



Corporate Social Responsibility - Revised Annual Action Plan for FY 2021-22 with incorporation of ESG theme

1) Background:

- 1.1 SBICAP, being one of India's leading investment banks has a vision to be the best in its category. We have built a credible legacy over the past three decades and pride ourselves not only on our business achievements but also for being the first choice among policymakers for undertaking strategic advisory projects and transactions of national importance. The Company has contributed significantly to the nation-building exercise over the years through its engagements with the various arms of the Government, regulatory bodies and public enterprises on key initiatives that have helped to drive the country's holistic economic progress.
- 1.2 With the evolving times, it is essential to recognize the fact that along with regular business, Corporate Social Responsibility (CSR) is also moving towards a more integrated approach wherein companies must be mindful while deploying their resources to boost sustainable development and create opportunities for all sections of society. Over the past few years, this is epitomized by the emergence and almost universal acceptance of Environmental, Social and Governance (ESG) strategies and practices.
- 1.3 SBICAP's subsidiary - SBICAP Ventures Ltd (SVL) manages the Neev Fund which has strategically aimed at allocation of capital towards climate change, environment, and Social impact through a diverse portfolio with a goal of improving livelihoods, contributing to the Sustainable Development Goals as well as Mitigating and adapting to Climate Change, helping India achieve its Nationally Determined Contributions under the Paris Agreement, proving that early ESG integration is a de-risking strategy that optimizes returns. In terms of our internal estimates, Neev has impacted millions of lives directly or indirectly in a positive manner since inception. Neev 2 is also likely to have a significant impact on the lives of a very large cross-section of people. The growth and maturing of organizational ethos and values requires alignment of all aspects of its existence. The organisation's CSR activities is one such aspect which we seek to align with this theme going forward.

2) SBICAP CSR Programme:

2.1 SBICAP's CSR Budget for FY 2021-22 is estimated to be around Rs 5,79,00,000/-. In the July-September quarter, the Company, while planning the theme for its CSR Programme for the year, also disbursed an amount of Rs 6,51,168/- towards provision of requisite medical equipment to INHS Asvini- a premier naval hospital in Mumbai, through the SBI Foundation. Thus, as on date, the Company has implemented 5 projects totaling to Rs 1,14,99,768/- with a budget of Rs 4,64,00,232/-remaining.

2.2 Since CSR covers the overarching social, environmental, and economic concerns in a company's policies, practices, and decision-making, CSR commitments serve as keystones for Corporate culture and could serve as a starting point for an overall ESG framework for a Company. It can also help the Company transform itself into a more sustainable concern with a focus on social impact and be a distinguishing factor which makes it stand out amongst its peers. Accordingly, we propose to have an overarching ESG theme for our CSR Programme for a major part of the remaining expenditure for the FY. This theme will blend in with our overall philosophy, the priorities for the nation today as well as global priorities, thus looking at positioning SBICAP as a 'thought leader' in its space and distinguishing our CSR work from peers.

2.3 We thus propose the broad plan for utilizing the remaining CSR budget of the Company for FY 2021-22 as follows:

1) **Environment, conservation & climate change mitigation** - The UN Intergovernmental Panel on Climate Change Working Group released a recent report (August 9th) stating that over the next 20 years, global



temperatures are likely to rise by more than 1.5 degrees Celsius on an average triggering extreme weather conditions as reported from across the globe, including in India, where heavy monsoons have triggered floods in many states this year. Similarly, water levels across various coastal cities like Mumbai is expected to rise and submerge adjoining areas, unless urgent action is taken. To address this, relevant projects in the following areas are proposed to be taken up:

- i. Conservation of mangroves and natural cover
- ii. Urban afforestation initiatives in Mumbai and surrounding areas.
- iii. Promoting environmental and sustainability initiatives like rainwater harvesting in urban areas
- iv. General biodiversity and habitat conservation efforts around the country.

These projects are proposed to be implemented through CSR-1 registered entities such as - United Way, Nature Forever Society, Wildlife Trust of India and/or other similar reputed foundations working for nature, environment and conservation cross the country where required. A budget outlay of around Rs 2,00,00,000/- is proposed to be allocated towards such projects.

2) **Social projects broadly focusing on healthcare, child literacy (with a focus on female literacy) and education** - Healthcare and Education are two prime areas that can have an immense social impact and help reach out to a larger segment of the population. This bucket would include projects as the below:

- i. Supporting immediate response to any further healthcare crisis arising out of the COVID 19 pandemic and strengthening of overall healthcare infrastructure, supporting vulnerable and needy groups across the healthcare spectrum along with allied initiatives like strengthening of emergency response facilities and community vaccination & testing efforts as per terms allowed by the Government under CSR.
- ii. Education initiatives especially for the juvenile and the girl children.

The above projects are proposed to be implemented through CSR-1 registered entities such as - SBI Foundation, Doctors for You (DFY), Childline India, Hirabai Cowasji Jehangir Medical Research Institute (HCJMRI), Catalysts for Social Action (CSA) and other similar organizations across the country, as required. A budget outlay of around Rs 2,65,00,000/- is proposed to be allocated towards such projects.

Since Governance under ESG is still an evolving area especially in relevance to CSR, we propose to presently focus on the Environmental and Social part of ESG for the CSR Programme of FY 2021-22.

The said revised Annual Action Plan has been approved by the Board of Directors in its 220th Board meeting held on 27th October 2021.