



Annexure V

Business Responsibility and Sustainability Report

Section A: General Disclosures

I. Details of the listed entity

| | |
|---|--|
| 1. Corporate Identity Number (CIN) of the Listed Entity | L36911RJ1996PLC011381 |
| 2. Name of the Listed Entity | AU Small Finance Bank Limited |
| 3. Year of incorporation | 1996 |
| 4. Registered office address | 19-A, Dhuleshwar Garden, Ajmer Road, Jaipur - 302 001, Rajasthan |
| 5. Corporate Office address | 5 th Floor, E-Wing, Kanakia Zillion, Junction of CST Road & LBS Road, Kurla (West), Mumbai - 400 070, Maharashtra |
| 6. E-mail | investorrelations@aubank.in |
| 7. Telephone | 0141-4110060/61 |
| 8. Website | www.aubank.in |
| 9. The financial year for which reporting is being done | April 1, 2022 to March 31, 2023 |
| 10. Name of the Stock Exchange(s) where shares are listed | 1. BSE Limited 2. National Stock Exchange of India Ltd. |
| 11. Paid-up capital | ₹6,66,74,50,550 |
| 12. Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Rajesh Sharma Telephone: 0141-4110060/61 sustainability@aubank.in |
| 13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity), or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together)? | The Bank doesn't have any subsidiary or holding company and thus, this report has been made on standalone basis. |

II. Products/services

14. Details of business activities (accounting 90% of the turnover)

| Sr. No. | Description of Main Activity | Description of Business Activity | % of Turnover of the entity |
|---------|---------------------------------|--|-----------------------------|
| 1 | Financial and Insurance Service | Banking activities by Central, Commercial and Saving Banks | 100% |

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

| Sr. No. | Product/Service | NIC Code | % of total Turnover contributed |
|---------|---|----------|---------------------------------|
| 1 | Retail Banking, Treasury, Wholesale Banking, and other Banking Operations | 64191 | 100% |

III. Operations

16. Number of locations where plants and/ or operations/ offices of the entity are situated:

| Location | Number of plants | Number of offices | Total |
|---------------|------------------|-------------------|-------|
| National | - | 1,027 touchpoints | 1,027 |
| International | - | None | None |

17. Markets served by the entity:

a) Number of locations

| Locations | Number |
|----------------------------------|-----------------------------------|
| National (No. of States) | 21 states and 3 union territories |
| International (No. of Countries) | - |

b) What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

c) A brief on types of customers:

The Bank serves a diverse range of customers, catering to various segments and demographics. The Bank provides financial products and services to individuals, including salaried employees, self-employed professionals, small and medium enterprises (SMEs), micro-enterprises, and individuals from low-income or underserved communities. The Bank’s customer base encompasses both urban and rural areas, fostering inclusive growth and providing accessible banking services to a wide spectrum of customers.

The Bank has formalised Strategic Business Units (SBUs) structure to drive future growth. Below are the 10 SBUs of the Bank:



Under the above SBUs, the Bank caters to a wide range of customers, including:

Branch Banking: The Bank offers services of savings accounts, current accounts, deposits, lockers, third party products etc. to Branch Banking customers. These customers include Self Employed Non-professional, Self Employed Professional, Salaried, Housewife, Senior Citizens, NRI, Trader, Retailer & Distributors and Service Providers.

Wheels: The Bank has a strong presence in vehicle financing with widest product range in the industry and extend credit for 2 to 22-wheeler vehicles for individuals and corporate customers.

SBL & Commercial Banking: The Bank provides a range of banking services tailored to the needs of MSMEs, trusts, NGOs, schools, colleges, hospitals and other corporates including current accounts, fixed deposits, secured business loan, term loans, cash credit, over draft, trade & forex transactions, cash management services and non-fund based facilities etc. to support the growth and development of small businesses.



Housing Loans: The Bank provides housing finance solutions to individuals looking to buy, construct, or renovate their homes. It offers home loans with competitive interest rates, flexible repayment options, and quick processing to meet the housing needs of its customers.

Digital Banking: The Bank offers various digital solutions for retail customers, small merchants, MSMEs and Corporates through AU 0101 app, video banking and UPI QR etc.

Credit Cards: The Bank offers various types of credit cards to corporates and individuals who are from tier 2/3 cities, mid income segment, high income segment and super affluent.

Merchant Solutions Group: The Bank offers various products to MSMEs such as QR, POS, payment gateway, small ticket finance, Bank Guarantee, Letter of Credit and Bill discounting etc.

Financial & digital inclusion: The Bank focuses on serving unserved and underserved individuals residing in rural, semi-urban and urban areas who may have limited access to formal banking services through the Jan Dhan Bouquet comprising of savings account (BSBDA Account), micro-insurance (PMJJBY and PMSBY) and micro-pension services (APY).

IV. Employees

18. Details as at the end of the financial year:

a) Employees and workers (including differently abled):

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------|--------------------------|-----------|---------|---------|---------|---------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| Employees | | | | | | |
| 1 | Permanent (D) | 28,320 | 25,967 | 91.69% | 2,353 | 8.31% |
| 2 | Other than Permanent (E) | - | - | - | - | - |
| 3 | Total employees (D+E) | 28,320 | 25,967 | 91.69% | 2,353 | 8.31% |
| Workers | | | | | | |
| 4 | Permanent (F) | - | - | - | - | - |
| 5 | Other than Permanent (G) | - | - | - | - | - |
| 6 | Total workers (F+G) | - | - | - | - | - |

b) Differently abled employees and workers:

| Sr. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|---|-----------|---------|---------|---------|---------|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| Differently abled employees | | | | | | |
| 1 | Permanent (D) | 21 | 19 | 90.48% | 2 | 9.52% |
| 2 | Other than Permanent (E) | - | - | - | - | - |
| 3 | Total differently abled employees (D + E) | 21 | 19 | 90.48% | 2 | 9.52% |
| Differently abled workers | | | | | | |
| 4 | Permanent (F) | - | - | - | - | - |
| 5 | Other than permanent (G) | - | - | - | - | - |
| 6 | Total differently abled workers (F+ G) | - | - | - | - | - |

19. Participation/ Inclusion/ Representation of women

| | Total (A) | No. and percentage of Females | |
|---------------------------|-----------|-------------------------------|---------|
| | | No. (B) | % (B/A) |
| Board of Directors | 10 | 2 | 20% |
| Key Management Personnel* | 4 | 0 | 0 |

*including Executive Directors

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)*

In line with the BRSR guidance note, the turnover rates have been calculated with the formula: (No. of persons who have left the employment of the entity in the FY *100/Average no. of persons employed in the category), where average number of persons employed in a category has been calculated as (Persons employed in the category at the beginning of FY + Persons employed in the category at the end of FY)/2.

Turnover percentage for employees also includes attrition on account of death, superannuation, disciplinary action and exit of employees on account of low performance.

| Particulars | FY 2022-23 | | | FY 2021-22 | | | FY 2020-21 | | |
|------------------------|------------|------------|-----------|------------|------------|-----------|------------|------------|-----------|
| | Male (%) | Female (%) | Total (%) | Male (%) | Female (%) | Total (%) | Male (%) | Female (%) | Total (%) |
| Senior level employees | 4.9% | - | 4.9% | 9.6% | - | 9.6% | 8.2% | - | 8.2% |
| Mid-level employees | 17.7% | 19.4% | 17.8% | 14.8% | 19.5% | 15.0% | 11.6% | 19.4% | 11.9% |
| Junior employees | 35.6% | 45.4% | 36.4% | 27.5% | 41.4% | 28.5% | 18.2% | 32.2% | 19.0% |
| Frontline employees | 53.2% | 60.1% | 53.8% | 47.7% | 57.1% | 48.3% | 38.7% | 53.6% | 39.6% |
| Total | 46.7% | 54.4% | 47.3% | 41.6% | 52.0% | 42.3% | 33.3% | 48.1% | 34.2% |
| Permanent workers | - | - | - | - | - | - | - | - | - |

*Bank's overall headcount at the end of FY 2022-23 was 28,320 employees compared to 27,817 employees at the end of FY 2021-22. During the year, the Bank continued its focus on enhancing efficiency and productivity levels and there has been some increase in turnover rate as the overall base of employees remained at similar levels.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. Names of holding/ subsidiary/ associate companies/ joint ventures

| Name of the holding/ Sr. subsidiary/ associate No. companies/ joint ventures (A) | Indicate-whether holding/ subsidiary/ Associate/ Joint venture | % of shares held by the listed entity | Does the entity indicated at column A, participate in the Business-Responsibility initiatives of the listed entity? (Yes/No) |
|--|--|---------------------------------------|--|
| The Bank doesn't have any Holding, Subsidiary, Associate Company or Joint Venture. Thus, not applicable. | | | |

