

# Corporate Social Responsibility Policy

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## **1.0 PURPOSE**

Corporate Social Responsibility (CSR) is about the way in which organizations meet their wider economic, social and environmental obligations towards all stakeholders and society at large. It includes, but is not limited to sustainable development practices, corporate citizenship, corporate governance and business ethics.

This Policy should be considered in conjunction with, or with reference to, a variety of other internal policies and procedural documents. These include various staffing policies and procedures, code of conduct and other regulatory frameworks.

The main objectives of the Corporate Social Responsibility Policy are:

- a) To contribute to the social cause of the society, to project the humane face of the Company and to develop a better image of the Company as a responsible corporate citizen.
- b) To create a social orientation amongst the employees of the Company as a conscious organizational policy.
- c) To cherish the vision and values of the Company.
- d) To generate, through its CSR initiatives, a community goodwill for SBI Life and help reinforce a positive & socially responsible image of SBI Life as a corporate entity.

Further, Government of India vide notification dated February 27, 2014 has notified Section 135 along with Schedule VII of the Companies Act, 2013 ("the Act") and the Companies (Corporate Social Responsibility Policy) Rules, 2014 under the Act. These rules have been made effective from April 01, 2014. In accordance with the aforementioned, the Company has modified this CSR policy to meet the requirements, as prescribed.

## **2.0 SCOPE**

SBI Life is committed to ensure that its business is conducted in all respects according to ethical, professional and legal standards and enhancing its brand value with an aim of giving back to the Society.

As a responsible Company, we recognize that our activities (operations, products and services) have a wider impact on, and can therefore contribute to, the society in which it operates, and aims to take this into account by taking appropriate activities, as outlined in this Policy.

The Company will consistently strive for opportunities to conduct various activities under CSR as prescribed under the Companies Act, 2013 and the rules / directions made there under.

### **3.0 POLICY STATEMENT**

#### **3.1 Activities under Corporate Social Responsibility:**

The Company would endeavor to participate/contribute in activities as mentioned in Schedule VII of the Companies Act, 2013 relating to:

- i. eradicating extreme hunger and poverty;
- ii. promotion of education;
- iii. promoting gender equality and empowering women;
- iv. reducing child mortality and improving maternal health;
- v. combating human immunodeficiency virus, acquired immune deficiency syndrome, malaria and other diseases;
- vi. ensuring environmental sustainability;
- vii. employment enhancing vocational skills;
- viii. social business projects;
- ix. 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 and funds for the welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women; and,
- x. such other matters as may be prescribed from time to time.

##### **3.1.1 Governance Structure:**

##### **3.1.2 CSR Committee of the Board:**

As prescribed under the Act, a Corporate Social Responsibility Committee (CSRC) of the Board is constituted consisting of the following members:

- Two Independent Directors
- Managing Director and CEO
- ED - Actuarial & Risk Management
- Head - HR & Admin
- Chief Financial Officer

The CSRC is responsible for overseeing the Company's CSR program, ensuring its compliance and reporting to the Board on a timely basis. The Corporate Social Responsibility Committee shall,

- (a) formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per Companies Act, 2013;

- (b) monitor the CSR Policy of the Company and recommend required changes in the policy from time to time;
- (c) recommend to the Board the CSR activity areas/proposals and the amount of expenditure to be incurred on the activities;
- (d) examine the proposal/requests submitted by CSR sub-committee for grant of donation/Financial Assistance/ Sponsorship etc. and also submit its recommendation before the Board.
- (e) monitor surplus arising from the CSR activities and issuance of necessary directions in this regard.

### **3.1.3 CSR sub-committee:**

For each activity/ project planned to be executed, a CSR sub-committee, comprising of representatives from various departments may be constituted, who would oversee the execution of the work for the purpose of satisfactory completion in terms of cost / time parameters.

