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Kankanady
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Phone : 0824-2228222
E-Mail : Comsec@ktkbank.com
Website : www.karnatakabank.com
CIN : L85110KA1924PLC001128

SECRETARIAL DEPARTMENT

19.08.2024

HO:SEC:134:2024-25

To:

The Manager
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra-Kurla Complex
Bandra (E), Mumbai-400051
Scrip Code: KTKBANK

The Manager
Listing Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400001
Scrip Code: 532652

Madam/Dear Sir,

Sub: Business Responsibility and Sustainability Report for FY 2023-24

Pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report of the Bank for the Financial Year 2023-24.

This is for your kind information and dissemination.

Yours faithfully,

Sham K
Company Secretary &
Compliance Officer



BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L85110KA1924PLC001128
2	Name of the Listed Entity	The Karnataka Bank Limited
3	Year of incorporation	1924
4	Registered office address	Regd. and Head Office, Post Box No. 599, Mahaveera Circle, Kankanady, Mangaluru-575002 Karnataka, India
5	Corporate address	Regd. and Head Office, Post Box No. 599, Mahaveera Circle, Kankanady, Mangaluru-575002 Karnataka, India
6	E-mail	info@ktkbank.com
7	Telephone	0824-2228222
8	Website	https://karnatakabank.com/
9	Financial year for which reporting is being done	FY 2023-24
10	Name of the Stock Exchange(s) where shares are listed	a. BSE Limited b. National Stock Exchange of India Limited
11	Paid-up Capital	₹ 3,77,24,99,580
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr. Jayanagaraja Rao S 0824-2228275 jayanagarajas@ktkbank.com
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).	Consolidated Basis

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Banking (Financial and Insurance Services Activity Code-K1)	Banking activities by Central, Commercial Bank	100%

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

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Banking Services	64191	100%

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

Location	Number of plants	Number of offices	Total
National	NA	Branches: 921 Offices : 39 ATM/Recyclers:1495	Branches: 921 Offices : 39 ATM/Recyclers:1495
International	NIL	NA	NA

17. Markets served by the entity:**a. Number of locations**

Location	Number
National (No. of States)	22 States and 2 Union Territories
International (No. of Countries)	NA

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

Not Applicable.

c. Brief on types of customers

The Bank has a base of over 13 million customers with its principal business catering to comprehensive range of customized products & services suitable for every kind of market, trade, or perceived need in the areas of Personal, Business, Agriculture, NRI Priority Banking including support of Green Sustainability funds. These include borrowing facilities, deposits, providing optimum returns on surplus funds or helping with overseas transactions.

The customer base of the bank includes.

- Retail individuals,
- Digital UPI payment service customers and partners,
- Large corporates with treasury and wholesale banking needs,
- MSME's including mid corporate clients,
- NRI Individuals living abroad who maintain financial connections with their home country through NRI accounts and services,
- Farmers and agriculturists,
- Government bodies and agencies, non-profit organizations, and other entities that require specialised banking services, including support towards old age charitable homes,
- The Bank has been collaborating with fintech companies to enhance digital services and expand reach as part of Digital India program since early 2000's for focusing on the new generation of Tech-savvy customers who prefer digital channels.

**IV. Employees****18. Details as at the end of Financial Year: March 31, 2024.****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)	8,900	6,102	68.56%	2,798	31.44%
2	Other than Permanent (E)	7	6	85.71%	1	14.29%
3	Total employees (D + E)	8,907	6,108	68.58%	2,799	31.42%
WORKERS						
4	Permanent (F)	NIL	NA	NA	NA	NA
5	Other than Permanent (G)	NIL	NA	NA	NA	NA
6	Total workers (F + G)	NIL	NA	NA	NA	NA

Note: "Employees" include officers and Award Staff as on March 31, 2024. At present based on company workforce is at 8,907 employees.

**As per International Labour Organization and RBI report 2023, the industry average for women in banking is at 24%. in comparison The Karnataka bank has a higher diversity ratio of 31.42%.