VI. CSR Details

22.

| | |
|---|-------------------|
| (i) Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No) | Yes |
| (ii) Turnover (in ₹) | 92,39,87,24,811 |
| (iii) Net Worth (in ₹) | 1,09,77,34,36,370 |

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

| Stakeholder group from whom a complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide a web-link for grievance redress policy) | FY 2022-23 | | | FY 2021-22 | | |
|---|---|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
| Communities | Yes Covered under Bank's Whistle-Blower Policy and Vigil Mechanism https://www.aubank.in/investors/secretarial-policies | Nil | Nil | - | Nil | Nil | - |
| Investors (other than shareholders) | Yes Covered under Investor Grievance Redressal Policy https://www.aubank.in/investors/secretarial-policies | Nil | Nil | - | Nil | Nil | - |



| Stakeholder group from whom a complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide a web-link for grievance redress policy) | FY 2022-23 | | | FY 2021-22 | | |
|---|---|--|--|---------|--|--|---------|
| | | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
| Shareholders | Yes Covered under Investor Grievance Redressal Policy https://www.aubank.in/investors/secretarial-policies | 6 | Nil | - | Nil | Nil | - |
| Employees and workers | Yes Covered under Bank's Whistle-Blower Policy and Vigil Mechanism https://www.aubank.in/investors/secretarial-policies | 9 | Nil | - | 4 | Nil | - |
| Customers | Yes Covered under Customer Grievance Redressal Policy https://www.aubank.in/notice-board | 35,322 | 1,491 | - | 35,497 | 485 | - |
| Value Chain Partners | Yes, Covered under Bank's Whistle-Blower Policy and Vigil Mechanism https://www.aubank.in/investors/secretarial-policies | 2 | Nil | - | Nil | Nil | - |
| Others (Third Party/Anonymous) | Yes Covered under Bank's Whistle-Blower Policy and Vigil Mechanism https://www.aubank.in/investors/secretarial-policies | 9 | Nil | - | 8 | Nil | - |

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------------|--|---|--|--|
| 1 | Financial and Digital Inclusion | Opportunity | Financial Inclusion is being recognised as a key driver of economic growth and poverty alleviation. Embracing financial and digital inclusion not only contributes to the social and economic development of India but also positions the Bank as a key enabler of inclusive growth. The Bank visualises immense opportunities in Financial and digital inclusion and by focusing on these initiatives, Bank can expand its customer base, increase customer loyalty, diversify revenue streams, reduce costs, leverage data analytics and foster collaborations in this area for making a positive impact. | - | Positive |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | The rationale for identifying the risk/opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------------|--|---|---|--|
| 2 | Diversity and Inclusion | Opportunity | <p>While the Bank continues to demonstrate progress in the diverse representation of its workforce, the Bank seeks to continuously improve in this area.</p> <p>The Bank can harness the power of diverse perspectives to make informed decisions, gain deeper insights into their customers' needs, attract and retain exceptional talent, foster a culture of innovation, enhance its reputation and brand image, effectively manage risks, and expand its presence in the market.</p> | - | Positive |
| 3 | Corporate Social Responsibility | Opportunity | <p>The CSR initiatives of the Bank are primarily focused on Skills Development, Women Entrepreneurship, Rural Sports, to have a profound positive impact on the communities.</p> <p>The Bank through its CSR initiatives endeavours to make meaningful contribution by empowering socially, economically, financially, and physically excluded, disadvantaged and challenged communities and thereby helping them to become self-reliant and achieve sustainable inclusive development.</p> <p>CSR shall help the Bank to contribute to community development, engage employees, building a positive image of institution, and comply with regulations.</p> | - | Positive |
| 4 | Climate risk | Risk | <p>Climate change is being recognised globally as a source of financial risk for Banks. The uncertainty about the timing and severity of climate-related and environmental risk certainly threatens the safety, soundness and resilience of Regulated Entities and, in turn, the stability of the overall financial system.</p> | <p>It is imperative for Banks to understand the impact of climate risk and taking prudent measures. The Bank is further deep diving on this aspect and exploring solutions for positive climate action.</p> <p>The Bank is also taking measures to sensitise and create awareness among employees about ESG and climate change.</p> | Negative |

For more information regarding Bank's responsible business conduct issues, please refer "Materiality Assessment" section in Sustainability Report of the Bank available at <https://www.aubank.in/sustainability-awareness>.



Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the National Guidelines on Responsible Business Conduct (“NGRBC”) Principles and Core Elements. The nine NGRBC Principles are as follows:

Principle 1

Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Principle 2

Businesses should provide goods and services in a manner that is sustainable and safe.

Principle 3

Businesses should respect and promote the well-being of all employees, including those in their value chain.

Principle 4

Businesses should respect the interests of and be responsive to all its stakeholders.

Principle 5

Businesses should respect and promote human rights.

Principle 6

Businesses should respect and make efforts to protect and restore the environment.

Principle 7

Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Principle 8

Businesses should promote inclusive growth and equitable development.

Principle 9

Businesses should engage with and provide value to their consumers in a responsible manner.

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|--|-----|-----|-----|-----|---|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a) Whether your entity’s policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b) Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| c) Web-Link of the Policies, if available | | | | | | https://www.aubank.in/investors/secretarial-policies | | | |
| | | | | | | https://www.aubank.in/notice-board | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. Name of the national and international codes/certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your Entity and mapped to each principle | The Bank has adopted and complies with the regulations as prescribed by Reserve Bank of India (RBI), Ministry of Corporate Affairs (MCA), Securities and Exchange Board of India (SEBI), and other regulators. AU Bank has also been certified for its robust data privacy and cyber security capabilities in alignment with ISO 27001:2013 standards. | | | | | | | | |
| 5. Specific commitments, goals, and targets set by the entity with defined timelines, if any. | No specific commitments, goals and targets were set in relation to above principles during the financial year. | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met. | - | - | - | - | - | - | - | - | - |

| Disclosure Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|--|----|----|----|----|----|----|----|----|
| Governance, leadership, and oversight | | | | | | | | | |
| 7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure) | Please refer "MD & CEO's Message" at page no. 40 of the Integrated Report 2022-23. | | | | | | | | |
| 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies). | Mr. Sanjay Agarwal MD & CEO | | | | | | | | |
| 9. Does the entity have a specified Committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes/No). If yes, provide details. | Yes, the Bank has Board level Sustainability Committee. | | | | | | | | |

10. Details of Review of NGRBCs by the Company:

| Subject for Review | Indicate whether the review was undertaken by the Director/ Committee of the Board/ Any Other Committee | | | | | | | | | Frequency (Annually/ Half-yearly/ Quarterly/ Any Other - please specify) | | | | | | | | |
|---|---|----|----|----|----|----|----|----|----|--|----|----|----|----|----|----|----|----|
| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against the above policies and follow up action | Yes, by Board/Respective Committee of Board | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances | The Bank follows all the applicable statutory and regulatory guidelines. | | | | | | | | | | | | | | | | | |

| | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|--|----|----|----|----|----|----|----|----|----|
| 11. Has the entity carried out an independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency | No | | | | | | | | |

12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

| Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----------------|----|----|----|----|----|----|----|----|
| The entity does not consider the principles material to its business (Yes/No) | | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | Not Applicable | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |



Section C: Principle-wise Performance Disclosure

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment | Total number of training and awareness programmes held | Topic/Principles covered under the training and its impact | % of a person in respective categories covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors | 8 | Principle 1 to 4 & 7 to 9 | 100% |
| Key Managerial Personnel | 10 | Principle 1 to 5, 8 & 9 | 100% |
| Employees other than BOD and KMPs | 198 | Principle 1 to 5 & 7 to 9 | 99% |
| Workers | NA | NA | NA |

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors /KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity’s website):

| Particulars | Monetary | | | | |
|-----------------|-----------------|--|-------------------|--|--|
| | NGRBC Principle | Name of the regulatory/ enforcement agencies judicial institutions | Amount (in ₹) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty fine | | | Nil | | |
| Settlement | | | | | |
| Compounding fee | | | | | |
| Particulars | Non-Monetary | | | | |
| | NGRBC Principle | Name of the regulatory/ enforcement agencies judicial institutions | Brief of the Case | Has an appeal been preferred? (Yes/No) | |
| Imprisonment | | | Nil | | |
| Punishment | | | | | |

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision are preferred in cases where monetary or non-monetary action has been appealed

| Case Details | Name of the regulatory/enforcement agencies judicial institutions |
|--------------|---|
| NA | NA |

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Bank has a robust Anti-Bribery and Anti-Corruption Policy that applies to all stakeholders, including customers, vendors, investors, regulators and governmental agencies. The Bank maintains a zero-tolerance approach towards instances of bribery and corruption. The policy specifically addresses measures to combat

corruption within the Bank and falls under the purview of the Disciplinary Committee and Audit Committee. The Disciplinary Committee is responsible for investigating any acts of misconduct committed by employees within the Bank’s control and taking appropriate punitive action. Additionally, the Disciplinary Committee keeps an oversight for implementing preventive measures to deter misconduct among employees. As part of Banks training programmes, employees are imparted vigilance awareness trainings.

