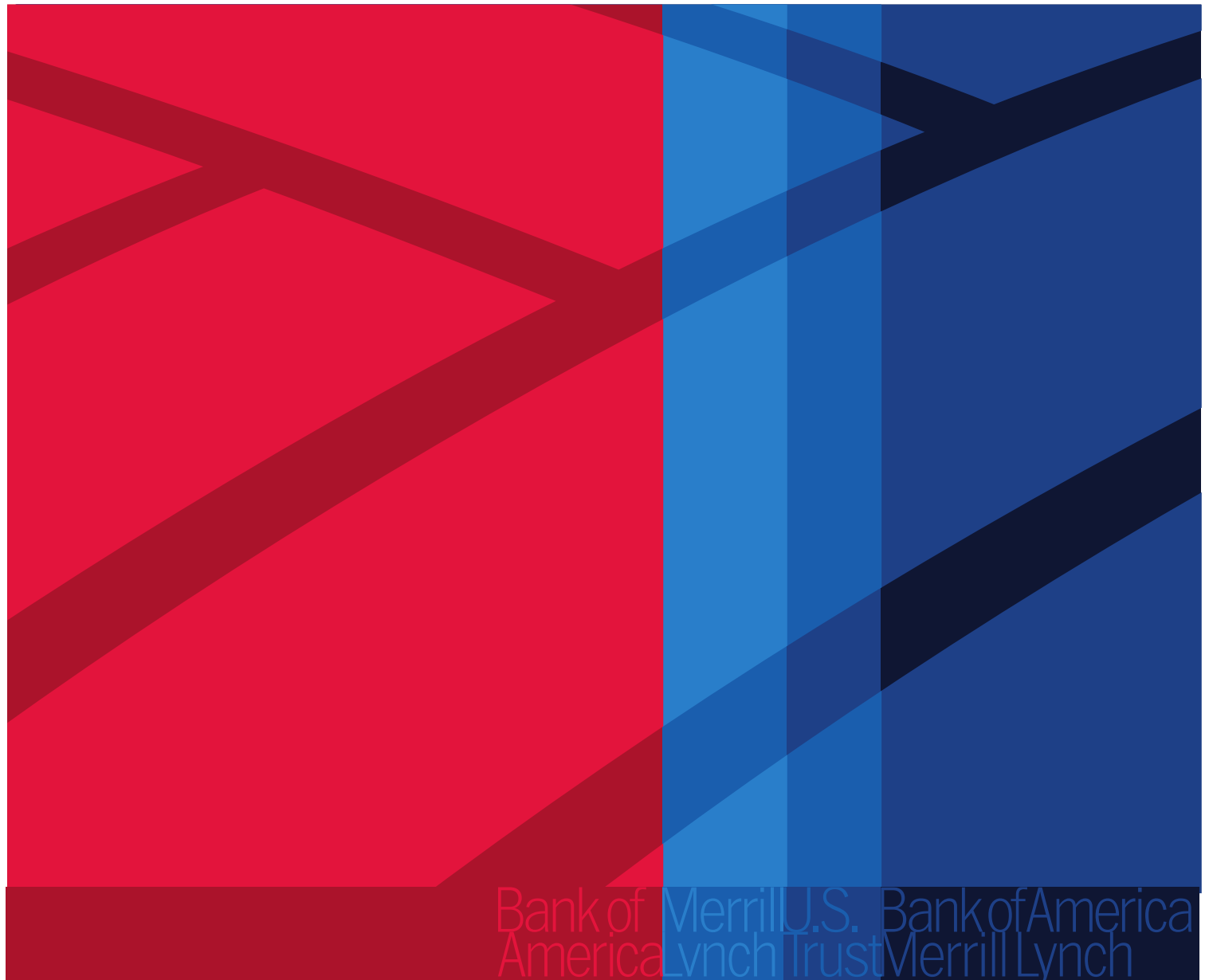


BA CONTINUUM INDIA PRIVATE LIMITED (BACI)

CORPORATE SOCIAL RESPONSIBILITY (CSR) CHARTER

Version 1.3 (Dated November 28, 2016)



Document Summary	
This document describes the BACI Corporate Social Responsibility Charter	

Document Details	
Project	BACI Corporate Social Responsibility Charter Document
Status / Version	Version 1.3
Owner	BACI CSR

