BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT FY 2025-26

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 – 302001, Rajasthan
5.	Corporate office address	5th Floor, E-Wing, Kanakia Zillion, Junction of CST Road & LBS Road, Kurla (West), Mumbai – 400070, Maharashtra
6.	E-mail	investorrelations@aubank.in
7.	Telephone	0141-4110060/61
8.	Website	www.au.bank.in
9.	The financial year for which reporting is being done	April 1, 2025 to March 31, 2026
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 (In INR)	7,48,26,71,210
12.	Name and contact details (Telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Ms. Sunanda Sharma (Head of Sustainability) 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 does not have any subsidiary or holding company and thus, this report has been made on a standalone basis.
14.	Name of assessment or assurance provider	Intertek India Pvt. Ltd.
15.	Type of assessment or assurance obtained	Reasonable Assurance for BRSR Core Disclosures Limited Assurance for select non-core BRSR Disclosures

II. Products/services

16. 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	• Retail Secured assets: Wheels, Mortgages, and Gold Loans • Commercial Banking: Business Banking (including Agri Banking), EEFI, REG, and Renewable Energy • Inclusive Banking: MFI, FPO financing and SMF • Digital Unsecured assets: Credit Cards and Personal Loans • Branch Banking: Urban Banking, Swadesh Banking, Govt. & Wholesale Banking • Digital Banking: AU 0101 app, Video Banking, chatbot	100%

17. 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, Commercial Banking, and other Banking Operations	64191	100%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	0	2,819	2,819*
International	0	0	0

**2,819 touchpoints include 29 offices which do not cater to customers directly.*

19. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States)	21 states and 4 union territories
International (No. of Countries)	0

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:

AU Small Finance Bank ("AU SFB" or "the Bank") serves a diverse and inclusive customer base, reflecting its core mission of delivering financial services to underserved and unbanked segments while also catering to the evolving needs of urban and emerging India. The Bank has carefully structured its offerings and outreach to ensure relevance across different customer profiles. Broadly, AU SFB's customers can be classified into three key categories:

1. Urban Customers

Urban customers form a significant part of AU SFB's growing customer base, especially as the Bank continues to expand its presence across metropolitan cities and urban centres.

Profile: This segment includes salaried professionals, entrepreneurs, business owners, high-net-worth individuals (HNIs), and digitally-savvy youth who seek modern banking solutions.

Banking Needs: They typically look for convenience, speed, innovation, and a broad range of financial products including savings accounts, credit cards, personal and business loans, investment options, and digital banking services.

AU SFB's Offering:

- AU 0101 Digital Banking for seamless online access
- Competitive interest rates on savings and fixed deposits
- Premium and lifestyle credit card offerings
- Customised wealth management services
- Relationship-based banking experience through AU Royale and AU Gold programs

2. **Swadesh Banking Customers**

Swadesh Banking is AU SFB's flagship initiative designed to serve customers from rural and semi-urban areas who represent the backbone of India's real economy.

Profile: These customers are typically from smaller towns, Tier 2 and Tier 3 cities, and rural communities. They include farmers, small traders, local entrepreneurs, daily wage earners, and self-employed individuals.

Banking Needs: Their primary requirements revolve around accessible, trustworthy banking that helps them save securely, avail of credit for livelihood, and make simple financial transactions.

AU SFB's Offering:

- Easy-to-operate savings accounts with no/minimum balance
- Doorstep banking and branch outreach in remote locations
- Inclusive financial literacy and customer awareness initiatives
- Tailored loan products for agriculture, two-wheelers, and small businesses
- Support for Direct Benefit Transfer (DBT) and government schemes

3. **Microfinance Customers**

AU SFB's Microfinance customers represent one of its most purpose-driven segments, aligned with the Bank's founding vision of empowering those at the bottom of the financial pyramid.

Profile: Primarily women borrowers from low-income households who are part of self-help groups or joint liability groups in rural and semi-urban areas.

Banking Needs: Access to small-ticket loans to support livelihood activities such as livestock rearing, tailoring, *kirana* shops, and other micro-enterprises.

AU SFB's Offering:

- Group-based microloans with minimal documentation
- Financial literacy training and credit counselling
- Timely, repeat credit for scaling small businesses
- Strong community engagement and on-ground relationship teams
- Support for entrepreneurship and income generation

AU Small Finance Bank's customer strategy is built on deep-rooted trust, inclusion, and innovation. Whether it's the digitally native urban professional, the aspiring rural entrepreneur under Swadesh Banking, or the resilient woman supported through microfinance, AU SFB is committed to being a partner in their financial journeys. By tailoring its services to suit the aspirations and challenges of each segment, AU SFB continues to build a financially empowered and inclusive India.

IV. Employees

20. 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)	59,207	53,513	90.38%	5,694	9.62%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total employees (D+E)**	**59,207**	**53,513**	**90.38%**	**5,694**	**9.62%**
Workers						
4	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5	Other than Permanent (G)	Nil	Nil	Nil	Nil	Nil
6	**Total workers (F+G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

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)	29	26	89.66%	3	10.34%
2	Other than Permanent (E)	-	-	-	-	-
3	**Total differently abled employees (D + E)**	**29**	**26**	**89.66%**	**3**	**10.34%**
Differently abled workers						
4	Permanent (F)	Nil	Nil	Nil	Nil	Nil
5	Other than permanent (G)	Nil	Nil	Nil	Nil	Nil
6	**Total differently abled workers (F+ G)**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**

21. Participation/inclusion/representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	1	10
Key Management Personnel*	4	0	0

Including CS, CFO, and Executive Directors

22. Turnover rate for permanent employees and workers (Disclose trends for the past three years)

Particulars	FY 2025-26			FY 2024-25			FY 2023-24*		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	55.98%	55.83%	**55.97%**	52.93%	62.07%	**53.72%**	43.63%	46.81%	**43.91%**
Permanent Workers	Not Applicable			Not Applicable					

**The figures presented are on a pre-merger basis, prior to the amalgamation of Fincare SFB with and into AU SFB*

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

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

Sr. No.	Name of the holding/ subsidiary/associate companies/joint ventures (A)	Indicate whether holding/subsidiary/ Associate/Joint ventures	% of shares held by the listed entity	Does the entity indicated in column A, participate in the Business-Responsibility initiatives of the listed entity? (Yes/No)
Not Applicable				

VI. CSR Details

24.

(i)	Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii)	Turnover (in INR)	2,16,14,27,76,301
(iii)	Net Worth (in INR)	1,96,26,94,85,112

VII. Transparency and Disclosures Compliances

25. 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 2025-26			FY 2024-25		
		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 Any queries or complaints can be shared by sending an email to hello@aufoundation.in or customercare@aubank.in	Nil	Nil	-	Nil	Nil	-
Investors (other than shareholders)	Yes Covered under Investor Grievance Redressal Policy https://www.au.bank.in/investors/secretarial-policies	1	0	-	Nil	Nil	-
Shareholders	Yes Covered under Investor Grievance Redressal Policy https://www.au.bank.in/investors/secretarial-policies	6	0	-	Nil	Nil	-
Employees	Yes Addressed through internal portal named 'HR Sahayak' for employees to report their grievance. Covered under Bank's Whistle Blower Policy and Vigil Mechanism https://www.au.bank.in/investors/secretarial-policies	287	0	-	899	8	-

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 2025-26			FY 2024-25		
		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
Customers	Yes Covered under Customer Grievance Redressal Mechanism https://www.au.bank.in/notice-board/notice-board-folder-3/gr-file.pdf	58,652*	2,950	-	46,254*	1,956	-
Value Chain Partners	Yes Covered under Bank's Sustainability Procurement Guideline, Whistle Blower Policy and Vigil Mechanism https://www.au.bank.in/investors/secretarial-policies	Nil	Nil	-	Nil	Nil	-
Others (Third Party/ Anonymous)	Yes Covered under Whistle Blower Policy of the bank related to bribery and corruption https://www.au.bank.in/investors/secretarial-policies	15	Nil	-	5	Nil	-

*Number of complaints reported above are recorded complaints at the Bank and not the sustainable complaints.
*Excluding complaints redressed within the next working day. as per the Master Circular DBODNo.Leg.BC.22/09.07.006/2013-14.

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

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 & Digital Inclusion	Social Opportunity	Expanding access to affordable financial and digital services enables economic participation, supports underserved communities, and advances inclusive growth.	-	Positive: Increased customer acquisition, expanded market reach, diversified revenue streams, improved customer retention, and

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)
			It also presents opportunities to broaden the customer base, deepen customer engagement, improve financial literacy, and strengthen the Bank's presence in emerging markets.	-	long-term franchise growth.
2.	Diversity, Equity & Inclusion (DE&I)	Social Opportunity	A diverse and inclusive workforce enhances innovation, decision-making, employee engagement, and organizational resilience. It strengthens the Bank's ability to attract and retain talent while fostering a culture that reflects the diverse needs of customers and communities.	-	Positive: Improved talent attraction and retention, enhanced productivity and innovation, stronger employer brand, and reduced recruitment costs.
3.	Corporate Social Responsibility (CSR)	Social Opportunity	Strategic CSR initiatives in skill development, women entrepreneurship, rural development, and community welfare contribute to socio-economic progress and strengthen the Bank's social impact. These initiatives help build stronger relationships with communities and reinforce the Bank's purpose-driven brand.	-	Positive: Enhanced reputation and stakeholder trust, stronger community relationships, improved brand equity, and long-term business sustainability.
4.	Green Finance	Environment Opportunity	Growing demand for sustainable finance solutions presents opportunities to support the low-carbon transition while creating new business avenues. Green finance products enable the Bank to meet evolving customer needs, strengthen portfolio resilience, and align with emerging regulatory and investor expectations.	-	Positive: Portfolio growth, access to new markets and customer segments, enhanced investor confidence, and reduced exposure to climate-related risks.
5.	Climate Risk	Environment Risk	Physical and transition impacts of climate change may adversely affect borrowers, asset quality, business continuity, and operational resilience. Increasing regulatory expectations and stakeholder scrutiny further amplify the significance of climate-related financial risks.	It is imperative for Bank to understand the impact of climate risk and taking prudent measures for addressing the same. During FY 2025-26, AU SFB became the first Indian bank to partner with the International Finance Corporation (IFC) on Climate Risk Advisory strengthening its ability	Negative: Potential increase in credit losses, operational disruptions, compliance costs, asset impairment.