Web-link of the Policy: <https://www.aubank.in/notice-board>.

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

| Particulars | FY 2022-23 | FY 2021-22 |
|-------------|------------|------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |
| Workers | NA | NA |

6. Details of complaints with regard to conflict of interest:

| Particulars | FY 2022-23 | | FY 2021-22 | |
|--|------------|---------|------------|---------|
| | Numbers | Remarks | Numbers | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | Nil | NA | Nil | NA |
| Number of complaints received in relation to issues of conflicts of interest of the KMPs | Nil | NA | Nil | NA |

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There are no cases or incidents related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

| Total numbers of awareness programmes held | Topic/principles covered under training | % of value chain partners covered (by the value of business done with such partners) under the awareness programmes |
|--|---|---|
| Nil | Nil | Nil |

2. Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes, the Bank has a Code of Conduct for Directors and Senior Management Personnel and Policy on Related Party Transactions and Materiality which specifies that the Directors shall not involve in a situation that directly or indirectly involves conflict with the interest of the Bank.

Web-link of the above Policies: <https://www.aubank.in/investors/secretarial-policies>

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and capex investments made by the entity, respectively.

| Particulars | Current Financial Year | Previous Financial year | Details of improvement in environmental and social impact |
|-------------|--|-------------------------|---|
| R&D | Not applicable given the nature of the business and being a financial service sector entity. | | |
| Capex | | | |



2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No):

Yes, the Bank has Sustainable Procurement Guidelines (“SPG”) and the Bank expects its supply chain partners to imbibe sustainability in their DNA and align themselves with ESG aspects. SPG is an effort to spread and promote the sustainability across supply chain and covers suppliers’ providing goods & services, contractors, and third-party collaborators.

Web-link of the SPG: <https://www.aubank.in/sustainability-awareness>

b) If yes, what percentage of inputs were sourced sustainably?

Percentage of inputs sourced sustainably could not be ascertained due to insufficient data availability or lack of comprehensive reporting mechanisms. The Bank is in process of developing necessary tools for comprehensive reporting mechanisms in this regard.

3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

Given the nature of the Bank’s business activities, products and services are intangible in nature, the Bank has limited scope for using recycled material as processed inputs. The Bank disposes of its waste such as paper, dustbin bags through state’s municipal authorities and disposing e-waste through authorised vendors. The Bank is reducing the usage of plastics in its offices and branches with the alternatives. The Bank procures furniture made from recyclable materials from authorised suppliers to the extent possible.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

No, Given the nature of the Bank’s operations, Extended Producers Responsibility (EPR) is not applicable to the Bank.

Leadership indicators

1. Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

The Life Cycle of the Bank’s services are as follows:

Loans: The Bank’s loan life cycle process involves sourcing loan files, conducting credit assessments, making loan decisions, executing loan documents, disbursing funds, monitoring compliance, and closing of loan accounts. Loan applications are sourced by branches or dedicated teams, and credit managers scrutinise documents and assess loan requirements. After loan sanction, relationship managers assist borrowers in executing loan documents, and the Central Operations Department ensures proper scrutiny and disburses funds. Ongoing monitoring and compliance are conducted, including tracking covenants and conducting risk assessments. Loan accounts are closed upon maturity or borrower request and security is released after full payment and account closure. Overall, the process ensures a systematic approach to loan management, from application to closure.

Deposits: The deposit lifecycle begins with customer acquisition through branches, offices, business correspondent, or walk-in customers. The Bank collects and reviews the necessary Know Your Customer (KYC) information to ensure compliance with regulations. Once the KYC process is completed, customers can open deposits through digital channels like mobile banking or internet banking, or by submitting an application form at the branches.

For Fixed Deposits, customers receive deposit advice and can also view the details through digital channels, regardless of the opening method. Upon maturity, fixed deposits are either closed, and the proceeds are transferred to the operative account, or they can be renewed for another term.

Customers also have the option to open operative accounts such as Savings Bank or Current Accounts. These accounts offer various facilities, including cheque books and debit cards. If a customer wishes to close their operative account, they can submit a request to the Bank.

The Bank has not conducted LCA of its services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Not Applicable.

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Not Applicable.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and disposed, as per the following format:

| | FY 2022-23 | | | FY 2021-22 | | |
|-----------------------------|------------|----------|-----------------|------------|----------|-----------------|
| | Reused | Recycled | Safely Disposed | Reused | Recycled | Safely Disposed |
| Plastic including packaging | NA | NA | NA | NA | NA | NA |
| E-waste | NA | NA | 4.420 | NA | NA | 9.406 |
| Hazardous Waste | Nil | Nil | Nil | Nil | Nil | Nil |
| Other Waste | NA | NA | NA | NA | NA | NA |

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| | Not Applicable |

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chain.

Essential Indicators

1. a) Details of measures for the well-being of employees:

| Category | % of employees covered by | | | | | | | | | | |
|---------------------------------------|---------------------------|------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|---------------------|----------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 25,967 | 25,967 | 100% | 25,967 | 100% | - | - | 25,967 | 100% | - | - |
| Female | 2,353 | 2,353 | 100% | 2,353 | 100% | 2,353 | 100% | - | - | - | - |
| Total | 28,320 | 28,320 | 100% | 28,320 | 100% | 2,353 | 100% | 25,967 | 100% | - | - |
| Other than Permanent employees | | | | | | | | | | | |
| Male | | | | | | | | | | | |
| Female | Not Applicable | | | | | | | | | | |
| Total | | | | | | | | | | | |

b) Details of measures for the well-being of workers:

| Category | % of workers covered by | | | | | | | | | | |
|-------------------------------------|-------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
| | Total (A) | Health Insurance | | Accident Insurance | | Maternity Benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| Permanent workers | | | | | | | | | | | |
| Male | | | | | | | | | | | |
| Female | Not Applicable | | | | | | | | | | |
| Total | | | | | | | | | | | |
| Other than Permanent workers | | | | | | | | | | | |
| Male | | | | | | | | | | | |
| Female | Not Applicable | | | | | | | | | | |
| Total | | | | | | | | | | | |



2. Details of retirement benefits, for Current financial year and Previous financial year

| Benefits | FY 2022-23 | | | FY 2021-22 | | |
|----------|--|--|--|--|--|--|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/ N/ NA) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/ N/ NA) |
| PF | 93.90% | NA | Yes | 91% | NA | Yes |
| Gratuity | 93.90% | NA | Yes | 91% | NA | Yes |
| ESI | NA | NA | NA | NA | NA | NA |
| Others | NA | NA | NA | NA | NA | NA |

3. Accessibility of workplaces:

Are the premises/offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Bank has put in place various initiatives and provisions across the Bank's offices and branches for its specially abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016 for easy access to the premises/offices of the Bank.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The Bank has a recruitment and selection policy in place that provides for non-discriminatory treatment of all employees and focuses on providing equal opportunity to all the candidates. Further, the Bank has a dedicated Diversity & Inclusion (D&I) Committee which is setup to uplift diversity and inclusion in the Bank with the aim of fostering a varied talent pool. The major goal of D&I Committee is to focus on creating a diverse yet inclusive culture in the organisation where people get a sense of comradery. The Bank's initiatives are regularly monitored by the D&I Committee to foresee the diverse work culture in the organisation and make sure there is equal employment opportunity for all. The D&I guidelines of the Bank is available on <https://www.aubank.in/investors/secretarial-policies>.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender | Permanent employees | | Permanent workers | |
|--------------|---------------------|----------------|---------------------|----------------|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | 99.82% | 59.20% | Not Applicable | |
| Female | 98.82% | 39.39% | | |
| Total | 99.77% | 58.82% | | |

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief. (If yes, then give details of the mechanism in brief)

| | |
|--------------------------------|-----|
| Permanent Workers | NA |
| Other than Permanent Workers | NA |
| Employees | Yes |
| Other than Permanent Employees | NA |

The Bank has Prevention of Sexual Harassment (“POSH”) Committee and Disciplinary Committee to address the grievances of the employees. Each Committee constitutes of members who are proficient to manage varied problems of all employees. Any issue or concern can be reported on e-mail ids mentioned in the policy. The Bank also have ‘raise a complaint’ section on intranet where employees can file a complaint under POSH and whistle blower. The Bank ensures the confidentiality of the matter and supports the employee in every capacity. The Bank promotes an open-door culture where employees are encouraged to communicate about their concerns without hesitation.