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)	30	26	86.67%	4	13.33%
2	Other than Permanent (E)	0	0	0	0	0
3	Total employees (D+E)	30	26	86.67%	4	13.33%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	NIL	NA	NA	NA	NA
5	Other than Permanent (G)	NIL	NA	NA	NA	NA
6	Total workers (F+G)	NIL	NA	NA	NA	NA

19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	11	1	9.09%
Key Management Personnel	3	-	-
Other categories of employees	8907	2799	31.44%

Note: *Key Managerial Personnel Including MD & CEO

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

Particulars	FY 2023-24 (Turnover rate in current FY24)			FY 2022-23 (Turnover rate in previous FY23)			FY 2021-22 (Turnover rate in the year prior to the previous FY22)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	2.58%	1.90%	2.36%	1.70%	0.45%	2.16%	1.54%	0.37%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note:

Being an equal opportunity employer, the Bank has strived to break gender stereotypes and provide opportunities for all workgroups as an integral part of its workforce and foster a culture of inclusion work life balance and "Happiness" while managing life in general as the bank empowers enables and accelerates its digitalization journey. There has been a series of Top down interventions with e-trainings across key strategic bank branches with 1 Assistant General Manager, 2 Chief Managers and 12 Senior Manager and leadership heads on Work life "Happiness" trainings conducted in FY 2023-24, that percolated down to the tactical and operations staff engagement levels and resulted in the low Staff turnover rate and higher Net Promoter Score (NPS), when compared to the industry standard, to the Banking and technology industry, for best place to work.

V. Holding, Subsidiary and Associate Companies (including joint ventures)**21. (a) 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 Venture	% of shares held by the Company	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the Company (Yes/No)
1	KBL Services Limited	Wholly Owned Non-Financial Services Subsidiary	100%	Yes

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) YES****(ii) Turnover (in ₹)** 17,10,58,83,66,176.69**(iii) Net worth (in ₹)** 1,03,43,67,64,032.69

The bank has sanctioned 184 CSR projects as on 31st Mar 2024 with CSR Allocated funds of ₹ 1841.42 lakhs and the breakup is shown in the table below:

Category	No of Projects in FY 23-24	Amount Sanctioned (in ₹ lakhs)	% of Amount Sanctioned	Major projects implemented
Education	71	772.78	41.97	34 schools supported in FY 23-24
Healthcare	36	308.43	16.75	Support for mid-day meal programme, provision of safe drinking water at schools and public institutions like temples, upgrade the infrastructure of charitable hospitals and to conduct free medical camps.
Protection of Culture/Heritage	24	159.05	8.64	All the activities pertain to restoration of buildings and sites of historical importance and works of art.
Rural Development	10	157.70	8.56	Support to develop a rural village, Amasebail, Udupi Dist., Karnataka State
Environmental Sustainability	19	114.25	6.20	Installation of solar roof top power solutions at educational institutions and public institutions.



Category	No of Projects in FY 23-24	Amount Sanctioned (in ₹ lakhs)	% of Amount Sanctioned	Major projects implemented
Socially / Economically disadvantaged	10	109.68	5.96	Infrastructure upgrade of old age home and orphanage.
Empowering Women	8	104.67	5.68	Scholarship programme for girl child education and infrastructure upgrade of girls only schools.
Swachh Bharat	5	38.65	2.10	Construction of hand wash facility/area at Vadabandeshwara Sri Balarama temple, Udupi and toilet block at Shri Rama Vidyarthi Nilaya, Hubballi, Karnataka State
Benefit of armed force veterans	1	5.00	0.27	Contribution towards the welfare of 12 th Battalion of the Jammu & Kashmir light infantry.
Administrative Expenses		71.21	3.87	
Grand Total	184	1,841.42	100.00	

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial year		
		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 Refer https://karnatakabank.com/investors/policies-codes	0	0	Nil	0	0	Nil
Investors (other than shareholders)	Yes Refer: https://karnatakabank.com/investors/policies-codes Note: Investor can reach email investor.grievance@ktkbank.com to redress their grievances,	0	0	Nil	0	0	Nil
Shareholders	Yes Refer: https://karnatakabank.com/investors An investor relationship officer is appointed for better communication with shareholders and to oversee functioning of mechanisms for redressal of investor grievances. Note: Shareholders can reach us on the dedicated email id investor.grievance@ktkbank.com to redress their grievances	3	0	Nil	12	0	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial year		
		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
Employees and workmen	<p>Yes Refer: Policy on equal opportunity of the Bank https://karnatakabank.com/investors/policies-codes</p> <p>The Karnataka Bank has also instituted a Whistle Blower Policy and associated shareholders, employees and the Link is available Whistleblower policy FY2023-24 https://karnatakabank.com/investors/policies-codes</p> <p>The bank in its HR & IR policy has appointed General Manager – HR & IR Department to oversee the provisions of required facilities/ amenities including the process of recruitment for persons with disabilities for higher operational inclusion. Note: Employees can reach HR & IR Department by telephone, e-mail, letter and in person also to redress grievances, if any as mentioned in the Code of Conduct and redressal policy</p>	0	0	Nil	0	0	Nil



Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial year		
		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	<p>Yes</p> <p>1. The Bank believes that customer service experience is the key to acquire and nurture enduring relationship with our customers. The Karnataka Bank has a well-defined customer complaint management system -Online Grievance Redressal Portal along with a Policy on Customer Rights and Product Suitability – FY24-25</p> <p>2. The bank has segregated its complaints into three aspects.</p> <p>(a) The attitudinal / Behavioural aspects in dealing with customers.</p> <p>b) Operational Aspects- Inadequacy of the functions/ arrangements made available to the customers, working / operations, or gaps in standards of services expected and actual services rendered.</p>	39,350 [which includes 458 BO Complaints, 1230 General Complaints and 37662 ATM Defective claims]	208 [ATM Defective Claims]	Nil	56,321 [which includes 359 BO Complaints, 1424** General Complaints and 54538 ATM Defective Claims].	379 [which includes 370 ATM defective claims and 9** General Complaints]	Nil

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial year		
		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
	c) Technology Related. Refer to Standard operating procedure (SOP) for handling customer complaints (service-related https://karnatakabank.com/investors/policies-codes) 3. For customers having access to phones only, a Helpline has been instituted Toll free 18001025250						
Value Chain Partners	Yes, Grievances if any, can be emailed to info@ktkbank.com Refer Policy on co-lending with NBFCs for lending to priority sector https://karnatakabank.com/investors/policies-codes	0	0	Nil	0	0	Nil
Others, please specify	Nil	0	0	Nil	0	0	Nil

* ATM complaints numbering 37662 is excluded for the year 2023-24

* ATM complaints numbering 54538 is excluded for the year 2022-23

** Reclassified the data as per the RBI letter vide CEPD.CO.PRD/S 1332/13-01-015/2023-24 dated 23-01-2024.



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

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

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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	Responsible lending and sustainable finance	Opportunity	<ol style="list-style-type: none"> 1. Financing Small and marginal farmers for crop cultivation and animal husbandry under Interest Subvention, AIF and AHIDF scheme by Government of India (GoI). Finance against Storage and warehouse receipts to provide liquidity to farmers and to avoid distress sales of commodities. 2. Area specific approach is given special thrust to provide simple and faster credit delivery to the farming sector. Credit Support to Contract Farming Arrangement in Crop and Allied activities. Micro Food and Agro processing units are given credit assistance under Government PMFME scheme. 	Risk – Adapt	Positive: Financing to various farming activities helped to uplift the socio-economic status of farming community.
2	Environment and Social Risk	Opportunity and Risk	<p>Opportunity</p> <ol style="list-style-type: none"> 1. To promote the usage of green energy by green financing and funding of Products, frameworks, and systems 2. To identify and mitigate adverse potential environmental & social impacts due to Bank's lending activities. 	Risk and Opportunity – Adapt /Mitigate The bank has formulated an ESG policy for effective integration of sustainability into its banking business operations, ESG factors are considered in the risk assessment of any future investment and related risk assessments and the management processes of the bank and where feasible to that of its stakeholders.	Positive impact: Under its ESG committee targets, the Bank embarked upon its Digital Paperless agenda

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
			<p>3. To ensure that clients establish E&S requirements in line with national environmental and social regulations.</p> <p>4. Bank's Environmental and Social Management (ESG) Policy provides a systematic procedure to check whether the lending policy may cause any potential adverse environmental and social impacts, to assure that negative impacts are avoided or minimized to the extent possible, and the positive impacts are stimulated.</p> <p>5. Bank will desist from extending finance, irrespective of the amount, for activities coming under exclusion list in the ESG policy.</p>	<p>As per Sustainable lending practices align with the BRSR's principles, the bank would embed processes to assess the borrowers' ESG performance to manage risks, including 'material ESG issues, including disclosed environmental and social matters, including transparency in ESG disclosures as a criteria of evaluation in the Loan decision Making Process.</p> <p>For the effective Implementation of ESG principles as provided under scope 1 and scope 2 in the Bank, Board has constituted an Executive Level ESG Committee with published ESG policy with additional inter departmental ownership with ESG KPI's target responsibility so that KBL's ESG targets are embedded in the bank's daily operations and decision making.</p>	
3	Vendors and supplier	Opportunity for business growth and responsible supply chain	ESG Code of Conduct for Suppliers under GRI 308. Initiated the 'Corporate Whistle-blower Initiative' (CWI) - independent online reporting service for secure, confidential communication of vendor concerns	Conscious Opting for vendors that promote sustainable product, recycling as part of the vendor selection process. This includes paper, office stationery and cups and includes engaging vendors for recycling of e-Waste.	Positive Impact
4	Staff welfare, work life balance and Human Rights, Occupation Health, and Safety	Risk opportunity for future ready work force	Training and awareness of all the employees and clause on Human rights in employee and stakeholder agreements and contracts, and e-learning sessions on	Adapt: The Bank has also introduced ECDS (Employee Career and Development System) by operationalizing the PMS (Performance	Positive Impact: Internal audit, inclusion of HR in the ESG Committee has added further checks and measures into making staff welfare in the ESG commitment of the



Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
			<p>Work life and Happiness to managerial and senior leadership ranks across branches and states which includes the reiteration of a fair working environment, equal opportunities, remuneration, freedom of association without any ethnic, gender or PWD discrimination and a New Whistleblower policy along with digitalization training across staff.</p>	<p>Management System). The Bank has also put in place TMC (Talent Management Committee) to identify and groom the talents as part of succession planning. Our ISO 9001:2015 certified in-house Staff Training College is central to our strategy for enhancing business capabilities.</p>	<p>Bank. The Bank has conducted Fire safety drills for over 777 staff at its Headquarters, old Headquarters with Chief Security Officer and equipped all its branches with fire safety. along with ergonomic workplace setups. 15 Strategic management leaders conducted training on Work life Balance and Staff Happiness training.</p>
5	Data Security and IT Resiliency	<p>Risk of post covid cybersecurity attacks Opportunity of digital scalability along with and digitalization Resiliency of continued business support- "Leave nothing to Chance initiative"</p>	<p>Risk-</p> <ol style="list-style-type: none"> 1. Cyber threats to banking system. 2. Launch of Bank's lending product through mobile banking and internet Banking channel. 3. Various SMS and Email facilities. 4. Data centre – disaster recovery risks in case of any disaster situation in the city of the Bank's data centre with "nonstop banking" 	<p>Risk: Mitigation Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction and roadmap towards cyber threat mitigation. IT Departments and CISO Office are ISO 27001 certified for the implementation of Information Security Management System (ISMS). To consider cyber security from the bank wide perspective, a steering committee of executives known as Information Security Committee. The Chief Information Security Officer (CISO) is the member secretary of the committee. The committee serves as an effective communication on channel for management's cyber security aims and directions.</p>	<p>Positive- improved turnaround time with customer satisfaction. Negative-Efficiency of cyber security systems directly impact the business productivity.</p>

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	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)
				<p>Opportunity: Bank's Disaster Recovery Centre will replicate the Banks Centralised Banking system and all its data. This centre will also be the backup for the ATM operations. In the event of a natural disaster at Bangalore, this centre will immediately come into force and provide full continuous service. Leaving nothing to chance.</p>	
6	Information disclosure and available digitally	Risk: information ambiguity reduction and smooth customer and media information corporate governance clarity	<ul style="list-style-type: none"> Press releases/ Interviews with top management ESG disclosures aligned to benchmark disclosure frameworks 	The Bank has setup a Digital first policy for all press releases, policies in the KBL corporate website. and the Standard Operating practices for Customers, shareholders, non-shareholders, bond holders and non-government, associations	Positive Impact Bank's Chief of Internal Vigilance (CIV) is entrusted with the responsibility of addressing the concerns through an appropriate redressal mechanism.

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 NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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 The Karnataka Bank Governance provides for the approval of key policies by the Board, Chief Executive Officer and Managing Director of the Bank, based on the nature of the Policy and associated regulatory requirements, where necessary. Key Policies approved by the Board are listed below and those revised in FY24. <ol style="list-style-type: none"> Policy on Whistle Blower Policy on Data Privacy and Security for AADHAAR Enrolment Policy on Customer Rights and Product Suitability Policy on Grievance Redressal 								



Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	6. Policy on Deposits 7. Policy on Co-Lending with NBFCs for lending to Priority Sector 8. Policy on General Management of Bank Branches 9. Policy on Disclosure Scheme 10. Prevention of Sexual Harassment at Workplace Policy 11. Karnataka Bank Code of Conduct 12. Banks code of conduct to regulate, monitor and report trading by insider. 13. Policy for Dealing with Unclaimed Amounts Lying with the Karnataka Bank Limited on its Listed Non-Convertible Securities and Manner of Claiming Such Amounts by Investors								
c. Web Link of the Policies, if available	https://karnatakabank.com/policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	The policies of the Karnataka Bank have been translated into procedures, which are at various stages of implementation. Specific Executive committees have been designated with Ownership and Responsibilities, which have been constituted for operationalizing, these policies, ensuring targets, KPI's as envisaged by the Policy and approved by the Board. Example for reference : Standard operating procedure (SOP) for handling customer complaints (service-related): {Refer link: https://karnatakabank.com/investors/policies-codes }								
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The policies of the customer complaints redressal are applicable to value chain partners like fintech company Digivridhi (DGV). However, Ombudsman policies may not be applicable in all the cases, based on terms of product, customer service engagement with the value chain partner. However specific policies enlisted in the standard operating process manual that result in impacts on customer service customer conduct, etc. have been extended to our value chain partners as well under the Code of Conduct, Directors, and procurement policies.								
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 framed its ESG Policy based on <ol style="list-style-type: none"> 1. TCFD Report framework and mapped against GRI performance principles. 2. KBL's IT Departments including Data Centre, DR Site & BCP site. 3. CISO Office are ISO 27001 certified for the implementation. of Information Security Management System (ISMS). 4. Human Resources Department, Compliance Department, Facility Management Group, Banking Operations Group, and Integrated Risk Management Departments are certified with. ISO 9001:2015 on 18.02.2022 along with Bank's Staff Training College has been reaccredited ISO 9001:2015 Certification by TVE Certification Services Private Limited, Trichy. Note: The bank is in preparation phase of adopting ISO 14001 (compliance to environment management systems) in FY24 along with a Talent Management Committee (TMC) 								

Disclosure Questions

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

P 1 P 2 P 3 P 4 P 5 P 6 P 7 P 8 P 9

1. The Bank has setup the ESG committee of the Executives will report to the Board of Directors on the ESG Strategy and road map to achieve the set targets and the progress on “half yearly” basis.

2. The Bank has formulated its ESG policy for environmentally responsible lending to its customers and endeavours to build a sustainable lending portfolio with clear KPI's on sustainable operations excluding retail loans including home loans, MSME and tiny sector loans that generate employment, agri and agri-processing loans to name a few and corporate loans that drive economic progress.

3. Hospital sponsorship for underprivileged school sponsorships, new green farming alternatives, to provide empowerment along with sustainability.

4. Under its ESG policy, KBL lends/invests in key sectors such as MSME, Agriculture, Infrastructure, Power, manufacturing, etc and are committed to demonstrating our resolve to provide responsible and sustainable finance and partner with other stakeholders to achieve compliance with ESG policy.

5. As part of its internal operations, the bank is focusing on climate change, energy emission data centre control with electricity conservation, incorporating energy-efficient lighting and building designs and paperless digital first agenda, adoption of water harvesting,

6. Additionally, the Karnataka Bank has focused on the upskilling of its workforce to promote holistic employee development and alignment with the evolving business landscape. Corporate Social Responsibility Committee, Stakeholder Relationship Committee, Customer Service Committee and Audit Committee of Board reviews the items as per reference of the respective Committee and the policies are reviewed as necessitates.

6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.

Yes Yes Yes Yes Yes Yes Yes Yes

Governance, leadership, and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)

Bank has a well-articulated Board approved ESG policy, that is reviewed and approved by the Board and is adopted across the Bank.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The Board of the Karnataka Bank is the highest authority responsible for the oversight of the implementation of Business Responsibility and Sustainability Policies. The Managing Director and Chief Executive Officer and of the company is the highest authority responsible for implementation of all policies enlisted in the Karnataka Bank. Risk and Capital Management Committee (RCMC) of the Board oversees implementation of Bank's Business Responsibility Policy (presently called ESG report)