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)
				to integrate physical and transition climate risks, including flooding, heat stress, water scarcity, policy changes, technology disruption, and asset stranding, into lending and risk management processes.	

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 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 their 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.au.bank.in/investors/secretarial-policies https://www.au.bank.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. The Bank is ISO 27001:2022 certified. This demonstrates the robust processes adopted by the Bank. In addition to this, Bank is PCI DSS certified for card ecosystem and operation.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	No specific commitments, goals, 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.	-	-	-	-	-	-	-	-	-
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)	At AU Small Finance Bank, our purpose extends beyond banking to creating opportunities for individuals, businesses, and communities that have historically remained outside the formal financial system. As stakeholder expectations evolve, we recognise that long-term success depends not only on financial performance but also on responsible environmental, social, and governance practices. FY 2025-26 marked an important step in our sustainability journey as we further integrated ESG principles into our strategy, risk management, and decision-making processes. With climate risks, regulatory developments, and stakeholder expectations reshaping the banking sector, we view sustainability as a key driver of resilience, responsible growth, innovation, and long-term stakeholder value. **Sustainable Finance:** Through our Planet First – AU Green Fixed Deposit programme, we mobilised over ₹2,952.29 Cr. towards renewable energy, clean transportation, and green building projects, supporting India's transition to a lower-carbon economy. In partnership with the International Finance Corporation (IFC), we further strengthened our climate risk assessment capabilities and environmental and social due diligence processes, laying the foundation for informed and future-ready credit decisions. **Sustainable Operations:** Within our operations, we continued to improve resource efficiency, reduce our Scope 1 and Scope 2 emissions, and advance circular economy practices. Our efforts focused on enhancing energy efficiency, promoting digital adoption, reducing waste generation, and strengthening environmental data management. During the year, we also initiated key steps towards understanding the broader climate impact of our business by progressing work on Scope 3 financed emissions and enhancing environmental disclosures. **Sustainable Communities:** Our commitment to people and communities remains central to our growth story. Through financial inclusion initiatives, community development programmes, and flagship CSR interventions such as AU Ignite, AU Udyogini, and AU Bano Champion, we continued creating pathways for entrepreneurship, skill development, youth empowerment, and social progress. Guided by our Diversity, Equity and Inclusion (DE&I) Charter, we foster an equitable workplace where every individual feels valued, respected, and empowered, while leveraging diverse perspectives to strengthen innovation and drive sustainable growth. **Sustainable Reporting:** On the governance front, we enhanced the rigour and credibility of our sustainability disclosures through strengthened ESG governance mechanisms, a comprehensive materiality assessment, independent assurance of BRSR disclosures, and limited assurance on GRI disclosures. These efforts contributed to stronger ESG performance and improved external ratings, reflected in an NSE ESG Rating of 73 (Strong category) and an improved Sustainalytics ESG Risk Rating of 16.6, down from 17.1, indicating lower ESG risk exposure.								

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
	While encouraged by our progress, we recognise that sustainability is a long-term journey. Our focus remains on scaling sustainable finance, strengthening climate resilience, enhancing ESG reporting systems, deepening stakeholder engagement, and creating enduring value for stakeholders, communities, and future generations. Refer to the Message from MD & CEO in the Integrated Annual Report on page no. 31.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies)	Name: Mr. Sanjay Agarwal Designation: MD & CEO DIN: 00009526								
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 Corporate Social Responsibility & Sustainability Committee responsible for decision making on sustainability related issues. The composition, terms of reference and meeting details of Corporate Social Responsibility & Sustainability Committee are included in Corporate Governance Report.								

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 the 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. The status of compliance is presented to the Audit Committee of the Bank on quarterly basis.																	

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out 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)	Not Applicable								
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)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

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 programs on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topic/Principles covered under the training and its impact	% of a person in respective categories covered by the awareness programs
Board of Directors	7	Training covered key areas such as Corporate Governance, Cybersecurity, Banking Regulations, Gen AI, Risk Awareness, and Financial Stability updates (including RBI insights). **Impact:** These initiatives enabled the Board to stay updated on emerging risks, regulatory developments, and strategic governance practices, strengthening oversight and decision-making effectiveness.	100%
Key Managerial Personnel	6	Programs focused on Risk & Compliance Awareness, Corporate Governance, Cybersecurity, Leadership Development, and emerging areas like Gen AI. **Impact:** Enhanced functional expertise, regulatory alignment, and leadership capability, ensuring effective execution of governance, risk, and compliance frameworks across the organisation.	100%
Employees other than BOD and KMPs	441	Training delivered across Product, Policy & Process, Risk & Compliance, Digital & Technology, Sales & Customer Service, and Leadership & Behavioural development through classroom, digital, and blended modes. Coverage includes Product & Process trainings, Digital & Systems learning, Risk, Compliance & Regulatory modules, Application-based trainings, and Leadership & Behavioural interventions such as Communication Skills, Customer Service, Leadership Programs (EDP, Manager Excellence), Emotional Intelligence, and Decision Making, along with Refresher Trainings and Certifications (IIBF, NISM, FEDAI and Bloomberg). **Impact:** Strengthened role-based capability and productivity, ensured regulatory compliance and risk awareness, enabled digital adoption and system effectiveness, improved customer experience and sales outcomes, and built a future-ready workforce through continuous learning and certifications.	99.40%
Workers	Not Applicable	Not Applicable	Not Applicable

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 Requirements) Regulations, 2015 and as disclosed on the entity's website):**

Particulars	Monetary				
	NGRBC Principle	Name of the regulatory/enforcement agencies judicial institutions	Amount (in INR)	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 preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/enforcement agencies judicial institutions
Not Applicable	

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 an Anti-Bribery and Anti-Corruption Policy that applies to all stakeholders, including customers, vendors, investors, regulators, and governmental agencies. The Bank adopts a zero-tolerance approach towards instances of bribery and corruption, or any act of misconduct committed by employees within the Bank's control and taking appropriate punitive action. The policy addresses measures to combat corruption within the Bank and implements preventive measures to deter misconduct on the employees. Employees are imparted with vigilance awareness trainings as part of Bank's annual mandatory training programs.

Web link of the Policy: https://www.au.bank.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:**

Complaints	FY 2025-26	FY 2024-25
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	NA	NA

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

Complaints	FY 2025-26		FY 2024-25	
	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 were 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.

8. Number of days of accounts payables [(Accounts payable *365)/Cost of goods/services procured] in the following format:

Particulars	FY 2025-26	FY 2024-25
Number of days of accounts payables	24.09	33.66

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

9. Open-ness of business:
Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	NA	NA
	b. Number of dealers/distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers /distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties/ Total purchases)	0.09%	0.08%
	b. Sales (Sales to related parties/Total sales)	0.00%	0.01%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.00%	0.01%
	d. Investments (Investments in related parties/ Total investments made)	Nil	Nil

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

Leadership indicators

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

Total numbers of awareness programs held	Topic/principles covered under training	% of value chain partners covered (by the value of business done with such partners) under the awareness programs
1	• Understanding sustainability principles, ESG fundamentals, and responsible business practices that support long-term value creation and sustainable growth. • Environmental sustainability, including climate change awareness, energy efficiency, resource conservation, waste management, water stewardship, and biodiversity protection to minimize environmental impacts. • Social sustainability, covering employee well-being, workplace health and safety, diversity and inclusion, human rights, labour standards, employee engagement, and community development initiatives. • Ethical governance, focusing on compliance, risk management, transparency, accountability, ethical conduct, anti-corruption measures, and responsible value chain practices across business operations and stakeholder relationships	75%

Note: Based on purchase by value

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 Transaction and Materiality which specifies that Directors shall not be involved in any situation that directly or indirectly conflicts with the interests of the Bank.

Web-link of the above Policies: https://www.au.bank.in/investors/secretarial-policies

During FY 2025-26, the Bank has not entered into any materially significant transaction with its Directors or Relatives of Directors, which could lead to potential conflict of interest between the Bank and these parties, other than transactions entered into in the ordinary course of its business.

All the Directors of the Bank have affirmed compliance with the said code as applicable to them for FY 2025-26.

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	FY 2025-26	FY 2024-25	Details of improvement in environmental and social impact
R&D	Nil	Nil	NA
Capex	Nil	Nil	NA

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

Yes, the Bank has established Sustainable Procurement Guidelines (SPG), which set clear expectations for supply chain partners to integrate sustainability into their core values and adhere to Environmental, Social, and Governance (ESG) principles. The SPG initiative aims to promote and embed sustainable practices across the supply chain.

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

The Bank is committed to procuring materials and services from suppliers who follow environmentally and socially responsible practices. However, the overall share of sustainable sourcing has not yet been calculated at a consolidated level.