The Bank also have a consequence management policy which deals with employee’s unacceptable actions and non-compliance to code of conduct. This policy defines necessary actions on violation of behavioural issues and operational lapses.

The Bank encourages its employees to voice their concerns, if any, related to suspected or occurrence of illegal, unethical inappropriate actions, serious conduct risk, potential misconduct and related concerns, fraudulent transactions, suspicions, etc. without fear of retribution or fear of reprisal or victimisation of the employee raising the concern through its whistle blower policy.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

| Category | FY 2022-23 | | | FY 2021-22 | | |
|---------------------------|---|---|---------|---|---|---------|
| | Total employees/ workers in the respective category (A) | No. of employees/ workers in respective category, who are part of the association(s) or Union (B) | % (B/A) | Total employees/ workers in respective category (C) | No. of employees/ Workers in respective category, who are part of the association(s) or Union (D) | % (D/C) |
| Total Permanent Employees | | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Total Permanent Workers | | | | | | |
| Male | | | | | | |
| Female | | | | | | |

Not Applicable

8. Details of training given to employees and workers:

| Category | FY 2022-23 | | | | | FY 2021-22 | | | | |
|------------------|---------------|-------------------------------|---------------|----------------------|---------------|---------------|-------------------------------|---------------|----------------------|---------------|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B /A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Male | 25,967 | 25,431 | 97.94% | 25,220 | 97.12% | 25,887 | 24,819 | 95.87% | 25,196 | 97.33% |
| Female | 2,353 | 2,294 | 97.49% | 2,248 | 95.54% | 1,930 | 1,855 | 96.11% | 1,878 | 97.31% |
| Total | 28,320 | 27,725 | 97.90% | 27,468 | 96.99% | 27,817 | 26,674 | 95.89% | 27,074 | 97.33% |
| Workers | | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| Total | | | | | | | | | | |

Not Applicable



9. Details of performance and career development reviews of employees and workers:

| Category | FY 2022-23 | | | FY 2021-22 | | |
|------------------|---------------|---------------|-------------|---------------|---------------|-------------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 25,967 | 25,967 | 100% | 25,887 | 25,887 | 100% |
| Female | 2,353 | 2,353 | 100% | 1,930 | 1,930 | 100% |
| Total | 28,320 | 28,320 | 100% | 27,817 | 27,817 | 100% |
| Workers | | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Total | | | | | | |

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage of such a system?

Yes, all Branches with ATMs and asset offices with cash facility (except Unbanked Category branches) are secured with E-Surveillance System or CMS System, which not only can detect, but also have the capability to generate a real-time alert. Further, all offices are covered under CCTVs and fire alarm systems, including fire extinguishers, thereby instilling required confidence to Bank's workforce. Moreover, mock drills are also performed regularly to create awareness among employees on safety measures.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank prioritises the well-being of its employees and takes their physical and mental health as a top priority. Through periodic assessments, the Bank identifies and evaluates occupational health and safety risks and implement necessary mitigation measures. Regular training sessions, including mock fire drills are conducted to enhance preparedness for emergencies. The Bank's proactive approach fosters a safe work environment, surpassing regulatory compliance. By addressing risks, implementing controls, and providing comprehensive training, the Bank demonstrates its commitment to employee well-being, ensuring a secure and healthy workplace and reinforcing its reputation as a caring and responsible employer.

c) Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Yes/No)

Not Applicable

d) Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, the Bank has taken several measures to provide medical coverage for its employees to provide safety against the medical and healthcare emergencies, which includes Group Medical Policy for employees and their families, Group Term Life Insurance and Group Personal Accident Cover.

The Bank has tie-up with wellness app which provides unlimited online consultations across specialties to employees and their family members. The Bank has also collaborated with various hospitals to get additional discount & benefits for employees and annual health check-ups, blood donation camps, eye camps etc. were also conducted during the year for the employees.

11. Details of safety related incidents, in the following format:

| Safety Incident/Number | Category | FY 2022-23 | FY 2021-22 |
|---|-----------|----------------|------------|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | Nil | Nil |
| | Workers | Not Applicable | |
| Total recordable work-related injuries | Employees | Nil | Nil |
| | Workers | Not Applicable | |
| No. of fatalities | Employees | Nil | Nil |
| | Workers | Not Applicable | |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | Nil | Nil |
| | Workers | Not Applicable | |

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Bank prioritises the physical and mental well-being of its employees and the Bank has meticulously planned and regularly conducted various activities and programmes to ensure a safe and healthy workplace for its employees, such as:

- Installed fire alarms, fire sprinklers and extinguishers in offices for emergency situations.
- Tie-up with wellness app which provides unlimited online consultations across specialties.
- Collaborated with various hospitals to get additional discount and benefits for employees.
- Conducted annual health check-ups, blood donation camps, eye camps and others.
- Organised yoga and Zumba sessions.
- The Bank has also undertaken several programmes to enhance gender diversity and inclusivity.
- Organised Annual AU Marathon & AU Khelotsav to encourage employees for active physical engagement and camaraderie amongst all.
- The Bank don't encourage employees to work beyond the working hours.
- Providing cab facilities for late sitting women employees.
- Maintaining clean and hygienic working environment.
- POSH posters for awareness and regulation of rules in the offices.
- Canteen facilities with healthy eating options.
- Address employee queries through a HR Sahayak portal.

The Bank aims to create a positive and inclusive work environment that promotes the overall well-being of employees.

13. Number of Complaints on the following made by employees and workers:

| Particulars | FY 2022-23 | | | FY 2021-22 | | |
|--------------------|-----------------------|---|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of the year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | | | | | | |
| Health & Safety | | | | | | Nil |



14. Assessments for the year:

| Particulars | % of your plants and offices that were assessed (by the entity or statutory authorities or third parties) |
|-----------------------------|--|
| Health and safety practices | Nil |
| Working Conditions | Nil |

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

(A) Employees - Yes, the Bank provides benefits to its employees, such as insurance benefits and a compensatory package to the employee's legal heir in case of unfortunate demise. The Bank has also extended compassionate employment to the family members of 2 employees who lost their life due to unforeseen incidents.

(B) Workers - Not Applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Bank has complied with applicable requirements in this regard. Further, the Bank also sets clear expectations with vendors and suppliers to abide by labour laws including payment of statutory dues, human rights, and regulations applicable on their businesses.

3. Provide the number of employees/ workers having suffered high consequence work- related injury/ ill-health/ fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

| Particulars | Total no. of affected employees/workers | | No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-------------|---|------------|---|------------|
| | FY 2022-23 | FY 2021-22 | FY 2022-23 | FY 2021-22 |
| Employees | Not Applicable | | | |
| Workers | | | | |

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes, the Bank has implemented multiple programmes to help our employees in their career progression, some of them are:

Saksham - A programme which helps employees in getting the right skills for delivering their KRAs, and for enabling their growth.

AU Dharma - A programme to build synergy and to reiterate the Banks' work principles. These programmes help employees to gel with the organisational culture.

Capacity Building - A unique policy which intends to put in place system and strategies to understand the capacity of an employee and undertake capacity building efforts by providing training and skill development sessions.

Behavioural Workshops - The Bank has developed and delivered multiple behavioural programmes to help our employees in building and improving competency.

First Time Managers - A programme to help our employees in their transition from officers to managers, and managers to leaders.