Document Approval		
Criteria	Name & Role	Date
Author	Bandana Jha	23 June 2015
Reviewed by	Chief Administrative Officer	25 June 2015
Approved by	Board of Directors	29 June 2015

Version Control Details				
Version	Status	Date Created	Author	Description of Change(s)
1.0	Prepared	12 December 2014	Bandana Jha	Document creation
1.1	Update	29 June 2015	Bandana Jha	
1.2	Update	14 June 2016	Bandana Jha	Change in CSR Committee members
1.3	Update	November 2, 2016	Bandana Jha	Charter has been revised to incorporate the alignment with Bank of America ESG process specific to India

1.0 Background

Bank of America is all about providing people, companies and institutional investors with the financial products and services they need to help achieve their goals at every stage of their financial lives. BACI is a non-banking subsidiary of Bank of America and in India operates out of Mumbai, Hyderabad, Chennai and Gurgaon locations.

Being a responsible business is integral to our success and that of the customers, clients, shareholders communities, and all other stakeholders we serve around the world. Corporate Social Responsibility (CSR) is embedded in our values and guides us how we conduct our business, develop products and services and deliver on our goals and commitments.

2.0 Title and Applicability

- BACI ('BACI/Company') has developed this Charter titled 'BACI CSR Charter' encompassing the Company's philosophy for being a responsible corporate citizen and lays down the principles and mechanisms for undertaking various Programs in accordance with section 135 of the Companies Act, 2013 ('the Act') for the community at large.
- The Charter shall guide the CSR programs and activities undertaken by the Company in the communities in which it operates.

3.0 Validity of CSR Charter

The Board shall review the CSR Charter once in a financial year or more and may amend the same as may be required.

4.0 CSR Budget

- The Board shall endeavor that the Company spends at least 2% of the average net profit made during the immediate three preceding financial years.
- CSR Budget shall not include (i) expenditure on an item not in conformity or not in line with activities which fall within the purview of the CSR activities listed in Schedule VII of the Companies Act, 2013; (ii) the expenditure incurred in the normal course of business; (iii) the expenditure incurred for benefit of the employees or their families; (iv) direct or indirect contribution to political party/group or person; (v) direct or indirect contribution to religious association/organization/outfit or person.
- CSR Expenditure shall not include projects or Programs or activities undertaken outside India.
- The surplus arising out of the CSR activities shall not form part of the business profit of BACI.
- If any amount is left unspent, the Director's report shall specify the reasons for the same.
- Subject to adherence with all applicable laws, this Charter casts no prohibition on BACI for spending funds in addition to 2% of its average net profits in the immediately preceding three (3) financial years, on social causes similar to CSR focus areas mentioned herein.

5.0 CSR Program Areas and Objectives

The Company is committed to play a broader role in the communities in which it operates by way of implementing strategic community based programs through funding, fund raising and/ or volunteering activities.

The scope and focus areas of the Company's CSR Policy shall be in alignment with activities enumerated in Schedule VII of the Companies Act 2013:

1. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water;
2. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
3. 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;
4. 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;
5. 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;;
6. Measures for the benefit of armed forces veterans, war widows and their dependents;
7. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
8. 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;
9. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
10. Rural development projects.
11. Slum area development

The Company may undertake any other project or program in areas listed as per the provisions of Schedule VII referred in the section 135 of the Act. Adequate disclosures of the project shall be made in the Annexure to this charter.

6.0 Implementation process

- CSR Program will be undertaken by the Company within the defined ambit of Base Line Survey and Need Assessment.

- The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.
- The mode of implementation of CSR programs will include a combination of direct implementation and implementation through own foundation, charity partners, registered societies etc.
- The Company will use services of expert agencies, consultancy firms etc. wherever required for carrying out base line surveys, guidance on project design and implementation, impact assessment surveys etc.

7.0 CSR Governance Structure

7.1 Purpose:

The CSR Committee, as appointed by the Board of Director is formed inter-alia, to monitor the management of BACI's Corporate Social Responsibility framed in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The CSR Committee will be primary body providing strategic direction to the Company's CSR initiatives and ensuring compliance with the regulatory requirements and the internal policies of the company.

7.2 Membership:

Membership of the CSR Committee will comprise of a minimum of three Directors.

Other executives of the Company and the group affiliates, regional representatives, volunteers etc. may be invited to the meetings from time to time.

