

Policy

# Corporate Social Responsibility – J.P. Morgan Securities India Private Limited

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## 1. Strategy and Approach

An inclusive economy – in which there is equal access to opportunity – is a stronger, more resilient economy. At J.P. Morgan we believe the role of Corporate Responsibility is to help build an inclusive global economy that works for everyone.

We create opportunity in disadvantaged communities and build for the future across three areas where we're uniquely positioned to drive impact: careers and skills, financial health, and business growth and entrepreneurship. Our Corporate Social Responsibility ("CSR") strategy is consistent with J.P. Morgan's global Corporate Responsibility approach and is administered by J.P. Morgan's Global Philanthropy dedicated country team for India.

## 2. Scope

Locations	All
Legal Entities	J.P. Morgan Securities India Private Limited (JPMSI)

The Corporate Social Responsibility Policy ("**CSR Policy**") of JPMSI sets out the framework guiding JPMSI's CSR activities and the rules that need to be adhered to while taking up and implementing CSR activities.

The CSR policy pertains to all activities undertaken by JPMSI towards fulfilling its CSR objectives undertaken pursuant to Section 135 of the Companies Act, 2013 ("**Act**") and includes the activities covered under Schedule VII to the Act and the Companies (the Corporate Social Responsibility Policy) Rules, 2014 (the "**Rules**"), each as amended from time to time. The Corporate Social Responsibility Committee of JPMSI ("**CSR Committee**") shall monitor the CSR Policy from time to time.

## 3. Governance Framework

JPMSI has set up a robust and transparent governance structure to oversee the implementation of the CSR Policy, in compliance with the requirements of the Act and Rules as mentioned above.

The board of directors of JPMSI ("Board") will have an oversight on the adherence to this CSR Policy. The CSR Committee shall recommend to the Board, the total amount of expenditure to be incurred by JPMSI on CSR activities during the applicable financial year. The overall amount to be committed towards CSR will be approved by the Board as a part of its Annual Action Plan, and the respective allocation towards identified and specific CSR initiatives/projects will be approved by the CSR Committee of the Board.

The CSR Committee shall be responsible to:

- Formulate and approve revisions to the CSR Policy and recommend the same to the Board for its approval;
- Formulate, approve revisions and recommend an Annual Action Plan to the Board for its approval;
- Identify CSR projects for the Company, including 'Ongoing Projects';
- Recommend the annual CSR expenditure budget to the Board for approval;
- Ensure implementation of CSR activities of the Company within the applicable framework;
- Track the progress of each project;
- Approve the disclosures which are part of the Annual Report

JPMSI's CSR Committee will be duly constituted in accordance with the Act and the Rules; and a quorum of at least 2 members would consider and approve the projects or program that JPMSI will undertake as CSR activities in India. JPMSI will also ensure that there is continuing collaboration with its group entities to accomplish its CSR activities.

No member of the CSR Committee shall be personally liable for any decision or action taken in good faith with respect to the CSR Policy.

JPMSI's Board shall provide approach and direction for the governance of CSR towards the following as per the applicable Act and Rules:

- Project Cost
- Administrative Overheads
- Eligibility of Implementing agencies
- CFO Certification
- Impact Assessment

#### 4. Operating framework

This section sets out the selection, implementation and monitoring framework for JPMSI's CSR projects/programs.

##### **Selection**

- JPMSI will source projects/programs in line with the Action Plan as detailed in the CSR Policy and as amended from time to time with the approvals of the CSR Committee and the Board. The CSR Committee and the Board will use their discretion, and will have the sole right, in identifying and sourcing the projects and programs in line with the CSR Policy and the Action Plan.
- Selection processes will follow the global grant making guidelines of J.P. Morgan Global Philanthropy
- All supported implementing agencies will meet the eligibility criteria set out in the Act, Rules and subsequent amendments.
- To the extent possible, funding of CSR projects will be against clear and measurable outcomes defined in a grant agreement.
- The CSR Committee of JPMSI will review and approve such projects / programs and approve disbursement of CSR funds towards them within the targets set out in the CSR Policy.

The CSR initiatives of JPMSI will exclude the benefits made by the Company exclusively or predominantly to its employees, shareholders, investors, creditors and business partners.

##### **Implementation**

To the extent possible, funding for CSR projects, identified by the Committee, will be for such period as may be determined by the CSR Committee, with potential for future funding contingent on programming and outputs assessed from the interim and final reports.

## **Monitoring**

The monitoring mechanism will ensure effective implementation of the CSR Programs.

- Interim and final reports shall be obtained in respect of all grants and such requirement be stipulated in the grant agreement issued to every implementing agency.
- An impact report will be presented to the CSR Committee if applicable under the Act and Rules.
- The CSR projects/programs of the Company shall also be reported every year in the Annual Report of the Company as required by the Act and Rules.
- The CSR Committee shall report and discuss all important matters which impact the operations of the CSR projects or program or activities (either new or ongoing), including but not limited to the modalities of utilization of funds on such projects and programs and the monitoring and reporting mechanism etc., to the Board of JPMSI.