5. Details on assessment of value chain partners:

| Particulars | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---|
| Health and safety practices | Not Applicable |
| Working Conditions | |

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Bank has a structured mechanism in place to identify its stakeholders who are impacted by the Bank and has an impact on Bank’s business. This is carried out considering various factors - the dependency of business, regulatory authorities, investors, value chain partners supporting in key areas like IT & other allied services, community where the Bank operates, media platforms where the Bank does its advertising/communication to public and customers to name a few. Customers, investors/shareholders, regulatory authorities and government, employees, Partners, vendors and associates and society, are being recognised as Bank’s key stakeholder groups.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board Website) Other | Frequency of engagement (Annually/ Half-yearly/ Quarterly/ others - please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|----------------------------|--|---|---|---|
| Customers | No | <ul style="list-style-type: none"> Over the counter – Branch & Offices, ATMs, BOs and BCs Tele Banking - Phone Banking, IVR and Customer care Digital Channels – Mobile Banking, Net Banking, SMS, WhatsApp, Social media platform, E-mail, Auro chatbot and Video Banking Advertisements including print media Customer satisfaction surveys and feedback | Continuous engagement | <ul style="list-style-type: none"> Access to safe, non-discriminatory, and responsible banking services with transparent pricing Products and services that meet customer needs Seamless transactions across different platforms Convenient access to banking |
| Investors and Shareholders | No | <ul style="list-style-type: none"> Quarterly financial updates Investor meetings, presentation and investors call transcripts Public disclosures Shareholders Meetings Analyst Meets Annual Report | Continuous engagement as per requirement | <ul style="list-style-type: none"> Sound risk management and compliance Sustainable shareholder value Strong governance and transparency Responsible business practices Effective and timely communication |



| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of communication (E-mail, SMS, Newspaper, Pamphlets, Advertisements, Community Meetings, Notice Board Website) Other | Frequency of engagement (Annually/ Half-yearly/ Quarterly/ others - please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|--|---|---|--|---|
| Regulatory, Authorities and Government | No | <ul style="list-style-type: none"> Regular meetings - onsite and offsites Policy updates, circulars, guidelines, and directives Mandatory filings of information - regulatory and need based Various Government schemes and policies | Continuous engagement as per requirement | <ul style="list-style-type: none"> Facilitating financial and digital inclusion Implementation of various social security schemes Compliance with all relevant laws and regulations Responsiveness towards regulatory changes Customer privacy and data security Contribution to national priorities |
| Employees | No | <ul style="list-style-type: none"> Internal meetings and town halls Performance discussions and periodic reviews Training and development workshops Employees connect initiatives like - Anticipation & Reflection platform sessions with MD & CEO and Head of HR, Coffee with CIO, Seedhi baat MD ke Saath Feedback and surveys | Continuous engagement | <ul style="list-style-type: none"> Employee health, safety, and well-being Create a culture that encourages ethical practices, promotes meritocracy, and rewards high performance Professional development of our employees through nurturing and providing growth opportunities Diverse and inclusive workplace |
| Partners, vendors and associates | No | <ul style="list-style-type: none"> Regular online and offline meetings Phone calls Surveys Workshops, conferences | Continuous engagement | <ul style="list-style-type: none"> Ensure effective communication for quality and efficient service High governance standards with policies around corruption, child labour, human rights Maintain transparency in all the disclosures and interactions Resolution mechanisms and frameworks for handling of differences and disputes |
| Society | Yes | <ul style="list-style-type: none"> CSR initiatives at multiple locations Social activities through AU Foundation Print Media and Social media communication Regular meetings and interventions Financial Literacy Programme Project monitoring and reviews | Continuous engagement | <ul style="list-style-type: none"> Contribution towards various causes/programmes for skill development, financial and digital literacy, safe and drinking water, education, healthcare Proactive involvement in community development and upliftment of unbanked rural regions |
| Environment | No | <ul style="list-style-type: none"> Social media Internal and town hall meetings Campaigns and promotions Reports and publications National and international forums | Continuous engagement | <ul style="list-style-type: none"> Integration of ESG factors into business decisions To use our resources to promote social and environmental issues, and other common agendas to build a thriving society Ensure that the end-use of products offered by our Bank is in consonance with environment. |

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics, or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Bank communicates with its stakeholders through the communication channels referred above on continuous basis and the feedback received through those communication is apprised to the Board and its Committees.

Feedback received from customers is directed to the Customer Service Committee for appropriate consideration and action. Investors and shareholders' feedback is channeled to the Stakeholders Relationship Committee to ensure their concerns and interests are addressed. The Audit Committee handles regulatory directions and advice to ensure compliance and effective governance. Matters related to employees are directed to the Nomination and Remuneration Committee, which focuses on employee-related issues and policies. Further, feedback and matters related to society are directed to the Corporate Social Responsibility Committee, which oversees the Bank's initiatives and actions in promoting social welfare and community development. The Bank also has Board level Sustainability Committee to oversee stakeholder consultation and feedback received on ESG aspects. By assigning these responsibilities to specialised committees and thereafter review of important issues by the Board of the Bank, it is ensured that dedicated attention and appropriate handling of feedback of stakeholders different areas of concern is taken care.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, the Bank uses stakeholders' inputs to support the identification and management of environmental and social topics. The Bank recognises the importance of engaging stakeholders to gather insights, perspectives, and feedback on these matters.

In the Bank's materiality assessment process, stakeholders inputs played a crucial role. The Bank identified and prioritised the most meaningful and relevant material issues by considering various sources such as media reports, peer benchmarks, global standards, and initiatives. This involved analysing the practices of other Banks, non-banking financial institutions, HFCs, auto OEMs, vehicle loan lending firms, as well as global frameworks like UN SDGs, TCFD, GRI, SASB, and WEF metrics. To further refine the identified material issues, a survey was conducted with a select group of stakeholders. Their valuable insights were incorporated, resulting in a final list of 20 probable material issues. By involving stakeholders in the process, the Bank ensured a comprehensive and inclusive approach to identifying and addressing key concerns.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.

Engagement with and addressing the concerns of vulnerable/marginalised stakeholder groups is a crucial aspect of responsible business practices. Here are some of the instances of engagement and actions taken to address the concerns of such groups:

Community Outreach: The Bank engages in proactive community outreach programmes to understand the needs and concerns of marginalised communities. This can include organising meetings with focus groups or partnering with local NGOs to conduct needs assessment.

Financial Inclusion Initiatives: The foundation of the Bank was laid to provide access to financial services and build an inclusive Banking ecosystem for all. Our special focus on Unbanked Rural Centres (URC) and Special Focus Districts (SFD) allows us to serve the underserved population that has long been excluded from the formal financial system. Our comprehensive Banking Outlet (BO) channel enables a strong presence in the rural markets and streamlines last-mile intervention as custodians of financial inclusion. Therefore, Financial Inclusion is furthering Bank's purpose of empowering India financially, socially, and digitally.



Financial Literacy: The Bank's focus on conducting good quality financial literacy programmes acts as an impetus to real-time financial awareness and prevents the underserved population from financial distress, debt, and poverty. The Bank continue to disseminate financial information responsibly and Bank firmly believes that financial literacy is an unparalleled enabler of financial inclusion.

Priority Sector Lending: The Bank through its Priority Sector Lending creates social impact that address the needs of marginalised communities, such as small and marginal farmers, affordable housing, Self Help Groups, and sustainable livelihood programmes etc. These measures are aimed to create positive social change and uplift vulnerable groups.

By engaging with marginalised stakeholder groups and taking specific actions to address their concerns, the Bank demonstrates its commitment to inclusivity, social responsibility, and sustainable development.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers, who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

| Category | FY 2022-23 | | | FY 2021-22 | | |
|----------------------|------------|--------------------------------------|----------------|------------|--------------------------------------|---------|
| | Total (A) | No. of employees/workers covered (B) | % (B/A) | Total (C) | No. of employees/workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent | 28,320 | 27,828 | 98.26% | 27,817 | 26,863 | 96.57% |
| Other than permanent | | | Not Applicable | | | |
| Total Employees | 28,320 | 27,828 | 98.26% | 27,817 | 26,863 | 96.57% |
| Workers | | | | | | |
| Permanent | | | | | | |
| Other than permanent | | | Not Applicable | | | |
| Total Workers | | | | | | |

2. Details of minimum wages paid to employees and workers, in the following format:

| Category | FY 2022-23 | | | | | FY 2021-22 | | | | |
|----------------------|------------|-----------------------|---------|------------------------|---------|------------|-----------------------|---------|------------------------|----------------|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| Employees | | | | | | | | | | |
| Permanent | 28,320 | 59 | 0.21% | 28,261 | 99.79% | 27,817 | 21 | 0.08% | 27,796 | 99.92% |
| Male | 25,967 | 57 | 0.22% | 25,910 | 99.78% | 25,887 | 14 | 0.05% | 25,873 | 99.95% |
| Female | 2,353 | 2 | 0.08% | 2,351 | 99.92% | 1,930 | 7 | 0.36% | 1,923 | 99.64% |
| Other than permanent | | | | | | | | | | |
| Male | | | | | | | | | | Not Applicable |
| Female | | | | | | | | | | |
| Workers | | | | | | | | | | |
| Permanent | | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| Other than permanent | | | | | | | | | | Not Applicable |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |

3. Details of remuneration/ salary/ wages, in the following format:

| Particulars | Male | | Female | |
|----------------------------------|--------|--|--------|--|
| | Number | Median remuneration/ salary/ wages of respective category (In ₹) | Number | Median remuneration salary/wages of the respective category (In ₹) |
| Board of Directors (BoD) | 6 | 15,00,000 | 2 | 15,00,000 |
| Key Managerial Personnel | 4 | 1,56,00,012 | - | - |
| Employees other than BoD and KMP | 25,963 | 3,20,604 | 2,353 | 3,80,004 |
| Workers | NA | NA | NA | NA |

Notes:

- Remuneration of Executive Directors has been considered under KMP category and Non-Executive Directors under Board of Directors category.
- Remuneration of Non-Executive Directors doesn't include sitting fees and Remuneration of KMPs and Employees is excluding perquisites on exercise of ESOPs.

