

AUDIT COMMITTEE

Composition:

1. Shri Shriniwas Yeshwant Joshi – ***Chairman, Independent Director***
2. Dr. Tejendra Mohan Bhasin – *Member, Independent Director*
3. Smt. Anuradha Nadkarni – *Member, Independent Director*
4. Shri Rajendra Kumar Saraf – *Member, Independent Director*
5. Shri Mihir Narayan Prasad Mishra – *Member, Non-executive Nominee Director*

Quorum: 3 members or 1/3rd of the members of the committee, whichever is greater, including at least 2 independent directors in attendance

Frequency: The Audit Committee shall meet at least four times in a year with maximum interval of 120 days between two meetings.

Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference;
- (2) to seek information from any employee;
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary.

Terms of Reference:

1. oversight of financial reporting process and the disclosure of financial information relating the Company to ensure that the financial statements are correct, sufficient and credible;
2. recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
5. examining with the management, the quarterly, half-yearly and annual financial statements and auditor report thereon before submission to the Board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate

recommendations to the Board to take up steps in this matter;

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the Company with related parties and to grant omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;

Explanation: *The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.*

9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the Company, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. reviewing the functioning of the whistle blower mechanism;
19. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
20. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision;
22. ensuring that an information system audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Company;
23. frame suitable policies, procedures and systems to ensure that there is no violation of

securities laws, as amended from time to time, or any other applicable law, including:

- a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
- b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable;

24. Perform such other activities as may be delegated by the Board and carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or Master Directions or Companies Act or any other applicable law, as and when amended from time to time.

25. Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the chief internal auditor; and
- Statement of deviations in terms of the SEBI Listing Regulations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s); and
 - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice.

NOMINATION AND REMUNERATION COMMITTEE

Composition:

1. Dr. Tejendra Mohan Bhasin – ***Chairman***, *Independent Director*
2. Shri Ashwini Kumar Tewari – *Member, Non-executive Nominee Director*
3. Shri Mihir Narayan Prasad Mishra – *Member, Non-executive Nominee Director*
4. Shri Rajendra Kumar Saraf – *Member, Independent Director*
5. Shri Shrinivas Yeshwant Joshi – *Member, Independent Director*

Quorum: 3 members or 1/3rd of the members of the committee, whichever is greater, including at least 1 independent director in attendance

Frequency: Nomination and Remuneration Committee shall meet at least once in a year.

Terms of Reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “Board” or “Board of Directors”) a policy relating to the remuneration of the directors, key managerial personnel and other employees (“Remuneration Policy”);

The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that —

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
 - relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
2. Formulation of criteria for evaluation of performance of independent directors and the Board and to specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
 3. Devising a policy on Board diversity;
 4. To establish criteria for fit and proper as per the guidelines issued by Reserve Bank of India or any other regulatory body or applicable statute, rule or regulation;
 5. Ensuring ‘fit and proper’ status of the proposed and existing directors;
 6. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
 7. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

8. recommend to the board, all remuneration, in whatever form, payable to senior management;
9. To exercise such powers as are granted under the applicable employee stock option scheme of the Company, as amended from time to time; and
10. perform such other activities as may be delegated by the Board and carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or under the Master Directions or provided under the Companies Act or any other applicable law, as and when amended from time to time.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition:

1. Shri Rajendra Kumar Saraf – ***Chairman***, *Independent Director*
2. Shri Rama Mohan Rao Amara – *Member, Executive Nominee Director*
3. Shri Mihir Narayan Prasad Mishra – *Member, Non-executive Nominee Director*
4. Shri Dinesh Kumar Mehrotra, *Member, Independent Director*

Quorum: 3 Members or 1/3rd of the members of the committee, whichever is higher with Minimum 1 Independent Director

Frequency: CSR Committee shall meet at least twice in a year.

Terms of Reference:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the provision of the Companies Act, 2013.
2. To recommend to the Board the amount of expenditure to be incurred on the activities as per the point (a) above.
3. To monitor the Corporate Social Responsibility Policy of the company from time to time
4. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following, namely: -
 - the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
 - the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4;
 - the modalities of utilisation of funds and implementation schedules for the projects or programmes;
 - monitoring and reporting mechanism for the projects or programmes; and
 - details of need and impact assessment, if any, for the projects undertaken by the company:

The Board may alter annual action plan at any time during the financial year, as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.