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 Bank's service-oriented operations, which primarily involve intangible products, the use of recycled materials as direct inputs is limited. However, the Bank has established processes to ensure responsible and sustainable management of waste generated through its activities. Key practices include:

Plastic & Packaging: The Bank actively works to minimise plastic consumption through conscious procurement decisions and the adoption of sustainable alternatives across offices and branches, reducing overall packaging waste.

E-waste Management: Disposal is carried out through a registered, government-authorised vendor. All items are handed over for safe recycling and disposal in compliance with regulatory requirements. The vendor also provides annual compliance reports for audit and record purposes.

Reuse & Recycling: Electronic equipment such as laptops, desktops, and printers are first assessed by the IT team for reuse, repair, or refurbishment, maximising their lifecycle before disposal, in line with internal policies.

General Waste: Paper and other general waste are disposed of through authorised vendors, ensuring adherence to environmental norms and responsible waste handling practices.

Overall, these processes reflect the Bank's commitment to minimising its environmental impact and contributing positively to environmental sustainability.

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 on 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 on 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 applicable laws. 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.

Fixed Deposit: 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.

NIC Code	Name of Product / Service	% of total turnover contributed	Boundary for which the life cycle perspective / assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
The Bank has not conducted Life Cycle Assessment 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.**

Name of Product/Service	Description of the risk/concern	Action taken
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).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2025-26	FY 2024-25
IT Asset	77.07%	76.16%
Non-IT Asset	22.93%	23.84%
Total	**44.90%**	**40.77%**

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

	FY 2025-26			FY 2024-25		
	Reused	Recycled	Safely disposed	Reused	Recycled	Safely disposed
Plastic (including packaging)	Nil	Nil	Nil	Nil	Nil	Nil
E-waste	NA	NA	NA	NA	NA	NA
Hazardous waste	NA	NA	NA	NA	NA	NA
Other waste	Nil	Nil	Nil	Nil	Nil	Nil

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 chains

Essential Indicators

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

Category	Total (A)	% of Employees Covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		NO. (B)	% (B/A)	NO. (C)	% (C/A)	NO. (D)	% (D/A)	NO. (E)	% (E/A)	NO. (F)	% (F/A)
Permanent employees											
Male	53,513	53,513	100%	53,513	100%	0	0%	53,513	100%	0	0%
Female	5,694	5,694	100%	5,694	100%	5,694	100%	0	0%	0	0%
Total	**59,207**	**59,207**	**100%**	**59,207**	**100%**	**5,694**	**9.62%**	**53,513**	**90.38%**	**0**	**0%**
Other than permanent employees											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of Workers Covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Daycare facilities	
		NO. (B)	% (B/A)	NO. (C)	% (C/A)	NO. (D)	% (D/A)	NO. (E)	% (E/A)	NO. (F)	% (F/A)
Permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**
Other than permanent workers											
Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

Particulars	FY 2025-26	FY 2024-25
Cost incurred on wellbeing measures as a % of total revenue of the company	0.23%	0.22%

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

2. **Details of retirement benefits, for current financial year and previous financial year.**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/ N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Yes/No/ N.A.)
PF*	96.40%	NA	Yes	96.05%	NA	Yes
Gratuity*	96.40%	NA	Yes	96.05%	NA	Yes
ESI	NA	NA	NA	NA	NA	NA
Others	NA	NA	NA	NA	NA	NA

** Remaining 3.6% employees are Management Trainee (MT)*

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.

In alignment with the Rights of Persons with Disabilities Act, 2016 (RPwD Act), and the Harmonised Guidelines for Standards of Accessibility, the Bank is committed to fostering an inclusive and accessible workplace for all employees, including those with disabilities. As of the reporting period, the Bank employs 29 differently abled individuals across various locations. The Bank has taken proactive steps to ensure its premises are increasingly accessible, particularly in its larger offices, where inclusive restroom signage has been introduced. These signages incorporate braille to aid navigation for visually impaired individuals. The Bank's ATM machines for visually challenged customers operate on a voice guided system with braille-enabled keys which guide in transacting at the ATM. Additionally, wheelchair-accessible paths have been implemented at branch offices to facilitate ease of access for customers with physical disabilities. These measures reflect the Bank's ongoing efforts to comply with statutory accessibility norms and promote a barrier-free environment, as mandated under Sections 40 to 46 of the RPwD Act.

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 upholds its commitment to equal opportunity and non-discrimination in accordance with the Rights of Persons with Disabilities Act, 2016. A formal Recruitment and Selection Policy is in place to ensure fair treatment and equal access to employment opportunities for all candidates. In addition, the Bank has constituted a Diversity and Inclusion (D&I) Committee that actively promotes inclusive practices across the organisation. The Committee's mandate includes fostering a workplace culture that values diversity, monitors the implementation of inclusive initiatives, and ensures that employment decisions are free from bias. These efforts are aimed at building a cohesive and representative workforce that reflects the Bank's core values of fairness and respect. The detailed D&I guidelines are publicly accessible on its website at: https://www.au.bank.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	99.90%	70.08%	NA	NA
Female	98.41%	38.81%	NA	NA
Total	**99.66%**	**64.30%**	**NA**	**NA**

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.**

Permanent Workers	NA
Other than Permanent Workers	NA
Permanent Employees	Yes
Other than Permanent Employees	NA

The Bank has established formal grievance redressal mechanisms for its permanent employees in line with its commitment to fostering a transparent, ethical, and inclusive workplace. Grievances are addressed through dedicated internal committees, including the Prevention of Sexual Harassment (POSH) Committee. This Committee is composed of trained members equipped to handle a wide range of employee concerns. Employees can report grievances via designated email addresses outlined in the relevant policies. Additionally, the Bank's intranet hosts a 'Raise a Complaint' section, enabling employees to submit concerns under the POSH framework or the Whistle-Blower Policy. Confidentiality is strictly maintained throughout the process, and the Bank ensures appropriate support is extended to the complainant. An open-door culture is actively encouraged, allowing employees to voice concerns freely and without hesitation.

The Bank also has a Consequence Management Policy in place to address instances of non-compliance with the Code of Conduct, behavioural violations, and operational lapses. This policy outlines the disciplinary actions applicable in such cases. Furthermore, through its Whistle-Blower Policy, the Bank encourages employees to report suspected misconduct, unethical behaviour, fraudulent activities, or serious conduct risks without fear of retaliation or victimisation. These mechanisms collectively reinforce the Bank's commitment to accountability, fairness, and employee well-being.

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

Category	FY 2025-26			FY 2024-25		
	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	Not Applicable			Not Applicable		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	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	53,513	52,365	97.85%	52,849	98.76%	46,508	43,798	94.17%	45,055	96.88%
Female	5,694	5,519	96.93%	5,570	97.82%	4,438	4,178	94.14%	4,284	96.53%
Total	**59,207**	**57,884**	**97.77%**	**58,419**	**98.67%**	**50,946**	**47,976**	**94.17%**	**49,339**	**96.85%**
Workers										
Male	Not Applicable					Not Applicable				
Female										
Total										

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	53,513	53,513	100%	46,508	46,508	100%
Female	5,694	5,694	100%	4,438	4,438	100%
Total	**59,207**	**59,207**	**100%**	**50,946**	**50,946**	**100%**
Workers						
Male	Not Applicable			Not Applicable		
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, the Bank has implemented an occupational health and safety management system across its operational premises. All branches that house ATMs and cash-handling facilities-excluding those classified under the Unbanked Category are secured through either an E-Surveillance System or a Cash Management Services (CMS) System. These systems are designed to detect irregularities and generate real-time alerts, thereby enhancing security and operational safety. Furthermore, all offices are equipped with CCTV surveillance, fire alarm systems, and fire extinguishers to ensure a safe working environment for employees. To reinforce preparedness, the Bank conducts regular mock drills aimed at familiarising staff with emergency response protocols and promoting a culture of safety awareness. Bank's Branches are designed in a way so that natural light can be utilised.

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 entity follows a structured Health and Safety Management System (HSMS) to identify work-related hazards and assess risks for both routine and non-routine activities. Routine practices include periodic safety inspections, workplace audits, and Hazard Identification and Risk Assessment (HIRA), along with continuous monitoring of operations and review of past incidents.

In alignment with sustainability principles, the organisation integrates environmentally responsible practices into its risk assessment processes, including evaluation of energy usage, safe handling and disposal of materials (including e-waste), and adoption of resource-efficient and low-impact operational methods.

For non-routine activities, the entity conducts pre-job risk assessments, implements permit-to-work systems for high-risk tasks, and follows change management procedures for new processes, equipment, or emergency scenarios. These measures ensure that both safety and environmental risks are proactively identified and effectively controlled.

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

Yes, the organisation has established robust processes that enable workers to report work-related hazards and unsafe conditions through formal reporting systems, supervisors, and safety committees.

Additionally, in line with sustainability and employee well-being commitments, the organisation fosters a safety-first and environmentally responsible culture, encouraging employees to promptly report hazards, including those related to environmental impact. Workers are empowered to stop work and remove themselves from unsafe situations without fear of retaliation, supported by a strong non-retaliation policy and timely corrective and preventive actions.

These practices ensure not only workplace safety but also contribute to a sustainable, responsible, and compliant work environment.

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

Yes.

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

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	NA	NA
Total recordable work-related injuries	Employees	0	0
	Workers	NA	NA
No. of fatalities	Employees	0	0
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	NA	NA

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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

The Bank is deeply committed to fostering a safe, healthy, and inclusive workplace that prioritises both the physical and mental well-being of its employees. A structured framework of initiatives has been implemented to promote holistic wellness, professional growth, and a positive work environment. These measures include wellness programs, mental health support, work-life balance initiatives, skill development opportunities, employee engagement activities, and recognition platforms.