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Bank has constituted a Disciplinary Committee to address a wide range of concerns related to its employees, including human rights issues. In addition to the Disciplinary Committee, the Bank has implemented proactive measures such as a Policy for Prevention & Redressal against Sexual Harassment, Whistle-Blower Policy and a Vigil Mechanism Policy to ensure the detection and correction of any misconduct or unethical behaviour. These policies serve as safeguards and provide a platform for employees to report any wrongdoing, ensuring that corrective actions are taken promptly and effectively.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Bank's commitment to upholding human rights is deeply embedded in its organisational culture, as evidenced by the existence of a dedicated Disciplinary Committee that addresses grievances raised by stakeholders. The Bank acknowledges the fundamental importance of human rights and holds the utmost respect for the dignity of all individuals associated with the organisation. This commitment is clearly reflected in the Bank's comprehensive policies and code of conduct, which not only outline its guiding principles but also emphasise the philosophy of placing human rights as a top priority.

6. Number of Complaints on the following made by employees and workers:

| Particulars | FY 2022-23 | | | FY 2021-22 | | |
|-------------------------------------|-----------------------|---------------------------------------|---------|-----------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 5 | Nil | - | 1 | Nil | - |
| Discrimination at Workplace | Nil | Nil | - | Nil | Nil | - |
| Child Labour | Nil | Nil | - | Nil | Nil | - |
| Forced Labour/Involuntary Labour | Nil | Nil | - | Nil | Nil | - |
| Wages | Nil | Nil | - | Nil | Nil | - |
| Other (human rights related) issues | Nil | Nil | - | Nil | Nil | - |

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Bank treat all information related to the complaints received with utmost confidentiality and ensure adequate support to the complainant. The Bank has a Policy in place for Prevention and Redressal against Sexual Harassment. Bank has zero tolerance towards sexual harassment and the primary objective of the said policy is to safeguard all employees from sexual harassment at the workplace and maintain safe and secure work



environment. The Bank has Internal Complaints Committee in compliance of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to review, investigate and take suitable actions on complaint, and there is a Board level Disciplinary Committee that reviews the decisions taken by Internal Complaints Committee.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, the relevant business agreements which the Bank enters contains the clause for complying with the laws governing environment, health and safety and laws affecting the work force.

9. Assessments for the year:

| Particulars | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child labour | |
| Forced/involuntary labour | |
| Sexual harassment | |
| Discrimination at workplace | Not Applicable |
| Wages | |
| Others - please specify | |

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

Not Applicable.

Leadership Indicators

1. Details of a business process being modified/ introduced as a result of addressing human rights grievances/ complaints.

During the year, there have been no instances of human rights grievances requiring modification/introduction of processes.

2. Details of the scope and coverage of any human rights due diligence conducted.

There was no due diligence conducted relating to human rights during the year.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Bank has put in place various initiatives and provisions across its offices and branches to ease the banking services to differently abled visitors. Many of the offices are located in commercial premises which are on the ground floor or have elevators and infrastructure for differently abled visitors. Ramps are provided at Branches & ATMs, wherever feasible to accommodate senior citizens and differently abled visitors.

4. Details on assessment of value chain partners:

| Particulars | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|--|
| Sexual Harassment | The Bank has not conducted any such assessment of value chain partners. The Bank through its Sustainability Procurement Guidelines always requires that suppliers comply with all applicable laws, regulations and standards within the geographies in which they operate as part of the Supply Chain Sustainability initiative. |
| Discrimination at workplace | |
| Child Labour | |
| Forced Labour/Involuntary Labour | |
| Wages | |
| Others - please specify | |

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format

| Parameter | FY 2022-23 | FY 2021-22 |
|---|------------|------------|
| Total electricity consumption (A) (in GJ) | 77,911.70 | 58,978.12 |
| Total fuel consumption (B) (in GJ) | 3,766.68 | 2,806.38 |
| Energy consumption through other sources (C) | - | - |
| Total energy consumption (A+B+C) (in GJ) | 81,678.38 | 61,784.50 |
| Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) | Negligible | Negligible |
| Energy intensity (optional) - the relevant metric may be selected by the entity | - | - |

**The figures are updated after assurance of the Sustainability Report for FY 2021-22*

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Limited Assurance on the Sustainability Report for FY 2021-22 containing details of total energy consumption was provided by Price Waterhouse Chartered Accountants LLP. Details of total energy consumption for FY 2022-23 as part of Sustainability Report is under assurance by an external agency.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|--|---|------------|
| Water withdrawal by source (in kilolitres) | Given the nature of the Bank's business operations, water consumption and discharge is not material to the business. Water consumption is limited to drinking and domestic consumption. | |
| (i) Surface water | | |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater/desalinated water | | |
| (v) Others | | |
| Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v) | | |
| Total volume of water consumption (in kilolitres) | | |
| Water intensity per rupee of turnover (Water consumed/turnover) | | |
| Water intensity (optional) - the relevant metric may be selected by the entity | | |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Not Applicable



5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

| Parameter | Please specify unit | FY 2022-23 | FY 2021-22 |
|-------------------------------------|---------------------|----------------|------------|
| NOx | | | |
| Sox | | | |
| Particulate matter (PM) | | | |
| Persistent organic pollutants (POP) | | Not Applicable | |
| Volatile organic compounds (VOC) | | | |
| Hazardous air pollutants (HAP) | | | |
| Others - please specify | | | |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

| Parameter | Unit | FY 2022-23 | FY 2021-22 |
|---|---|------------|------------|
| Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 280.04 | 207.95 |
| Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 15,365.92 | 12,942.42 |
| Total Scope 1 and Scope 2 emissions per rupee of turnover | | Negligible | Negligible |
| Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity | | - | - |

**The figures are updated after assurance of the Sustainability Report for FY 2021-22*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Limited Assurance on the Sustainability Report for FY 2021-22 containing details of total greenhouse gas emissions was provided by Price Waterhouse Chartered Accountants LLP. Details of greenhouse gas emissions for FY 2022-23 as part of Sustainability Report is under assurance by an external agency.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The Bank is dedicated to creating and maintaining an environment friendly working environment for its staff across all its operations. The Bank understands the importance of energy efficiency and the need to address climate change, which is deeply ingrained in its operational practices. The Bank's long-term vision is to achieve sustainability by eliminating direct CO₂ emissions from its operations and promoting the use of renewable energy sources, thereby reducing its impact on climate change.

Aligned with global sustainable development goals (SDGs) and our national commitment to achieve net-zero emissions by 2070, the Bank has taken concrete steps to minimise its carbon footprint. This includes the widespread adoption of digital banking channels, implementing energy-efficient measures, and promoting paper conservation. These initiatives serve as a testament to Bank's unwavering dedication to address the impacts of climate change and managing its environmental footprint.

The Bank remain committed to its goal of reducing energy consumption and emissions in all its operational outlets. By continuously focusing on energy efficiency and emissions reduction measures, the Bank strive to contribute to a sustainable future and play its part in combating climate change.