5. The committee will be responsible for reviewing potential implementing partners & their project ideas. The guiding principles for selection of projects are stated below:
 - Alignment to SBI Card's CSR Focus Areas and the national priorities or activities mentioned in Schedule VII of the Companies Act, 2013 and are as per the CSR Policy of the Company.
 - Identification of partners for implementation and areas with experience of creating impact and change
 - Adjacency of the initiative to the business, its competencies, capabilities, and geographies of operation.

The above principles will be used to shortlist the areas of work and the projects subject to compliance of provisions in Schedule VII of the Companies Act and rules made thereunder.

6. For projects approved by the Board, CSR Committee will be responsible for overseeing the designing, developing, execution and monitoring the projects.
7. The CSR Committee will be supported by the CSR Review committee group in all its responsibilities listed above.
8. Any other requirement mandated under the Act or Rules due to statutory modifications/amendments.

STAKEHOLDERS RELATIONSHIP AND CUSTOMER EXPERIENCE COMMITTEE

Composition:

1. Dr. Tejendra Mohan Bhasin – ***Chairman***, *Independent Director*
2. Shri Rajendra Kumar Saraf– *Member, Independent Director*
3. Shri Rama Mohan Rao Amara, *Member, Executive Nominee Director*
4. Shri Mihir Narayan Prasad Mishra, *Member, Non-Executive Nominee Director*

Quorum: 3 Members or 1/3rd of the members of the committee, whichever is higher with Minimum 1 Independent Director

Frequency: Meet as and when required and atleast thrice in a year.

Terms of Reference:

1. Considering and looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Redressal of grievances of the security holders of our Company, including complaints in respect of allotment of equity shares, transfer/ transmission of Equity Shares, non-receipt of new/duplicate share certificates, declared dividends, annual reports, balance sheets of our Company, general meetings, etc.;
3. Approval of transfer or transmission of Equity Shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/ renewal, etc.;
5. Reviewing measures taken for effective exercise of voting rights by shareholders;
6. Reviewing adherence to the service standards adopted by our Company in respect of various services being rendered by the registrar and share transfer agent;
7. Reviewing the various measures and initiatives undertaken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company; and
8. To allot the debentures issued by the Company from to time under the necessary approval of the Board
9. Reviewing various policies that relate to customer experience/service and stakeholders of the Company.
10. Review of Customer Experience Survey reports and survey indicator trends to provide directions / guidance on action planning to enhance customer experience across the Company.
11. Reviewing the actions taken/ being taken by the company to enhance the customer experience across the Company
12. Providing inputs on the processes adopted by the Company with a view to ensure enhanced customer experience
13. Monitoring the implementation of the Ombudsman Scheme with particular reference to:
 - Reviewing all the awards against the company with a focus on identifying issues of systemic deficiencies and the plan to address these deficiencies

- Reviewing all awards that remain unimplemented after 3 months from the date of the award with the reasons thereof; to report to the Board such delays in implementation without valid reasons and for initiating remedial action
14. Review on an overall basis the complaints and quality of resolution provided by the Company to ensure a robust grievance redressal mechanism and report to the Board of Directors thereafter; this is done once every six months and based on the review, the Committee will direct to initiate prompt corrective action wherever process, policy or execution gaps are identified.
 15. Review the customer attrition rate.
 16. Carrying out any other functions delegated by the Board of Directors or required to be carried out under any applicable law, from time to time.

RISK MANAGEMENT COMMITTEE

Composition:

1. Shri Dinesh Kumar Mehrotra – ***Chairman, Independent Director***
2. Shri Rama Mohan Rao Amara – ***Member, Executive Nominee Director***
3. Shri Mihir Narayan Prasad Mishra – ***Member, Non-executive Nominee Director***
4. Smt Anuradha Nadkarni, – ***Member, Independent Director***

Quorum: 3 Members or 1/3rd of the members of the committee, whichever is higher with Minimum 1 Independent Director

Frequency: The Risk Management Committee shall meet at least once in every quarter.