Key actions undertaken are as follows:

- Actively discouraging extended working hours beyond regular schedules.
- Maintaining hygienic and well-sanitised office premises.
- Ensuring robust emergency preparedness through the installation of fire alarms, sprinklers, and extinguishers.
- Enhancing awareness of workplace safety and conduct regulations via POSH (Prevention of Sexual Harassment) displays.
- Providing access to nutritious meals through in-house canteen services.
- Facilitating resolution of employee concerns through the HR Sahayak portal.
- Promoting physical activity and team spirit through events such as the Annual AU Marathon and AU Khelotsav.
- Collaborating with wellness platforms and healthcare providers to offer unlimited online consultations, preferential discounts, annual health screenings, and medical camps including blood donation and eye check-ups.
- Organising live sessions for yoga and Zumba to encourage regular fitness practices.

In addition, the Bank remains focused on advancing gender diversity and inclusivity, thereby cultivating a workplace culture that supports the overall well-being and professional fulfilment of all employees.

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

Particulars	FY 2025-26			FY 2024-25		
	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	Nil	Nil	Nil	Nil	Nil	Nil
Health and safety	Nil	Nil	Nil	Nil	Nil	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	We have internal capacity to assess our offices and we do assessment of our 100% offices on the said parameters.
Working conditions	

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 and 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 (Yes/No) (B) Workers (Yes/No)?

A. Employees-Yes

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 maintains rigorous oversight to ensure that statutory dues are duly deducted and deposited in accordance with applicable laws and regulations. To uphold compliance across its value chain, the Bank incorporates clear and binding provisions within contractual agreements with vendors and service providers. These contracts explicitly mandate adherence to labour laws, human rights standards, and regional statutory requirements, including the proper deduction and timely deposition of all relevant dues. Through this structured approach, the Bank reinforces accountability and regulatory compliance among its partners.

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 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	Not Applicable			
Workers				

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

The Bank has instituted a range of structured programs to support employees in their career development and to facilitate smooth transitions during role changes. These include:

- **Saksham** – A skill-building initiative that enables employees to acquire relevant competencies aligned with their Key Responsibility Areas (KRAs), fostering professional growth.
- **AU Dharma** – A cultural orientation program that reinforces the Bank's core values and work principles, promoting alignment with organisational ethos.
- **Capacity Building** – A policy framework designed to assess employee potential and implement targeted training and development strategies to enhance capabilities.
- **Behavioural Workshops** – A series of competency-focused sessions aimed at strengthening behavioural and interpersonal skills essential for career advancement.
- **First Time Managers** – A transition support program that prepares employees for leadership roles by guiding them through the shift from operational to managerial responsibilities.

These initiatives reflect the Bank's commitment to continued employability, career progression, and responsible workforce transition management.

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	4
Working Conditions	4

Calculation methodology has been revised for the current year.

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.

The Bank expects its value chain partners to provide safe and healthy working conditions and comply with all applicable health, safety, and labour regulations. These expectations are communicated through relevant policies and engagement mechanisms. However, the Bank does not currently conduct a formal assessment of occupational health and safety practices across its entire value chain and supplier base.

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

Essential Indicators

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

The Bank follows a structured and systematic approach to identify and prioritise stakeholder groups that are either impacted by its operations or have a significant influence on its business. This process considers multiple dimensions, including business dependency, regulatory obligations, shareholder interests, value chain contributions (particularly in IT and allied services), community presence, media engagement, and customer interface. Based on these factors, the Bank recognises its key stakeholder groups as customers, investors/shareholders, employees, partners and associates, ecosystem and society, and government and regulatory authorities.

Please refer to the 'Stakeholder Engagement' section on page no. 37 of the Annual Report.

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 (Email, 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
Partners, vendors and associates	No	• Conferences and forums • One-to-one meetings • Telephonic and email communication	Continuous engagement	• Assignment and closure of jobs • Discussion on scope of work and other details • Taking No Due confirmations • Encouraging e-invoicing • **Other engagements:** Educating them on Business Ethics, integrity and Sustainability
Customers	No	• **Over-the-Counter (OTC) Services:** In-person assistance available across all branch locations. • **Tele-Banking:** Includes Phone Banking, IVR (Interactive Voice Response), and Customer Care services	Continuous engagement	• **Safe & Fair Services:** Provides secure, non-discriminatory banking services with transparent pricing and fair disclosures.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, 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
		• **Digital Channels:** Mobile Banking, Net Banking, SMS Banking, WhatsApp Banking, Social Media, E-mail, Auro Chatbot, and Video Banking. • **Bank Website:** Platform for product/service information, service requests, and lodging complaints. • **Customer Awareness & Communication:** Outreach through advertisements and print media. • **Feedback Mechanisms:** Regular customer satisfaction surveys and feedback systems to assess service quality.		• **Customer-Centric Offerings:** Offers a wide range of products and services catering to diverse customer needs. • **Robust Infrastructure:** Supported by strong systems and technology to enable seamless transactions. • **Multi-Channel Access:** Ensures easy access through an integrated network of physical branches and digital banking platforms.
Investors and Shareholders	No	• Quarterly financial updates • Quarterly Financial Results and Press releases • Regulatory, statutory disclosures • Public disclosures, including stock exchange disclosures • Analyst Meets • Annual Report • Investor/Analyst Day • Meetings, roadshows and conferences • Emails or one-to-one interactions • Annual General Meetings (AGM)	Continuous engagement as per requirement, minimum quarterly	• Strategy • Financial and non-financial performance • Sustainable shareholder value • Sound risk management • Strong governance and transparency • Compliance & ethical practices • Responsible business practices • Disclosure on non-financial metrics like ESG, CSR • Effective and timely communication
Regulatory Authorities and Government	No	• 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	• 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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/ No)	Channels of communication (Email, 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
Employees	Yes (Women Employees)	• Internal meetings and town halls • Performance discussions and periodic reviews • Training and development workshops	Continuous engagement	• Industry First Initiative — Menstrual Leave • Specific day's celebration — Women's day celebration • Create a culture that encourages ethical practices, promotes meritocracy, and rewards high performance.
Society	Yes	• Community outreach programs and field interactions • Regular site visits, monitoring and impact assessment activities • Awareness campaigns through print, digital and social media platforms • Stakeholder consultations, workshops and community meetings • Engagement through AU Foundation initiatives and local partnerships • Feedback collection through direct beneficiary interactions and surveys • Inperson meeting with current and prospective beneficiaries.	Ongoing and need-based engagement throughout the year	• Creating awareness regarding the Bank's CSR and community development initiatives • Understanding local community needs, challenges and developmental priorities • Conducting skill development, sports, livelihood and financial literacy interventions • Strengthening community participation and stakeholder collaboration for sustainable impact • Addressing grievances, feedback and suggestions from beneficiaries and local stakeholders • Reviewing project effectiveness, transparency and long-term social outcomes

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 at Sr. No. 2 of essential indicators on continuous basis and the feedback received through that 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 channelled to the Stakeholders Relationship Committee to ensure that 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. Lastly, feedback and matters related to society, environmental impact & sustainability related measures are directed to the Corporate Social Responsibility & Sustainability Committee. 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 for different areas of concern is carried out.

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 actively leverages stakeholder consultations to inform its approach to environmental and social issues. In light of India's commitment to achieving net zero emissions and the global focus on the United Nations Sustainable Development Goals (SDGs), the role of green finance has become increasingly significant. The banking sector, as a financial intermediary, plays a critical role in enabling the transition to a sustainable economy.

In response to the Reserve Bank of India's Green Deposit Framework introduced, the Bank engaged with key stakeholders, including customers, investors, and regulatory bodies, to align its practices with evolving expectations. This framework encourages banks to mobilise green deposits, thereby supporting customers' sustainability goals and directing credit towards environmentally beneficial projects.

As per regulatory guidance, funds raised through green deposits must be allocated exclusively to initiatives that promote energy efficiency, reduce greenhouse gas emissions, enhance climate resilience, and protect biodiversity. Based on stakeholder feedback and in alignment with this framework, the Bank has formulated a Green Deposit Policy and Financing Framework. This initiative reflects the Bank's recognition of the financial risks posed by environmental degradation and its commitment to supporting a low-carbon, sustainable future.

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

The Bank recognises the importance of engaging with vulnerable and marginalised communities as part of its inclusive and responsible banking practices. Through targeted interventions, the Bank has undertaken several initiatives to address the specific needs of these groups.

During FY 2025-26, the Bank strengthened its commitment to advancing financial literacy as a key pillar of sustainable and inclusive development through structured outreach initiatives across diverse geographies and underserved communities. A total of 3,800+ financial literacy camps were conducted across 16 states, reaching 80,500+ beneficiaries, including women, farmers, students, small entrepreneurs, and senior citizens. These camps focused on promoting responsible financial behaviour, digital banking adoption, social security schemes, savings practices, cyber-fraud prevention, and access to formal credit systems. To improve effectiveness at the grassroots level, awareness content was delivered in nine regional languages using interactive and infotainment-based learning formats, ensuring better comprehension among first-time users of formal financial services.

As part of the RBI Financial Literacy Week campaign, the Bank organised 630+ targeted camps, covering 7,250+ beneficiaries, with a focused emphasis on KYC awareness to promote secure and compliant banking participation. Further strengthening collaboration with state initiatives, the Bank actively supported the Smart & Safe Banking Initiative of the Government of Rajasthan, under which 850+ camps were conducted across 36 districts, benefiting 15,000+ participants and enhancing awareness on secure digital transactions at the grassroots level.