8. Provide details related to waste management by the entity, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|--------------|--------------|
| Total Waste generated (in metric tonnes) | | |
| Plastic waste (A) | Nil | Nil |
| E-waste (B) | 4.420 | 9.406 |
| Bio-medical waste (C) | Nil | Nil |
| Construction and demolition waste (D) | Nil | Nil |
| Battery waste (E) | Nil | Nil |
| Radioactive waste (F) | Nil | Nil |
| Other Hazardous waste. Please specify, if any. (G) | Nil | Nil |
| Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | Nil | Nil |
| Total (A+B + C + D + E + F + G + H) | 4.420 | 9.406 |
| For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes) | | |
| Category of waste | | |
| (i) Recycled | Nil | Nil |
| (ii) Re-used | Nil | Nil |
| (iii) Other recovery operations | Nil | Nil |
| Total | Nil | Nil |
| For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes) | | |
| Category of waste | | |
| (i) Incineration | Nil | Nil |
| (ii) Landfilling | Nil | Nil |
| (iii) Other disposal operations | Nil | Nil |
| Total | Nil | Nil |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Being a Bank, there is no usage of hazardous and toxic chemicals in our operations. The Bank disposes of its waste, such as paper, dustbin bags through state’s municipal authorities and disposing e-waste through authorised vendors. The Bank is reducing the usage of plastics in its offices and branches with the alternatives.

10. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/clearances are required, please specify details in the following format:

| Sr. No. | Location of operations/offices | Type of operations | Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and Corrective action taken, if any. |
|----------------|--------------------------------|--------------------|--|
| Not Applicable | | | |

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/No) | Relevant Web-link |
|-----------------------------------|----------------------|------|---|--|-------------------|
| Not Applicable | | | | | |



12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

| Sr. No. | Specify the law/ regulation/ guidelines which were not complied with | Provide details of the non-compliance | Any fines/ penalties/ action taken by regulatory agencies such as pollution control Boards or by courts | Corrective action taken if any |
|---------|--|---------------------------------------|---|--------------------------------|
| | | Not Applicable | | |

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

| Parameter | FY 2022-23 | FY 2021-22 |
|--|----------------------------|--------------|
| | From renewable sources | |
| Total electricity consumption (A) | - | - |
| Total fuel consumption (B) | - | - |
| Energy consumption through other sources (C) | - | - |
| Total energy consumed from renewable sources (A+B+C) | - | - |
| | From non-renewable sources | |
| Total electricity consumption (D) | 77,911.70 GJ | 58,978.12 GJ |
| Total fuel consumption (E) | 3,766.68 GJ | 2,806.38 GJ |
| Energy consumption through other sources (F) | - | - |
| Total energy consumed from non-renewable sources (D+E+F) | 81,678.38 GJ | 61,784.50 GJ |

**The figures are updated after assurance of the Sustainability Report for FY 2021-22*

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Limited Assurance on the Sustainability Report for FY 2021-22 containing details of total energy consumption was provided by Price Waterhouse Chartered Accountants LLP. Details of total energy consumption for FY 2022-23 as part of Sustainability Report is under assurance by an external agency.

2. Provide the following details related to water discharged:

| Parameter | FY 2022-23 | FY 2021-22 |
|---|------------|----------------|
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) To Surface water | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (ii) To Groundwater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iii) To Seawater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | | Not Applicable |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable.

3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):

For each facility/plant located in areas of water stress, provide the following information:

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption, and discharge in the following format:

Being a financial services institution, Bank do not use water for any industrial purpose and our water usage is limited to drinking and domestic usage. Bank is making efforts to ensure that water is consumed judiciously in the office premises. Most of our water consumption is through municipal water supply or third-party potable water suppliers.

| Parameter | FY 2022-23 | FY 2021-22 |
|--|------------|----------------|
| Water withdrawal by source (in kilolitres) | | |
| (i) Surface water | | |
| (ii) Groundwater | | |
| (iii) Third party water | | |
| (iv) Seawater/desalinated water | | |
| (v) Others | | Not Applicable |
| Total volume of water withdrawal (in kilolitres) | | |
| Total volume of water consumption (in kilolitres) | | |
| Water intensity per rupee of turnover (Water consumed/turnover) | | |
| Water intensity (optional) - the relevant metric may be selected by the entity | | |
| Water discharge by destination and level of treatment (in kilolitres) | | |
| (i) Into Surface water | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (ii) Into Groundwater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (iii) Into Seawater | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | Not Applicable |
| (iv) Sent to third parties | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment - please specify level of treatment | | |
| Total water discharged (in kilolitres) | | |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:

| Parameter | Unit | FY 2022-23 | FY 2021-22 |
|---|---|------------|----------------|
| Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | | |
| Total Scope 3 emissions per rupee of turnover | - | | Not Applicable |
| Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity | - | | |

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Not Applicable



5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.

The Bank's offices and Branches are not operated in and around the ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

The Bank has implemented several strategies to enhance its positive impact and reduce emissions, effluent discharge, and waste generation. These strategies include promoting digital banking services, video banking, and use of the AU 0101 App for streamlined transactions which minimises the need of visiting physical branches and paper documentation. The Bank also focuses on energy efficiency through LED lighting, insulation to reduce air conditioning usage, and the use of UPS and inverters instead of diesel generators. The Bank prioritises energy-efficient equipment with higher star ratings, utilises power supervision technology, and has adopted cloud-based technology and virtualised information centres. Additionally, the Bank refurbishes aging IT systems and responsibly disposes of e-waste through authorised vendors. Overall, these efforts demonstrate the Bank's commitment to sustainability and reducing its environmental impact.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web-link.

Yes, the Bank has developed and implemented business continuity plan and has recovery strategies and infrastructure to address the risks associated with its operating environment and to ensure the timely recovery and uninterrupted continuity of critical banking operations while maintaining acceptable service levels. By recognising the importance of preparedness, the Bank demonstrates its commitment to effectively managing potential disruptions and minimising their impact on customers and stakeholders. The Business Continuity Plan aims to ensure the uninterrupted provision of banking services and safeguard the interests of customers and stakeholders during significant disruptions. It encompasses recovery strategies, infrastructure, and predefined recovery time objectives (RTOs) for critical banking operations. The plan is periodically tested, reviewed, and adjusted to incorporate changes in processes, technology, and resources. It adheres to regulatory guidelines and undergoes internal, external, and regulatory reviews. In the event of disruptions, customers are provided with alternative communication channels such as customer care numbers, online contact links, and mobile applications to ensure seamless access to services and support.

Web-link: <https://www.aubank.in/Notice-Slider-1-10-Business-Continuity-Plan.pdf>

8. Disclose any significant adverse impact on the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As a responsible corporate citizen, the Bank believes that it can improve environmental management not only in its premises but also partner with supply chain to ensure that they adopt similar environmental management strategies.

Through the Sustainability Procurement Guidelines, the suppliers of the Bank commits to integrate environmental attributes in business processes and practices with specific consideration to substitution of hazardous chemicals, strengthening the greening of their supply chain, innovating to improve environmental compatibility, comply with all applicable environmental legislation as per the laws, institutionalise resource conservation in the areas of oil, water, energy & chemicals and enhance environmental awareness of their employees and stakeholders.

9. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

The Bank as per its Sustainability Procurement Guidelines expects its supply chain partners to demonstrate commitment on sustainability and align on environmental aspects. The supplier of the Bank commit to integrate environmental attributes in business processes and practices with specific consideration to substitution of hazardous chemicals, strengthening the greening of their supply chain, innovating to improve environmental compatibility, comply with all applicable environmental legislation as per the laws, institutionalise resource conservation in the areas of oil, water, energy and chemicals, enhance environmental awareness of employees and stakeholders.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a) **Number of affiliations with trade and industry chambers/associations: 7**
- b) **List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/affiliated to.**

| Sr. No. | Name of the trade and industry chambers/associations | Reach of trade and industry chambers/associations (State/National) |
|---------|--|--|
| 1 | Indian Banks' Association | National |
| 2 | Association of Small Finance Banks of India | National |
| 3 | Confederation of Indian Industry | National |
| 4 | Federation of Indian Chambers of Commerce and Industry | National |
| 5 | Fixed Income Money Market and Derivatives Association of India | National |
| 6 | Foreign Exchange Dealer's' Association of India | National |
| 7 | Association of Mutual Funds of India | National |

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

| Name of Authority | Brief of the case | Corrective action taken |
|---|-------------------|-------------------------|
| Bank has not received any adverse order from any regulatory authorities regarding any issues related to anti-competitive conduct by the Bank. | | |

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

| Sr. No. | Public policy advocated | Method resorted for such advocacy | Whether information is available in the public domain? (Yes/No) | Frequency of review by Board (Annually/ Half-yearly/ Quarterly/ Other please specify) | Web-link if available |
|--|-------------------------|-----------------------------------|---|---|-----------------------|
| The Bank actively collaborates with key industry associations in India, including the Indian Banks' Association, the Association of Small Finance Banks of India, the Confederation of Indian Industry, and the Federation of Indian Chambers of Commerce and Industry. Through these engagements, the Bank focuses on agendas targeted at societal upliftment and regulatory changes envisaged. By working closely with these associations, the Bank actively participates in initiatives and discussions to contribute for betterment of the society and promote positive changes in the regulatory landscape. | | | | | |