## **5. CSR Activities**

In any given financial year, JPMSI aims to meet the allocation of 2% of the average net profits (as defined under the Act) in the preceding three financial years for CSR activities as stipulated by the Act. To the best of its ability, JPMSI shall endeavor to give preference to the local areas and areas around its operations. Any surplus arising from CSR activities undertaken by JPMSI will not be subsumed as business profits of JPMSI but would rather be utilized for the CSR related activities described herein.

JPMSI, both directly and in collaboration with J.P. Morgan's Global Philanthropy, will continue to work with various bodies including state governments and non-profit organizations or otherwise to undertake activities aligned with Schedule VII of the Companies Act 2013, associated rules and amendments.

Subject to the provisions of the Act as applicable from time to time, the Company may carry out its CSR activities either by itself or through such implementing agencies permitted under the Act or the Company may also collaborate with other companies for undertaking projects or programs 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 programs in accordance with the CSR rules.

### **Action plan [for the year 2023-24]**

CSR projects/programs for JPMSI will be undertaken as per the below guiding principles for the Action Plan. The plan will be updated to detail specific projects/programs, the modalities of utilization of funds and implementation schedules for the projects or programs, monitoring and reporting mechanism for the projects or programs and details of need and impact assessment, if any, for the projects undertaken by the company. Any unbudgeted expenditure, either on account of new project(s) or due to increase in the outlay for approved project(s) with the approval of the CSR Committee.

Project area	Items from Schedule VII
<p><b>A) Careers and Skills</b></p> <p>a) Support disadvantaged youth who are pursuing education transition from school to work through projects/programs in:</p> <ul style="list-style-type: none"> <li>• Career counselling</li> <li>• Employability skills training</li> <li>• Coaching for tertiary education</li> <li>• Workplace exposure through internships / apprenticeships</li> <li>• Entrepreneurship training and training for green jobs</li> </ul> <p>Support disadvantaged youth who have dropped out of education (NEET youth) by providing them technical training and placement support for jobs in high growth sectors or by creating opportunities for self-employment / entrepreneurship.</p> <p><b>B) Small Business Growth</b> Help existing women-owned microbusinesses to grow their income by facilitating access to capital.</p> <p><b>C) Financial inclusion and health</b> Leverage technology to drive financial access and health for low-income, disadvantaged and underserved communities</p> <p><b>D) Research in all the above areas</b></p> <p><b>E) Disaster relief, rehabilitation, recovery and resilience</b></p>	<p>(i) Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water.</p> <p>(ii) promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.</p> <p>(iii) promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.</p> <p>(iv) 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</p> <p>(ix) (a) Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government;</p> <p>(xi) slum area development.</p> <p>(xii) disaster management, including relief, rehabilitation and reconstruction activities</p>

Subject to the provisions of the Act, the Company may also utilize its CSR spend towards creation or acquisition of a capital asset.

## 6. Defined Terms

CSR	Corporate Social Responsibility
CSR Policy	Corporate Social Responsibility Policy
Act	Section 135 of the Companies Act, 2013 and subsequent amendments
Rules	Companies (the Corporate Social Responsibility Policy) Rules, 2014 and subsequent amendments
CSR Committee	Corporate Social Responsibility Committee of JPMSI
Board	Board of directors of JPMSI

## 7. Review

The CSR Policy will be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs from time to time, on the subject matter. In any case, the CSR Committee shall review the Policy every year once for making suitable amendments for better implementation of the Policy. It would be subject to revision / amendment by the Board based on the recommendation of the CSR Committee in accordance with the Act and the Rules.

The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy.

The power to interpret and administer the Policy shall rest with the Chairman of the CSR Committee whose decision shall be final and binding. The Chairman is also empowered to make any supplementary rules/orders to ensure effective implementation of the Policy. These will, however, be reported to or tabled before the CSR Committee of the Board, from time to time, to ensure CSR Committee's oversight on these issues.

## 8. Statutes, Laws, Rules, Regulations or External Guidance

Statutes, Laws, Rules, Regulations or External Guidance	The Companies Act, 2013 and the Rules made thereunder (by Ministry of Corporate Affairs <a href="http://mca.gov.in/">http://mca.gov.in/</a> )		
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## 9. Document Information

Policy Type	Legal Entity policy		
Policy Owner / Primary Contact / Secondary Contact/Policy Manager	Sourabh Anand	Sourabh Anand	Ketki Bhogle
Policy Owner's Function or Line of Business	Corporate Responsibility		
Policy Owner's Country	India		
Policy Approver	Board		
Policy Number (optional)	JPMSI CSR Policy FY 2023-24		
Approval Date / Annual Review Date / Initial Effective Date	June 6, 2023	April, 2024	April 1, 2023
Last Off-Cycle Update Date	Last Policy update: May 26, 2022		
Contact Group Email or Hotline Number	<a href="mailto:J.P.Morgan.India.CSR@jpmorgan.com">J.P.Morgan.India.CSR@jpmorgan.com</a>		