Recognising social participation gaps in rural areas where women often hesitate to participate in mixed-group sessions when men are mobilised first the Bank conducted exclusive women-centric financial literacy camps with Self-Help Groups and Anganwadi workers, creating safe and inclusive learning environments that encouraged higher participation and confidence among women. These targeted interventions strengthened women's financial awareness, improved access to banking services, and supported their role in household financial decision-making.

In addition, the Bank actively participated in national and state-level flagship campaigns such as the DFS Saturation Drive (Pan-India), RBI Digital Payments Awareness Week, Gramin Seva Shivir, and Shahri Seva Shivir in Rajasthan, reinforcing alignment with the national financial inclusion agenda. Through these sustained efforts, the Bank continues to enhance financial capability, promote responsible digital adoption, and strengthen trust in formal banking systems among vulnerable communities, thereby contributing meaningfully to equitable access, livelihood resilience, and inclusive socio-economic growth across rural India.

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 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	59,207	57,908	97.81%	50,946	48,204	94.62%
Other than permanent	NA	NA	NA	NA	NA	NA
Total employees	**59,207**	**57,908**	**97.81%**	**50,946**	**48,204**	**94.62%**
Workers						
Permanent	Not Applicable					
Other than permanent						
Total workers						

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

Category	FY 2025-26					FY 2024-25				
	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	59,207	12	0.02%	59,195	99.98%	50,946	7	0.01%	50,939	99.99%
Male	53,513	12	0.02%	53,501	99.98%	46,508	6	0.01%	46,502	99.99%
Female	5,694	0	0.00%	5,694	100.00%	4,438	1	0.02%	4,437	99.98%
Other than permanent	Not Applicable									
Male										
Female										
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than permanent										
Male										
Female										

3. **Details of remuneration/salary/wages:**

a. **Median remuneration/wages:**

Particulars	Male		Female	
	Number	Median remuneration/salary/ wages of respective category (In ₹ in Lakh)	Number	Median remuneration salary/wages of the respective category (In ₹ in Lakh)
Board of Directors (BoD)	7	18	1	18
Key Managerial Personnel	4	202.64	0	0
Employees other than BoD and KMP	53,509	3.65	5,694	3.80
Workers	0	0	0	0

Notes:

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

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

Particulars	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	8.42%	8.34%

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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)**

The Bank has established a Nomination and Remuneration Committee responsible for addressing employee-related matters, including those involving human rights. Complementing this, the Bank has implemented key governance policies such as the Whistle-Blower Policy, Vigil Mechanism, and the Policy for Prevention and Redressal of Sexual Harassment.

These frameworks provide structured, channels for reporting misconduct and unethical behavior, ensuring timely investigation and resolution. Collectively, these mechanisms reinforce the Bank's commitment to ethical conduct, and the protection, of human rights across its operations.

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

The Bank's commitment to human rights is reflected in its internal governance and operational practices. A dedicated Nomination and Remuneration Committee is tasked with addressing grievances related to human rights, ensuring impartial and timely resolution. The Bank's Code of Conduct and supporting policies articulate its core values, placing emphasis on dignity, fairness, and respect for all individuals. These mechanisms are designed to uphold the rights of employees and stakeholders, fostering a workplace culture rooted in inclusivity and ethical responsibility.

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

Particulars	FY 2025-26			FY 2024-25		
	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	12	3	-	19	3	Pending complaints have been resolved within statutory timelines under the POSH Act

Particulars	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Discrimination at workplace	Nil	Nil			Nil	-
Child labour	Nil	Nil			Nil	-
Forced labour/ Involuntary labour	Nil	Nil			Nil	-
Wages	Nil	Nil			Nil	-
Other human rights-related issues	Nil	Nil			Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Particulars	FY 2025-26	FY 2024-25
Total complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	12	19
Complaints on POSH as a % of female employees/workers	0.21%	0.42%
Complaints on POSH upheld	6 Proved, 3 in progress	11

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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

The Bank ensures strict confidentiality in handling complaints related to discrimination and harassment. It has adopted a zero-tolerance approach through its Policy for Prevention and Redressal of Sexual Harassment.

In compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, an Internal Complaints Committee has been constituted to investigate and act on complaints, ensuring fairness and accountability, and thereby safeguarding complainants from retaliation or adverse consequences.

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

Yes. In line with its Sustainable Procurement Guidelines and broader governance frameworks, significant service providers and vendors are required, through contractual provisions and/or formal compliance confirmations, to adhere to applicable laws, including labour laws and statutory requirements. This approach is further supported by the Bank's Sustainability Policy, which emphasises responsible and ethical business conduct across operations and the value chain.

10. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	NA
Forced/involuntary labour	NA
Sexual harassment	NA
Discrimination at workplace	NA
Wages	NA
Others – please specify	NA

11. **Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 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 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 premises/offices of the entity have been designed to ensure accessibility for differently-abled visitors, in compliance with the provisions of the Rights of Persons with Disabilities Act, 2016.

In addition to essential accessibility features such as ramps, accessible entry and exit points, designated parking spaces, elevators with appropriate signage, and required facilities for ease of movement and safety, the entity also aligns its infrastructure with sustainability principles. These include the development of barrier-free environments integrated with energy-efficient lighting, optimised space utilisation, and environmentally conscious design practices.

These combined measures reflect the organisation's commitment to creating an inclusive, accessible, and sustainable environment for all 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.
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 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A) (in GJ)	4,135.84	3,911.18
Total fuel consumption (B) (in GJ)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumption from renewable sources (A+B+C) (in GJ)	**4,135.84**	**3,911.18**
From non-renewable sources		
Total electricity consumption (D)	1,15,883.74	1,41,163.60

Parameter	FY 2025-26	FY 2024-25
Total fuel consumption (E)	2,522.14	4,276.54
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**1,18,405.88**	**1,45,440.14**
Total energy consumed (A+B+C+D+E+F)	**1,22,541.72**	**1,49,351.31**
Energy intensity per rupee of turnover (Total energy consumption/revenue (Mn. INR) from operations)	0.56	0.80
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue (Mn. INR) from operations adjusted for PPP)	11.53	16.41
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	2.07 GJ/FTE	2.93 GJ/FTE

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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? (Yes/No) 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 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground water	-	-
(iii) Third-party water	6,58,085.81	5,66,264.79
(iv) Sea water/desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	6,58,085.81	5,66,264.79
Total volume of water consumption (in kilolitres)	6,58,085.81	5,66,264.79
Water intensity per rupee of turnover (Mn. INR) (total water consumption/revenue from operations)	0.30	0.33
Water intensity per rupee of turnover (Mn. INR) adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	61.93	62.23
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	45 Lt/Day/FTE	45 Lt/Day/FTE

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

4. **Provide the following details related to water discharged:**

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
i) To Surface water	2,92,482.58 KL water discharged in the municipal drainage after first level treatment	2,51,673.24 KL water discharged in the municipal drainage after first level treatment
- No treatment		
- With treatment – please specify level of treatment		
ii) To Ground water		
- No treatment		
- With treatment – please specify level of treatment		
iii) To Sea water		
- 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)		

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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

Not Applicable

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	Not Applicable		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
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? (Yes/No) If yes, name of the external agency: Not Applicable

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	186.81	316.89
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)		22,854.39	28,075.87
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/Revenue (Mn. INR) from operations)		0.10	0.15
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue (Mn. INR) from operations adjusted for PPP)		2.17	3.12
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		0.38 tCO_2 Eq/FTE	0.56 tCO_2 Eq/FTE

Note: Scope 1 emissions decreased during the year due to reduced diesel consumption in DG sets across offices, reflecting lower dependence on backup power

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

8. **Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details.**

Environmental Stewardship and Climate Action

Strategic Commitment

Environmental stewardship is a fundamental pillar of the Bank's operating philosophy. Recognising the growing risks of climate change, sustainability and energy efficiency are embedded into both long-term strategy and day-to-day operations.

Climate and Emissions Approach

The Bank is guided by a long-term objective to reduce direct CO_2 emissions through renewable energy and low-carbon solutions aligned with the SDGs and India's net-zero 2070 commitment. Its 1 MW solar power plant at Gajner, Bikaner supplies clean energy and helps lower the Bank's carbon footprint.

Operational Sustainability Initiatives

Key measures to reduce environmental impact include:

- Increased adoption of digital banking to minimise resource use
- Deployment of energy-efficient systems across facilities
- Organisation-wide paper conservation and reduction practices
- Adoption of Sustainability Procurement Guidelines to promote responsible environmental practices, resource efficiency, and supplier compliance.

Electricity Metering Initiative

To strengthen energy management, the Bank has implemented an AI-enabled Electricity Metering Initiative in collaboration with a technology partner. The platform:

- Centralises electricity billing data, including thermal paper bills
- Ensures data accuracy and traceability

- Provides dashboards and analytics on consumption and costs
- Supports proactive management of Maximum Demand and Power Factor

Ongoing Focus

Through continued investments in energy optimisation and emissions reduction, the Bank demonstrates its commitment to climate responsibility, operational efficiency, and sustainable growth.