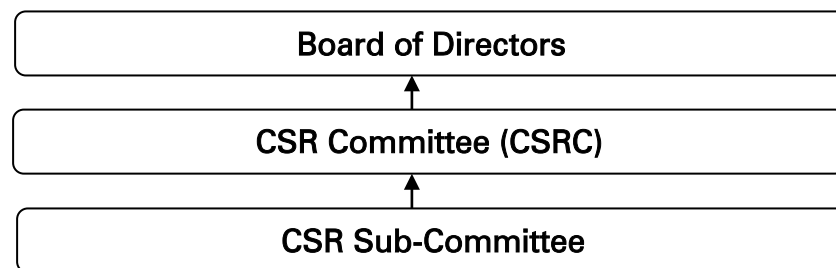
The Committee will have representation from various departments, including Finance & Compliance, Human Resources & Admin and Corporate Communications.

The CSR sub-committee would,

- (a) identify CSR activity areas to be undertaken during the year as per the Company's policy and place the same in the CSRC meeting for discussion.
- (b) ensure that the business manages CSR risk and operates in line with the minimum standards in this Policy.
- (c) prepare a quarterly report detailing the activities undertaken and submit to CSRC which in-turn submits it to the board.
- (d) abstain from carrying out any activities under CSR which may create dissatisfaction among any section of the society.
- (e) provide required feedback and inputs to formulate and improve the projects in future, from time to time, as per need and requirement.
- (f) monitor the utilization of funds donated and ensure end use of funds for the purpose for which they are sanctioned.
- (g) familiarize all staff with the Company's CSR policy.

### **3.1.4 Organisational Structure:**

Based on above, the organisational structure for the governance of CSR will be as follows:



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 as prescribed in the Act/Rules.

### **3.1.5 Monitoring of CSR Activities:**

The CSR Committee and CSR Sub-committee shall be responsible for monitoring the CSR programme and provide periodic reports to the Board on the implementation part, time frames, etc. The progress report of the activities undertaken shall be reported as under:

- a) Quarterly report by CSR sub-committee to CSR Committee
- b) Annual Report of CSR to Board of Directors.

### **3.1.6 Implementation, Mechanism & Planning:**

While identifying the CSR initiative, the Company would consider the following parameters for identifying/selection of scheme/programme:

- (a) The CSR Programme must be based on the fundamentals of sustainable development.
- (b) While implementing the identified programme, time frames and milestones may be predefined.
- (c) Specific programme will be identified and formulated based on need assessment surveys. The note detailing the need for specific programmes, time frame for implementation and the budget would be presented by the CSRC to the Board for approval. If felt necessary, assistance and guidance of specialized agencies may be taken to help and identify the programme.

The focus of delivering services/benefits will be predominantly underprivileged sections of the society as far as possible.

### **3.2 CSR expenditure:**

The annual CSR Budget would be approved by the Board on the recommendation of the CSR Committee, subject to the provisions of the Act.

Based on the total approved Budget, CSRC would be authorized to allocate funds for different projects (including non-projects) on the basis of identified CSR plan on yearly basis, under different budget heads for undertaking CSR activities. Such allocation of funds shall not act as a constraint in the event of a national calamity and the Company may contribute such amount as may be deemed necessary for a cause.

Any unspent/unutilized CSR allocation of a particular year, will be carried forward to the following year, i.e. the CSR budget will be non-lapsable in nature.

CSR expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of CSRC, but does not include any expenditure not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

The CSR projects or programs or activities undertaken in India shall only be considered as the CSR expenditure.

### **3.3 Surplus from CSR Activities:**

The surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company.

### **3.4 Restrictions of Specific Activities under CSR:**

The CSR projects or programs or activities that benefit only the employees of the Company and their families shall not be undertaken under the CSR expenses and reporting there under.

Further, contribution of any amount directly or indirectly to any political party under section 182 of the Act, shall not be considered as CSR activity.

### **4.0 ADHERENCE**

Adherence to the Policy is the responsibility of the SBI Life employees / regions / department / offices involved in handling the CSR activities as per the directions of the CSR sub-committee and/or the CSRC.

### **5.0 OWNERSHIP**

This Policy is owned by Brand & Corporate Communication team. Ownership in this instance entails the responsibility to maintain the currency of this document.

The Board is authorized to make any amendments to this Policy at any time based on the recommendation of the CSRC, where it is considered appropriate to do so.

The Policy will be reviewed annually by the Board.