Responsibility of the CSR Committee:

- Formulate and recommend the CSR Charter to the Board for approval.
- Review the Charter from time to time and recommend changes to the board
- Recommend projects, which are in line with the activities specified in Schedule VII, to be undertaken by the Company
- Recommend the amount of expenditure to be incurred on CSR projects
- Ensure a transparent monitoring mechanism for implementation of the CSR projects undertaken by the Company

7.3 Quorum

- Quorum by majority and to include the Chairman
- Voting extends to Committee members only, and not to any other additional invitees
- Simple majority vote shall constitute approval with a vote of the Chair

7.4 Frequency of Meeting:

The committee shall meet at least once in six months or more frequently if required.

7.5 Approval Process:

The BACI ESG Committee consisting of nominated members from BACI, will review and provide inputs to the CSR Team who will function and perform all matters related to and/or ancillary with regard to the CSR activities under instructions from the CSR Committee for operational purposes.

The CSR Committee will select projects recommended by the BACI ESG Committee for CyberGrants clearance and for recommending them for approval of the Board of Directors of the Company. The mechanism on approval of CSR projects will be similar to the grants approval carried out by the Bank of America Foundation through CyberGrants. For BACI, the approval flow is set out as below:



7.6 Committee Administration

- Agenda items and related information will be collected by Company Secretary from CSR Team and circulated to all members prior to the meeting
- Meeting minutes will be prepared by the Company Secretary and distributed to all members of the Committee, including members not present, and to other relevant executives.
- The Company Secretary will maintain a copy of the minutes of the meeting as well as any documents distributed to Committee members in a central file.

7.7 Review

The Board of Directors of the Company shall review and reassess this Charter from time to time, and may make any amendments that they deem necessary.

8.0 Roles and Responsibility of the Board:

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

- Approval of the CSR Charter of the Company
- Disclosing the content of the Charter in its report and placing the Charter on the Company's website in such manner as prescribed under Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. ('CSR Rules')
- Ensuring that the projects included in the Charter are undertaken by the Company
- Ensuring that the Company endeavors to spend, in every financial year, at least 2% of the average net profits of the Company made during the three immediately preceding financial years in pursuance of the Policy.
- Ensuring that it specifies the reasons in its report for not spending the allocated amount in case the Company fails to spend such amount

9.0 Monitoring and Reporting Framework

9.1 Project Monitoring:

The Company will institute a well-defined monitoring and evaluation mechanism to ensure that each CSR Program has:

- A clear objectives developed out of the societal needs that are determined through baselines studies and research
- A clear targets, time lines and measurable parameters wherever possible
- A progress monitoring and reporting framework that is aligned with the requirements of the section 135 of the Act and the CSR Rules

- The CSR progress monitoring authorities and the frequency of review is given below.

S. No.	CSR Progress Review and Monitoring Authority	Frequency of review
1	Board of Directors	Quarterly
2	CSR Committee	Quarterly
3	BACI ESG Committee	Quarterly

- Members may attend the meetings through video/audio conference or through any other technological means. No proxy shall be allowed to attend the Meetings.

Program monitoring mechanism will ensure:

- The CSR Charter is implemented as per the Act and the CSR Rules.
- The CSR Charter is implemented ensuring that all projects/Programs as budgeted are duly carried out.

9.2 Evaluation

- The Company will have a quarterly reporting in place to monitor and evaluate the projects and the NGO and its funding.
- Expected outcomes, outputs and impacts will be clearly defined for each Program as per stated timelines.
- Impact Assessments with the help of third party to be engaged on need basis

9.3 Reporting

The Company will ensure CSR reporting annually in the format recommended in the CSR Rules as part of its annual report.

10.0 Definitions

- “Board” or “Director (s)” shall mean the Board of Directors of the Company.
- “Base Line Survey” shall refer to the baseline study to provide an information base against which to monitor and assess a CSR activity’s progress and effectiveness during implementation and after the CSR activity is completed.
- “Company” or “BACI” shall mean BA Continuum India Private Limited.
- “Contribution” or “Donation” shall mean the contributions made by BACI for CSR activities.
- “CSR” shall mean Corporate Social Responsibility.
- “CSR Rules” shall refer to the Companies (Corporate Social Responsibility) Rules, 2014
- “Need Assessment” shall refer to the identification of community needs to assess the need for the CSR project in the community.