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

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.06	3.48
E-waste (B)	27.69	80.18
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	52.75	70.51
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)	-	Miscellaneous (4.69), Paper (4)
Total (A + B + C + D + E + F + G + H)	**80.51**	**162.87**
Waste intensity per rupee of turnover (Mn. INR) (Total waste generated/Revenue from operations)	0.000372	0.000871
Waste intensity per rupee of turnover (Mn. INR) adjusted for Purchasing Power Parity (PPP) (Total waste generated/ Revenue from operations adjusted for PPP)	0.008	0.018
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity	0.0014 t/FTE	0.0032 t/FTE
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 (Battery)	-	70.174
(ii) Re-used (e-waste)	64.73	64.29
(iii) Other recovery options (Battery)	-	0.336
Total	**64.73**	**134.80**
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 (Handed over to authorised recycler)	35.17	28.06
Total	**35.17**	**28.06**

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

10. 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.

The organisation adheres to structured and compliant waste management practices aimed at minimising environmental impact. These practices include systematic segregation, collection, recycling, and safe disposal of waste generated across its establishments. Waste is segregated at source into dry and wet categories, with recyclable materials such as paper, plastic, and metals being channelled to authorised recycling agencies. Hazardous waste, including e-waste, batteries, and chemical waste, is handled and disposed of through certified vendors in strict compliance with applicable environmental regulations.

To further mitigate environmental risk, the organisation follows a preventive approach toward reducing the use of hazardous and toxic chemicals by promoting eco-friendly alternatives, optimising operational processes to minimise chemical consumption, and ensuring proper storage, handling, and usage in accordance with prescribed safety standards. These efforts are supported by regular monitoring mechanisms, employee awareness initiatives, and strict adherence to regulatory requirements, enabling continuous improvement in environmental performance and reinforcing the organisation's commitment to sustainability.

11. 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? (Yes/No) If no, the reasons thereof and corrective action taken, if any
Not Applicable			

12. 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					

13. 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 (Yes/No). 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. 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, the Bank does not use water for any industrial purpose and its water usage is limited to drinking and domestic usage. The Bank is making efforts to ensure that water is consumed judiciously in the office premises. Most of its water consumption is through municipal water supply or third-party potable water suppliers.

Parameter		FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		Not Applicable	
(i)	Surface water		
(ii)	Ground water		
(iii)	Third-party water		
(iv)	Sea water/desalinated water		
(v)	Others		
	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 Ground water		
	- No treatment		
	- With treatment – please specify level of treatment		
(iii)	Into Sea water		
	- 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)			

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Yes/No) If yes, name of the external agency: Not Applicable

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO2 equivalent	7,792.18	-
Total Scope 3 emissions per rupee of turnover	NA	0.0361 tCO_2e	-
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? (Yes/No) If yes, name of the external agency: Not Applicable

3. With respect to the ecologically sensitive areas reported at Question 11 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.

As a financial services institution, the Bank's operations do not involve activities that result in significant direct impacts on biodiversity. Additionally, the Bank's offices and branches are located away from ecologically sensitive or protected areas, thereby minimising any potential environmental disturbance.

4. 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:

Sr. No.	Initiative undertaken	Details of the initiative (web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Energy-efficient equipment installation	Replacement of outdated electrical equipment (ACs, UPS, lighting) with energy-efficient/star-rated models across branches.	Reduced electricity consumption, lower operational costs, and enhanced equipment lifespan.
2	Waste management & recycling	Implementation of waste segregation at source with tie-ups with authorised recyclers for e-waste and scrap disposal.	Minimisation of environmental impact, promotion of circular economy practices, and full compliance with statutory waste management regulations.
3	Digital documentation process	Adoption of digital documentation, e-approval workflows, and system-driven processes to eliminate manual paperwork.	Substantial reduction in paper consumption, improved operational efficiency, faster turnaround time, and reduced environmental footprint.
4	Preventive maintenance (AMC)	Regular AMC and preventive servicing of assets like ACs, UPS, DG sets to ensure optimal performance.	Enhanced energy efficiency, minimised resource wastage, extended asset lifespan, and prevention of environmental losses due to breakdowns.
5	Water conservation initiatives	Deployment of controlled RO systems and awareness initiatives promoting responsible water usage across all locations.	Optimised water consumption, reduction in wastage, and strengthened water stewardship practices.
6	Vendor optimisation and compliance	Engagement with certified and compliant vendors ensuring environmentally responsible practices in emissions control, refrigerant handling, and material disposal.	Strengthened environmental compliance, reduced emission-related risks, and alignment with sustainable procurement standards.

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

AU Small Finance Bank has a robust Business Continuity and Disaster Management framework to ensure uninterrupted banking services and protection of stakeholder interests during disruptions. The Bank has implemented a comprehensive Business Continuity Plan (BCP) detailing recovery strategies, roles, and infrastructure to sustain critical operations within defined Recovery Time Objectives (RTOs). The plan covers multiple disaster scenarios, including city wide disruptions, and is periodically tested to identify gaps and strengthen preparedness. The BCP is reviewed and updated regularly to align with changes in technology, processes, and regulatory requirements.

6. 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?

Yes. The Bank expects its value chain partners to comply with all applicable laws and regulatory requirements, including labour-related obligations and workplace standards. These expectations are communicated through contractual agreements, vendor onboarding processes, and relevant policy frameworks. The Bank's Sustainability Policy and Sustainable Procurement Guidelines further encourage responsible, ethical, and sustainable business practices across the value chain. Through these measures, the Bank seeks to promote compliance, accountability, and sound governance among its value chain partners while fostering long-term sustainable relationships and supporting responsible business conduct throughout the supplier ecosystem.

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

In accordance with its Sustainability Procurement Guidelines, the Bank encourages value chain partners to adopt environmentally responsible practices. However, the Bank has not yet undertaken formal assessments of environmental impacts across its value chain.

8. **How many Green Credits have been generated or procured:**

a. By the listed entity: Nil

b. By the top 10 (in terms of value of purchases and sales, respectively) value chain partners: Nil

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:** 16

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	Association of Small Finance Banks of India (ASFBI)	National
2	Microfinance Institutions Network (MFIN)	National
3	Indian Banks' Association (IBA)	National
4	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
5	Confederation of Indian Industry (CII)	National
6	Indian Institute of Banking and Finance (IIBF)	National
7	Data Security Council of India (DSCI)	National
8	Financial Benchmarks India Private Limited (FBIL)	National
9	Association of Karnataka Microfinance Institutions (AKMI)	National
10	Fixed Income Money Market and Derivatives Association of India (FIMMDA)	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
	Not Applicable	

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
1.	The Bank actively engages with key industry associations such as the Indian Banks' Association (IBA), the Association of Small Finance Banks of India (AISFB), the Federation of Indian Chambers of Commerce and Industry (FICCI), the Confederation of Indian Industry (CII), and a few more. Through these platforms, the Bank participates in policy discussions and regulatory consultations that support financial inclusion, digital transformation, sustainable economic development, and the evolution of the banking sector. These engagements enable the Bank to contribute constructively to reforms aligned with national priorities and sectoral advancements, while promoting responsible, well governed banking practices. The Bank's participation reflects its commitment to supporting a resilient, inclusive, and future ready financial ecosystem, in line with its long term institutional vision.	Participation through recognised industry associations, engagement in regulatory and policy consultations, and structured institutional dialogue forums.	Yes	Reviewed periodically under the oversight of the Board and relevant Board Committees.	-

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 INR)
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:

Regular on-ground visits by teams and implementation partners to monitor progress and address issues. Feedback collected through NGO partners, trainers, coaches, field coordinators, and community mobilisers. Focus on group discussions and need-assessment meetings held to understand community requirements. Social media and digital platforms used for awareness, updates, queries, and feedback gathering. Feedback reviewed periodically for course correction, timely issue resolution, and improved project delivery. Direct beneficiary interactions conducted through field visits, meetings, training sessions, and project reviews. 'Talk to Us' boards displayed at project sites with contact details for feedback and concerns.

Any queries or complaints can be shared by sending an email to hello@aufoundation.in or customercare@aubank.in.

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

Particulars	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	20.88%	28.19%
Directly from within India	100%	100%

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/on contract basis) in the following locations, as % of total wage cost:

Location	FY 2025-26	FY 2024-25
Rural	2.28%	2.20%
Semi-urban	19.19%	18.88%
Urban	22.93%	22.31%
Metropolitan	55.60%	56.61%

(Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.

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 INR)
1	Uttarakhand	Haridwar	1,00,000
2	Uttar Pradesh	Chandauli	98,192
3	Uttar Pradesh	Muzaffarnagar	29,850
4	Rajasthan	Dholpur	67,260
5	Rajasthan	Pokhran	2,38,200
6	Rajasthan	Sirohi	24,44,568
7	Rajasthan	Baran	39,000
8	Punjab	Moga	61,000
9	Odisha	Dhenkanal	77,810
10	Madhya Pradesh	Khandwa	1,55,620
11	Madhya Pradesh	Rajgarh	29,75,255
12	Madhya Pradesh	Barwani	6,500
13	Madhya Pradesh	Vidisha	15,55,760
14	Maharashtra	Washim	8,700
15	Maharashtra	Dharashiv	8,700
16	Chhattisgarh	Rajnandgaon	6,500
17	Gujarat	Dahod	15,562
18	Bihar	Araria	93,372
19	Bihar	Aurangabad	62,248
20	Bihar	Begusarai	62,248
21	Bihar	Gaya	46,686
22	Bihar	Khagaria	31,124
23	Bihar	Muzaffarpur	1,26,934
24	Bihar	Purnia	1,24,496
25	Bihar	Sitamarhi	77,810
26	Andhra Pradesh	Vizianagaram	15,562
27	Andhra Pradesh	YSR Kadapa	15,562
	Total		**85,44,519**

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

Yes, The Bank has implemented a preferential procurement policy to encourage inclusive growth and support marginalised and underrepresented groups. Under this policy, priority is given to procurement from:

- Micro, Small & Medium Enterprises (MSMEs)
- Women-led enterprises
- Businesses owned by persons with disabilities
- Social enterprises focused on environmental sustainability
- Enterprises from economically disadvantaged and rural communities

Suppliers seeking consideration under this policy are required to provide verifiable documentation such as third-party certifications, impact reports, or other relevant credentials. This approach aligns with the Bank's broader sustainability and social equity objectives, ensuring that procurement practices contribute to inclusive economic development and responsible sourcing

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 who have benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	AU Ignite — Education & Job Oriented Skills Development	2,05,862	100%
2	AU Bano Champion — Sports Initiative	10,346	100%
3	AU Udyogini — Expansion of Individual Entrepreneurship program	1,841	100%
4	AU Kartavya — Healthcare & Social Development Initiatives	1,11,598	100%
5	AU Green Initiatives	36,680	100%

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

AU SFB has a structured and customer-centric grievance redressal framework aligned with regulatory guidelines to ensure timely, transparent, and fair resolution of complaints. The framework reflects the Bank's commitment to service excellence, transparency, and customer trust. Customers can lodge grievances through multiple channels including:

- **Telephonic Support:** A 24×7 customer care helpline is available. The contact details are prominently displayed on the Bank's website and at all branch locations.
- **Branch Interface:** Customers may lodge complaints directly with branch officials or record them in the complaint register maintained at branches during working hours. Details of designated grievance officers are displayed at each branch.
- **Digital Channels:** Complaints can be submitted through:
  - The online grievance forms are available on the Bank's website (www.au.bank.in)
  - Dedicated service email IDs
  - Email communication at customercare@aubank.in

These digital modes ensure convenience and accessibility for customers across geographies.

In addition, the Bank's website provides contact information of business heads, regional nodal officers, and the Principal Nodal Officer for escalation in cases where grievances remain unresolved within prescribed timelines.

Complaint Handling and Escalation

Each customer complaint is acknowledged with a unique reference number and is resolved within defined turnaround times. If a customer does not receive a satisfactory response within 30 days, or if the complaint is rejected, the customer may escalate the matter to the Banking Ombudsman under the Reserve Bank of India's Integrated Ombudsman Scheme.

Governance structure for grievance redressal

To strengthen accountability and oversight, the Bank has implemented a four-tier grievance redressal structure:

1. **Branch Level Customer Service Committee:** Addresses customer complaints and service-related issues at the branch level.
2. **Standing Committee on Customer Service:** Monitors service quality, grievance trends, and systemic issues across the Bank.
3. **Customer Service Committee of the Board:** Provides strategic oversight and ensures alignment with regulatory and governance expectations.
4. **Customer Service Department and Nodal Officers:** A dedicated department supported by nodal officers ensures centralised monitoring, escalation, and resolution of customer grievances.

Policy framework and internal oversight

The Bank has adopted a formal Customer Grievance Redressal Policy, which clearly outlines procedures for complaint registration, escalation, and resolution. The policy is reviewed periodically to incorporate regulatory changes and evolving customer needs.

Further, complaints closed as 'not in favour of the customer' or 'partially in favour of the customer' undergo an additional level of review by the Internal Ombudsman, ensuring fairness, objectivity, and independent oversight.

Continuous improvement

The Bank conducts regular root cause analyses of customer complaints to identify systemic gaps and implement corrective and preventive actions. Insights from these analyses are utilised to strengthen internal processes, enhance staff training, and improve service delivery standards.

Through this robust and structured grievance redressal mechanism, the Bank remains committed to safeguarding customer interests, delivering service excellence, and fostering long term relationships built on trust and transparency.

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	Not Applicable
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable

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

Particulars	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	40	8	-	5	2	-
Advertising	0	0		0	0	-
Cybersecurity	0	0		0	0	-
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	-
Other	58,612*	2,942		46,249*	1,954	-

**Excluding complaints redressed within the next working day. as per the Master Circular DBOD No.Leg.BC.22/09.07.006/2013-14. Independent reasonable assurance for the above disclosure has been obtained from Intertek India Private Limited. Please refer to the Independent Assurance Statement on page no. 269.*

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

Particulars	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

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

Yes. The Bank has a Board-approved Cybersecurity Policy. However, in view of the sensitive and confidential nature of the policy contents, the same is not published on web. Bank has published privacy policy on web and link for the same is https://www.au.bank.in/privacy-policy

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; Cybersecurity 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.

7. **Provide the following information relating to data breaches:**

a. Number of instances of data breaches: None

b. Percentage of data breaches involving personally identifiable information of customers: Not Applicable

c. Impact, if any, of the data breaches: Not Applicable

Leadership Indicators

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

AU SFB provides comprehensive information on its products and services through multiple customer touchpoints. Customers can access details via the Bank's official website (www.au.bank.in), the AU0101 Mobile Banking App (available on Android and iOS platforms), and by visiting any of the Bank's branches.

In addition, product and service information is available through customer support centres and dedicated relationship managers. The Bank also leverages digital communication channels such as email, SMS, and WhatsApp to share timely updates, product information, and service-related communications, thereby ensuring transparency and easy accessibility across all customer touchpoints.

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

AU SFB undertakes multiple initiatives to promote the safe, secure, and responsible usage of its products and services. The Bank maintains a dedicated Safe Banking section on its website to educate customers on cybersecurity awareness, safe digital practices, and secure transaction protocols.
In addition, the Bank conducts financial literacy and awareness camps, with focused outreach in rural and semi urban areas. During these camps, customers are provided with QR coded leaflets aimed at promoting responsible banking behaviour and fraud prevention.

Customers are also regularly sensitised through email communications, SMS alerts, and in app notifications, which highlight fraud risks, precautionary measures, and best practices for responsible product usage. Further, a dedicated customer support helpline and grievance redressal mechanism is available to promptly address customer queries and concerns.

These initiatives collectively reinforce the Bank's commitment to ensuring secure, informed, and inclusive banking for all customers.

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

AU SFB places customers at the center of its communication approach by proactively sharing service disruptions and expected restoration timelines through SMS alerts, push notifications on the AU 0101 mobile app, and banners on its official website. By keeping customers informed in advance and in real time, the Bank helps them plan their banking activities with ease, reduces inconvenience, and strengthens trust through transparent and reliable service communication.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/NA) If yes, provide details in brief. Did your entity carry out any survey with regard to 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)

Yes, AU SFB provides information on its products and services through multiple channels, including its official website www.au.bank.in, mobile banking app. Additionally, customers can access product details and services through branch visits, customer support centre, and dedicated relationship managers. The bank also leverages digital marketing channels, including email, SMS, and WhatsApp communications, to disseminate relevant information. Some of the avenues include:

1. Leaflet/brochures - Utilised by Sales representatives to explain product benefits to the customer
2. Website - Consists of product benefits, FAQs, schedule of charges and key terms and conditions related to the product
3. Welcome kit - Sent to the customer post account activation and details the key product features & schedule of charges
4. Post-onboarding communication - Product information shared via emailers sent post account activation
5. Regular customer campaigns - Relevant product communication shared via platforms like emails/social media, etc.

Yes, AU SFB conducts regular customer satisfaction surveys to assess and improve customer experience throughout the banking journey. These surveys gather feedback at key stages such as product onboarding, service interactions, and issue resolution.

Surveys across multiple channels (Mobile App, AURO Chat, WhatsApp, Email, IVR, SMS, Branch Banking, etc.,) to measure customer experience. Customers rate their satisfaction using star ratings, thumbs up/down, or descriptive options. The feedback is analysed to identify service gaps, improve processes, and enhance customer engagement.

Key performance indicators for FY 2025-26 include:

- **Transactional Net Promoter Score (TNPS) for branch banking:** 94%, up from 93% in FY 2024-25.
- **Customer Satisfaction Score (CSAT) for mobile banking:** 89%, up from 88% in FY 2024-25.

These metrics reflect the Bank's commitment to delivering high-quality, customer-focused services and continuously improving the banking experience.

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Independent Reasonable Assurance Statement to AU Small Finance Bank Limited on Business Responsibility and Sustainability Report (BRSR) Core Disclosures presented within its Annual Report FY 2025-26.

To the Management of AU Small Finance Bank Limited, Jaipur, India

Introduction

Intertek India Private Limited ('Intertek') was engaged by AU Small Finance Bank Limited ('AU Bank') to provide an independent reasonable assurance on its Business Responsibility and Sustainability Report ('BRSR') core disclosures (sustainability disclosures) presented within its Annual Report ('the Report') for the reporting periods of FY 2025-26. The Report is prepared by AU Bank based on Securities and Exchange Board of India's ('SEBI') BRSR guidelines ('reporting guideline').
The assurance was performed in accordance with the requirements of International Federation of Accountants ('IFAC') International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

Objective

The objectives of this reasonable assurance engagement were, by review of objective evidence, to confirm whether the sustainability disclosures in the Report are in alignment with the reporting guidelines and were accurate, complete, consistent, transparent and free of material errors or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of AU Bank's Annual Report FY 2025-26.

Responsibilities

The management of AU Bank is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of AU Bank, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for BRSR core disclosures with reference to SEBI Master Circular no. SEBI/HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, presented in the Report. The assurance boundary included data and information of 2790 offices across different states of India.