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

| Name and brief detail of project | SIA Notification No. | Date of Notification | Whether conducted by independent external agency (Yes/No) | Results communicated in the public domain (Yes/No) | Relevant Web-link |
|---|----------------------|----------------------|---|--|-------------------|
| Considering the nature of the business of the Bank, the same is not applicable. | | | | | |

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

| Sr. No. | Name of the project for which R&R is ongoing | State | District | No. of projects Affected Families (PAFs) | % of PAFs covered by R&R | Amount paid to PAFs in the FY (In ₹) |
|---|--|-------|----------|--|--------------------------|--------------------------------------|
| Considering the nature of the business of the Bank, the same is not applicable. | | | | | | |



3. Describe the mechanisms to receive and redress the grievances of the community.

The Bank has established effective mechanisms to receive and address community grievances. Grievances may be submitted to the Bank on its registered office or through e-mail on the designated e-mail ID. Additionally, alternate modes of communication such as phone, SMS, and mobile applications are also permitted for registering grievances. Further, under Bank's Whistle Blower policy, grievances can be submitted to the Bank in person, through letter or through e-mail or phone. These measures ensure that grievances are received securely and promptly, allowing for appropriate timely redressal. The Bank values the feedback and concerns of community, and through transparent processes, strive to address them in a fair and equitable manner.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

| Particulars | FY 2022-23 | FY 2021-22 |
|--|------------|------------|
| Directly sourced from MSMEs/small producers | 80% | 70% |
| Sourced directly from within the district and neighbouring districts | 40% | 60% |

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

| Details of negative social impact identified | Corrective action taken |
|--|-------------------------|
| Not Applicable | |

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

| Sr. No. | State | Aspirational District | Amount Spent (in ₹) |
|--------------|-----------|-----------------------|---------------------|
| 1 | | Baran | 16,94,760 |
| 2 | | Karauli | 16,22,118 |
| 3 | Rajasthan | Dholpur | 5,51,210 |
| 4 | | Jaisalmer | 4,62,240 |
| 5 | | Sirohi | 3,90,000 |
| Total | | | 47,20,328 |

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No): No

b) From which marginalised/vulnerable groups do you procure? Not Applicable

c) What percentage of total procurement (by value) does it constitute? Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

| Sr. No. | Intellectual Property Based on Traditional Knowledge | Owned Acquired (Yes/No) | Benefit Shared (Yes/No) | Basis of Calculating Benefit Share |
|----------------|--|-------------------------|-------------------------|------------------------------------|
| Not Applicable | | | | |

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

| Name of Authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable | | |

6. Details of beneficiaries of CSR Projects:

| Sr. No. | CSR Project | No. of persons benefitted from CSR projects | % of beneficiaries from vulnerable and marginalised groups |
|---------|--|---|--|
| 1 | Centre of Excellence – AU Ignite - Skills Training Programme | 7,693 | 27% |
| 2 | AU Udyogini - Women entrepreneurship programme | 2187 | The beneficiaries of these CSR projects encompass diverse communities and segments, including vulnerable and marginalised groups and thus, the percentage of beneficiary from any particular group could not be determined. The Bank recognise the importance of inclusivity and strive to ensure that our initiatives reach and benefit all segments of society, particularly those facing vulnerability and marginalisation. |
| 3 | AU Sports Initiative - Bano Champion | 6,963 | |
| 4 | Arogya - Healthcare Initiative | 32,020 | |
| 5 | AU Jal Bank – Making Available Safe Drinking water | 2,36,800 | |
| 6 | AU Road Safety Initiative | 12,500 | |
| 7 | AU Sahayog – Support programme for Senior Citizen and economically backward groups | 2,220 | |
| 8 | Community Sports | 13,710 | |
| 9 | Education - Chalo Pathshala | 31,955 | |
| 10 | India Culture and Values | 6,003 | |
| 11 | Save Environment | 31,787 | |
| 12 | Support to Veteran Armed Forces | 250 | |

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Bank has implemented a comprehensive policy on Customer Grievance Redressal, which outlines the proper procedure for addressing and resolving customer complaints. This policy has been carefully designed to adhere to all relevant regulatory requirements and is applicable across the entire Bank.

Customers have multiple channels available to them for registering their complaints:

- i. Telephonic Channel: Customers can register complaints by contacting the Bank's 24X7 customer care through the contact numbers provided on the Bank's website and displayed at its branches.
- ii. Branch: Customers have the option to lodge their complaints with the branch officials or by entering their concerns in the complaint book/register during the working hours of the branch. The names and contact details of the officers responsible for handling complaints are prominently displayed at the branches.
- iii. Electronic Channel: The Bank provides an online complaint form on its website (www.aubank.in), which customers can use to register their complaints. Alternatively, customers can also send an e-mail to customercare@aubank.in or utilise the specific service-related e-mail IDs available on the Bank's website.

In addition, the Bank's website provides details regarding the business heads, regional nodal officers, and principal nodal officer. Customers can reach out to these individuals for assistance if their grievance is not resolved within defined timelines.

If a customer does not receive a response from the Bank within 30 days of lodging a complaint or if their complaint is rejected, or if they are unsatisfied with the Bank's reply, they have the option to file a complaint with the Banking Ombudsman.

To ensure effective customer grievance redressal, the Bank has established a 4-tiered governance framework, which includes:

- i. Branch Level Customer Service Committee: This committee is responsible for addressing customer complaints at the branch level.



- ii. Standing Committee on Customer Service: This committee oversees customer service matters across the entire Bank.
- iii. Customer Service Committee of the Board: This committee, formed at the Board level, ensures that effective customer service and grievance redressal practices are in place.
- iv. Customer Service Department & Nodal Officers: The Bank has designated a dedicated Customer Service Department along with appointed nodal officers, who are responsible for handling customer complaints and ensuring their resolution.

Overall, the Bank's policy and governance framework are designed to prioritise customer satisfaction and provide a structured approach to resolving customer grievances.

2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:

| Particulars | As a percentage to total turnover |
|---|-----------------------------------|
| Environmental and social parameters relevant to the product | |
| Safe and responsible usage | Not Applicable |
| Recycling and/or safe disposal | |

3. Number of consumer complaints in respect of the following:

| Particulars | FY 2022-23 | | | FY 2021-22 | | |
|--------------------------------|--------------------------|-----------------------------------|---------|--------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | | | | | | |
| Advertising | | | | | | |
| Cyber-security | Nil | Nil | - | Nil | Nil | - |
| Delivery of essential services | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Unfair Trade Practices | | | | | | |
| Other | 35,322 | 1,491 | - | 35,497 | 485 | - |

4. Details of instances of product recalls on account of safety issues:

| Particulars | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | | |
| Forced recalls | | Not Applicable |

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the same is available on <https://www.aubank.in/privacy-policy>.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

During the reporting period, there were no instances of issues relating to advertising, cyber security and data privacy.

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web-link, if available).

The information about the products/services of the Bank can be accessed on <https://www.aubank.in>.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The Bank is spreading awareness to safeguard customers from potential risks and consequences of frauds. The customers are informed through:

- SMS to not to divulge sensitive information to anyone including Bank officials and that Bank does not request for such information,
- E-mail tips for safe banking,
- Social media post on safe banking tips,
- Knowledge Centre on website of the Bank at <https://www.aubank.in/safe-banking> to share awareness about frauds and have also posted tips for safe banking.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

The Bank informs the customers about disruption of services along with period of disruption via SMS, push notifications of Banks app and placing communication banners on the website of the Bank. The restoration of services are also communicated to customer via SMS and push notifications of Banks app.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/ No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Bank's products are intangible in nature and thus, product labelling is not applicable. However, the Bank complies with the disclosure requirements relevant for its products and services in all its communication.

Additionally, details of the Bank's products, services offered are disclosed through various modes viz. brochures, website, advertisements, print media and social media etc. for information of the customers and other stakeholders.

The Bank carries out survey regarding customer satisfaction and the Bank is using customer experience measurement tools for conducting customer surveys through AU Mobile App, Phone Banking, Branch Servicing, Service Request Resolution Feedback, and ATM Services etc. The feedback received from customers through different surveys is analysed, collated, and shared with respective teams for incorporation of suggestions to improve Bank's products and services.

5. Provide the following information relating to data breaches:

- a) Number of instances of data breaches along-with impact: None
- b) Percentage of data breaches involving personally identifiable information of customers: None