Terms of Reference:

- (1) To formulate a detailed risk management policy which shall include:
 - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
 - (c) Business continuity plan.
- (2) To review and approve policies and procedures of the Company involving substantial risk including compliance policy, know your customer and anti- money laundering policy and fair practice code and Risk Management System/Plan;
- (3) To implement and monitor policies and/or processes for ensuring cyber security
- (4) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- (5) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and plans;
- (6) To review the risk management policy by considering the changing industry dynamics and evolving complexity annually and further recommendation to the Board for approval;
- (7) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (8) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- (9) To Approve the Risk Appetite for the Company
- (10) To review on annual basis appropriateness and effectiveness of risk governance
- (11) Committee should oversee Fraud Risk

- (12) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework
- (13) Risk Management Committee shall periodically review the risk management policy and systems at least annually considering the changing industry dynamics and evolving complexity;
- (14) Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law.

IT STRATEGY COMMITTEE

Composition:

1. Shri Rajendra Kumar Saraf – ***Chairman***, *Independent Director*
2. Dr. Tejendra Mohan Bhasin – *Member, Independent Director*
3. Managing Director & CEO
4. Chief Operating Officer
5. Chief Information & Digital Officer
6. Chief Financial Officer
7. Chief Information Security Officer
8. Chief Technology Officer

Permanent invitee: - SBI General Manager (Information Technology –Operations)

Charter of IT Strategy Committee

1 Overview

The IT Strategy Committee (also referred as “ITSC” herein) of SBICPSL (herein after referred as “Company”) will have oversight responsibility of the IT policies, procedures and investment approvals being presented to Board. The ITSC will review the policies, procedure and investments being presented to the Board before recommending the same for approval to the Board or to an Empowered Executive Committee (EEC) or any such other special committee that Board may constitute and authorize, from time to time, for any special business purpose/activity.

2 Authority

The Board authorizes the ITSC to oversee management’s establishment of appropriate systems that include policies and procedures to ensure that IT operational risks in the Company are effectively controlled. The ITSC will also review and approve appropriate IT investments that are required in the Company before recommending the same to the Board/EEC for approval.

3 Responsibilities

3.1 The ITSC will review the strategies, policies and procedures for managing IT operational risk (including outsourcing of IT services) and effectiveness of controls mitigating those risks at the time of onboarding such outsourcing engagements

3.2 The ITSC will recommend IT investments to the Board/ relevant Committee of the Board for approval post its review.

3.3 The ITSC will review and update this Charter at least annually and recommend changes to the Board for approval.

3.4 The ITSC will ensure proper balance of IT investments for sustaining NBFC’s growth and becoming aware about exposure towards IT risks and controls.

3.5 ITSC will periodically review the effectiveness of policies and procedures.

3.6 Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place.

3.7 Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.

3.8 Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable.

3.9 Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources

3.10 Ensuring proper balance of IT investments for sustaining NBFC's growth and becoming aware about exposure towards IT risks and controls.

3.11 Carrying out review and amending the IT strategies in line with the corporate strategies, Board Policy reviews, and any other matter related to IT Governance

3.12 Review of Cyber Security incidents and lessons learnt to prevent recurrence.

3.13 Deliberate on environmental risks, macroeconomic factors and technology trends which can shape Digital Strategy for the organization

3.14 Any other similar or other functions as may be laid down by Board from time to time and/or as may be required under applicable law.

Note: For details on outsourcing supplier selection risk assessment/ periodic risk assessment framework refer SBI Card Sourcing Policy. IT Strategy Committee will also refer to following guidelines for conducting their responsibility with respect to outsourced operations for IT. To conduct the above-mentioned activities, critical IT Outsourced vendors will be identified, and all activities mentioned above shall be carried out in a periodic manner for the outsourced vendors. The Role of IT Strategy committee in respect of outsourced operations shall include:

- a) Instituting an appropriate governance mechanism for outsourced processes, comprising of risk-based policies and procedures, to effectively identify, measure, monitor and control risks associated with outsourcing in an end to end manner;
- b) Defining approval authorities for outsourcing depending on nature of risks and materiality of outsourcing;
- c) Developing sound and responsive outsourcing risk management policies and procedures commensurate with the nature, scope, and complexity of outsourcing arrangements;
- d) Undertaking a periodic review of outsourcing strategies and all existing material outsourcing arrangements;
- e) Evaluating the risks and materiality of all prospective outsourcing based on the framework developed by the Board;
- f) Periodically review the effectiveness of policies and procedures;
- g) Communicating significant risks in outsourcing to the NBFC's Board on a periodic basis;
- h) Ensuring an independent review and audit in accordance with approved policies and procedures;
- i) Ensuring that contingency plans have been developed and tested adequately;
- j) NBFC should ensure that their business continuity preparedness is not adversely compromised on account of outsourcing. NBFCs are expected to adopt sound business continuity management practices as issued by RBI and seek proactive assurance that the outsourced service provider maintains readiness and preparedness for business continuity on an ongoing basis.

4 Membership of the Committee

4.1 Appointments to, and removals from, the ITSC, including the appointment of members, reside with the Board.

4.2 The ITSC shall consist of the following members:

1. 2 Independent Directors
2. MD & CEO
3. Chief Operating Officer
4. EVP & Chief Information Officer
5. EVP & Chief Financial Officer
6. SVP & Chief Information Security Officer
7. SVP & Chief Technology Officer

The Chairman of the Committee shall be an independent director. In the absence of Independent Director, members present shall elect Chairman of the meeting.

Company Secretary shall be the secretary of the Company.

Permanent Invitee: SBI General Manager (IT – Operations)

Only per invite

- I. CRO
- II. Legal head
- III. Such other members of management as designated by the Committee from time to time.

4.3 Members of the ITSC shall serve until their successors are appointed.

5 Committee Meetings, Structure and Operations

5.1 The ITSC shall meet as and when required but not more than six months should elapse between two meetings.

5.2 Quorum of any meeting will be five members. Attendance of the Independent Director, CIO, MD & CEO, CFO & COO is mandatory for quorum.

5.3 The meeting agenda and any materials will be issued to all members within an adequate period for members to review prior to the commencement of the meeting.

5.4 All meetings will be minuted and will be reviewed by the Secretary prior to distribution following the meeting. Minutes should include sufficient detail to provide clear understanding of the ITSC activities, actions and decisions. Minutes will be reviewed and approved by the ITSC.

5.5 Minutes of the ITSC meetings will be reported to the Board of Directors.

5.6 Where a proposal submitted to the ITSC is dealt with by way of circular resolution, it must be circulated to all members and approved by a majority of the full membership.

6 Reporting of ITSC Activities

The ITSC will regularly update the Board/Committee about its activities, make appropriate recommendations to the Board/Committee and will otherwise respond to specific requests made by the Board/Committee.

7 Committee Resources

In order to carry out the duties conferred upon the ITSC by the Charter, the ITSC is authorized to ask for the resources of the Company and where appropriate resources are unavailable within the company, the ITSC is authorized to ask for external resources as necessary.

EXECUTIVE COMMITTEE

Composition:

1. Shri Ashwini Kumar Tewari, ***Chairman***, *Non-Executive Nominee Director*
2. Shri Dinesh Kumar Mehrotra, *Member, Independent Director*
3. Shri Rama Mohan Rao Amara, *Member, Executive Nominee Director*
4. Smt Anuradha Nadkarni, *Member, Independent Director*

Quorum: Any 3 Members with mandatory presence of Independent Director

Frequency: The Executive Committee shall meet as and when any matter is referred for advice of the Committee

Terms of Reference:

- A. To grant unsecured Corporate Card limit exposures to the intended corporates– upto a maximum of Rs 50 Cr
- B. To grant secured Corporate Card limit exposures to the intended corporates– upto a maximum of Rs 75 Cr
- C. Any deviations beyond the approval authority of Credit Committee 1 shall be presented to the Executive Committee of the company for approval subject to its delegated authority
- D. To provide strategic and directional inputs on key business initiatives and strategic projects to the Company
- E. Authority to approve non-budgeted expenses greater than Rs. 1 Crore and upto Rs. 15 Crores.
- F. To develop tracking mechanism for benefits derived from the projects falling under the purview of the Committee.
- G. Periodical review on implementation and performance of key business initiatives and strategic projects of the Company as referred above.
- H. Approvals for change in processes and changes to business operations as may be required by the company
- I. Such other powers/functions as desired/referred by the Board from time to time.