Our scope of assurance included verification of internal control systems, data and information on core disclosures reported as summarized below:

BRSR Core KPIs	Description
Principle 1	Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable: • Number of days of accounts payable. • Concentration of purchases & sales done with trading houses, dealers, and related parties. • Loans and advances & investments with related parties.
Principle 3	Businesses should respect and promote the well-being of all employees, including those in their value chains: • Cost incurred on well-being measures as a % of total revenue of the company. • Safety related incidents (LTIFR, Fatality, Permanent Disabilities) for employees and workers (including contract-workforce).
Principle 5	Businesses should respect and promote human rights: • Gross wages paid to females as percentage of wages paid. • Complaints on POSH.
Principle 6	Businesses should respect and make efforts to protect and restore the environment • Total Scope 1 and Scope 2 emissions. • GHG emissions intensity (scope 1 and 2). • Total water consumption, water consumption Intensity and water discharge by destination and levels of treatment. • Total energy consumed, % of energy consumed from renewable sources and energy intensity. • Total waste generated (category-wise); waste intensity; Total waste recovered through recycling, re-using or other recovery operations; Total waste disposed by nature of disposal method; waste diverted from landfill.
Principle 8	Businesses should promote inclusive growth and equitable development • Input material sourced (from MSMEs/ small producers and from within India) as a % of total purchase. • Job creation in smaller towns– Wages paid to persons employed in smaller towns (permanent or non- permanent /on contract) as % of total wage cost.
Principle 9	Businesses should engage with and provide value to their consumers in a responsible manner: • Instances involving loss / breach of data of customers as % of total data breaches or cyber security events.

Assurance Criteria

Intertek conducted the assurance work in accordance with the requirements of 'Reasonable Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.
- International Standard on Assurance Engagements (ISAE) 3410 for 'Assurance Engagements on Greenhouse Gas Statement

A reasonable assurance engagement involved assessing the risks of material misstatement of the agreed indicators/parameters whether due to fraud or error, responding to the assessed risks as necessary in the circumtances. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Limitations

We have relied on the information, documents, records, data, and explanations provided to us by AU Bank for the purpose of our review.

The assurance scope excludes:

- Any disclosures beyond those specified in the Scope section above.
- Data and information falling outside the defined reporting period.
- Data pertaining to the Company's financial performance, strategy, and associated linkages are articulated in the Report.
- Assertions made by the Company encompassing expressions of opinion, belief, aspiration, expectation, forward-looking statements, and claims related to Intellectual Property Rights and other competitive issues.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls.

The procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within software/IT systems.

Methodology

Intertek performed assurance work using a risk-based approach to obtaining information, explanations and evidence that was considered necessary to provide a reasonable level of assurance. Our assurance task was planned and carried out during June'2026. The assessment included the following:

- Assessment of the sustainability disclosures in accordance with SEBI's BRSR Core guidelines.
- Review of processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at AU Bank Corporate Office and digitally.
- Conducted physical interviews with key personnel responsible for data management at AU Bank Corporate Offices at Jaipur.
- Assessment of appropriateness of various assumptions, estimations and thresholds used by AU Bank for data analysis.
- Review of BRSR core disclosures for the period from April 1, 2025 to March 31, 2026 for AU Bank was carried out onsite at selected business locations.
- Appropriate documentary evidence was obtained to support our conclusions on the information and data reviewed and details were provided in a separate report.

Conclusions

Intertek reviewed the BRSR Core Indicators in the Report for the reporting period from April 1, 2025 to March 31, 2026. Based on the scope of our review, we conclude with reasonable assurance that the sustainability data and information is fairly presented in all material aspects as per reporting guidelines.

Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.

Poonam Sinha

Poonam Sinha, Verifier
Manager-Sustainability

2026/07/25

Beth Mielbrecht

Elizabeth Mielbrecht, Reviewer
Project Director

2026/07/25

No member of the verification team (stated above) has a business relationship with AU Small Finance Bank Limited, stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.

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Independent Limited Assurance Statement to AU Small Finance Bank Limited on Business Responsibility and Sustainability Report (BRSR) on Selected Sustainability Disclosures presented within its Annual Report FY2025-26.

To the Management of AU Small Finance Bank Limited, Jaipur, India

Introduction

Intertek India Private Limited ('Intertek') was engaged by AU Small Finance Bank Limited ('AU Bank' to provide an independent limited assurance on its Business Responsibility & Sustainability Report ('BRSR') selected sustainability disclosures ('sustainability disclosures') presented within its Annual Report ('the Report') for the reporting periods of FY 2025-26. The Report is prepared by AU Bank based on Securities and Exchange Board of India's (SEBI) BRSR guidelines ('reporting guideline').

The assurance was performed in accordance with the requirements of International Federation of Accountants (IFAC'), International Standard on Assurance Engagement (ISAE) 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information

Objective

The objectives of this limited assurance exercise were, by review of objective evidence, to confirm whether any evidence existed that the sustainability disclosures in alignment with reporting guidelines, as declared in the Report, were not accurate, complete, consistent, transparent and free of material error or omission in accordance with the criteria outlined below.

Intended Users

This Assurance Statement is intended to be a part of AU Small Finance Bank Limited Annual Report FY 2025-26.

Responsibilities

The management of AU Bank is solely responsible for the development of the Report and its presentation. Management is also responsible for the design, implementation and maintenance of internal controls relevant to the preparation of the Report so that it is free from material misstatement, whether due to fraud or error.

Intertek's responsibility, as agreed with the management of AU Bank, is to provide assurance and express an opinion on the data and assertions in the Report based on our verification following the assurance scope and criteria given below. Intertek does not accept or assume any responsibility for any other purpose or to any other person or organization. This document represents Intertek's independent and balanced opinion on the content and accuracy of the information and data held within.

Assurance Scope

The assurance has been provided for sustainability disclosures as per reporting guidelines presented by AU Bank in the Report. The assurance boundary included data and information of 2790 offices across different states of India.

Our scope of assurance included verification of data and information on selected disclosures reported as summarized below:

Section A: General Disclosures
• Corporate details (CIN, name, registered office, operations) • Reporting boundary • Financial year for which reporting is being done • Details of business activities • Products/Services sold by the entity • Number of locations where plants and/or operations/offices of the entity are situated • Total number of permanent and other than permanent employees. • Total number of permanent and other than permanent workers. • Total number of differently abled employees and workers (permanent and other than permanent). • Turnover rate for permanent employees and permanent workers.
Section B: Management and Process Disclosures
• Policy and management processes • Governance, leadership and oversight
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable
• Details of complaints with regard to conflict of interest
Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains
• Details of retirement benefits • Return to work and retention rates of permanent employees and workers that took parental leave. • Performance and career development reviews of employees and workers. • Health and safety management system
Principle 5: Businesses should respect and promote human rights
• Details of remuneration salary/wages: BOD, KMP, Employees other than BOD and KMP, workers • Minimum wage paid to employees and workers. • Number of Complaints on discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages, Other human rights related issues

Assurance Criteria

Intertek conducted the assurance work in accordance with the requirements of 'Limited Assurance' procedures as per the following standard:

- International Standard on Assurance Engagements (ISAE) 3000 (revised) for 'Assurance Engagements other than Audits or Reviews of Historical Financial Information'.

A limited assurance engagement comprises of limited depth of evidence gathering including inquiry and analytical procedures and limited sampling as per professional judgement of assurance provider. A materiality threshold level of 5% was applied. Assessment of compliance and materiality was undertaken against the stated calculation methodology and criteria.

Methodology

Intertek performed assurance work using a risk-based approach to obtain information, explanations and evidence that was considered necessary to provide a limited level of assurance. The assurance was conducted by desk reviews, a visit to AU Bank's offices at Jaipur and stakeholder interviews with regards to the reporting and supporting records for FY 2025-26. Our assurance task was planned and carried out during June-July'2026. The assessment included the following:

- Assessed the sustainability disclosures in accordance with SEBI's BRSR reporting guidelines.
- Reviewed processes and systems used to gather and consolidate data.
- Examined and reviewed documents, data and other information made available at AU Bank Corporate Office and digitally.
- Conducted physical interviews with key personnel responsible for data management at AU Bank Corporate Offices in Jaipur.
- Assessed appropriateness of various assumptions, estimations and thresholds used by AU Bank for data analysis.
- Reviewed BRSR sustainability disclosures for the period of April 1, 2025, to March 31, 2026 for AU Bank and conducted onsite at selected business locations.

Obtained appropriate documentary evidence to support our conclusions on the information and data reviewed and details were provided in a separate report.

Conclusions

Intertek reviewed selected disclosures in the Report for the reporting period from April 1, 2025, to March 31, 2026. Based on the scope of our review, we conclude with limited assurance that there is no evidence that the sustainability data and information presented in the Report is not materially correct as with the reporting guidelines.

Intertek's Competence and Independence

Intertek is a global provider of assurance services with a presence in more than 100 countries employing approximately 43,500 people. The Intertek assurance team included competent sustainability assurance professionals, who were not involved in the collection and collation of any data except for this assurance opinion. Intertek maintains complete impartiality towards any people interviewed.

For Intertek India Pvt. Ltd.

Poonam Sinha

Poonam Sinha, Verifier
Manager-Sustainability

2026/07/25

Beth Mielbrecht

Elizabeth Mielbrecht, Reviewer
Project Director

2026/07/25

No member of the verification team (stated above) has a business relationship with AU Small Finance Bank Limited stakeholders beyond that is required of this assignment. No form of bribe has been accepted before, throughout and after performing the verification. The verification team has not been intimidated to agree to do this work, change and/or alter the results of the verification. The verification team has not participated in any form of nepotism, self-dealing and/or tampering. If any concerns or conflicts were identified, appropriate mitigation measures were put in place, documented and presented with the final report. The process followed during the verification is based on the principles of impartiality, evidence, fair presentation and documentation. The documentation received and reviewed supports the conclusion reached and stated in this opinion.