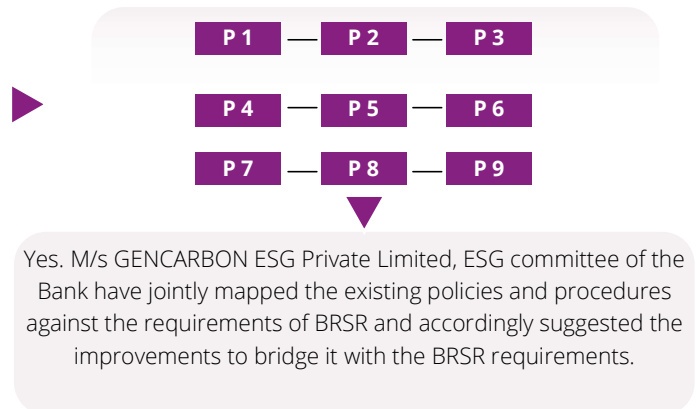


Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Board of the Karnataka Bank has constituted various Board Committees, which are responsible for and have a remit over key sustainability related policies of the bank based on specific goals and focus areas with core ESG committees and accountability /ownership with clear focus goals allocated across the organization so that ESG principles is embedded in every part of the Karnataka' Bank's operations.								

10. Details of Review of NGRBCs by the Company:

Subject of Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	The Senior Management of the Karnataka Bank regularly reviews the performance of the Bank against regulatory, bank and other related policies. Key aspects of such reviews are also updated to the Board and various Board Committees by the Management from time to time.									On a continuous basis with reviews on a Half Yearly basis								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Bank follows the existing ESG -TCFD, GRI and existing banking regulations as stipulated by Reserve Bank of India (RBI), and relevant banking statutory compliance as per banking regulatory and applicable laws. This is provided by the Chief Executive Officer, Managing Director /Chief Financial Officer/Company Secretary and Chief Legal Officer to the Board of Directors.																	

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.



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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
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 able 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 programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
The Board of Directors	5 Trainings held. Ongoing Multiple Trainings throughout the year	<ol style="list-style-type: none"> 1. Conference on Central Bank Digital Currency 2. Certification Programme in IT and Cyber Security for Board Members 3. Virtual Program on Artificial Intelligence and Machine Learning 4. Governance and Assurance for Directors on Board of Banks, FIs and NBFCs 5. Programme board member of Commercial banks on Interest rate risk in Banking Book and liquidity 	<ol style="list-style-type: none"> 1. 12.5% 2. 25% 3. 25% 4. 25% 5. 12.5%
Key Managerial Personnel	Ongoing Multiple Trainings throughout the year	<ol style="list-style-type: none"> 1. Training on ESG, BRSR and NGRBC principles (ongoing) 2. Work life balance and happiness. 3. Digital enablement trainings at DIGI Centres 4. Business Continuity planning and Disaster Recovery data centre planning 	100% (Relevant staff and department head)
Employees other than BoD and KMPs	Principle 1 1062 Employees Principle 3 8349 employees -100%	<p>PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.</p> <p>PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains</p>	Principle 1 12.71% Principle 3 100%
Workers	NIL	NIL	NIL



Note: These are essential indicators for March FY 2024. Trainings and principles are being furthered in FY 2024. The Bank is committed to continue to focus on capacity building in the identified areas, including ESG/climate risk/ sustainable finance. For the top management, the performance evaluation shall include KPIs in the areas of climate risk/sustainable finance/ ESG. The Bank is hosting E-Learning modules on various products, career development subjects and banking on the intranet of the Bank for the benefit of the employees and issues E-certificate for the successful completion of each e-learning module in FY 2023 to FY 2024.



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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
	Penalty/ Fine		-Nil-		
	Settlement		-Nil-		
	Compounding fee		-Nil-		

Reserve Bank of India (RBI) vide its order dated May 14, 2024 imposed a monetary penalty of ₹ 59,10,000 (Rupees Fifty-Nine Lakh Ten Thousand only) on the Bank for non-compliance with certain directions issued by RBI on 'Interest Rate on Deposits' and 'Prudential Norms on Income Recognition, Asset Classification and Provisioning Pertaining to Advances'. This penalty has been imposed in exercise of powers vested in RBI conferred under the provisions of Section 47 A (1) (c) read with Sections 46 (4) (i) of the Banking Regulation Act, 1949. The penalty has been levied consequent to non-compliance with RBI directions as per supervisory findings in the Statutory Inspection for Supervisory Evaluation (ISE 2022) of the Bank conducted by the RBI with reference to the financial position of the Bank as on March 31,2022.

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		Nil	

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
-Nil-	-Nil-

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.

No.

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

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	NA	NA
KMPs	NA	NA
Employees	NA	NA
Workers	NA	NA

6. Details of complaints about conflict of interest:

	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	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 Conflict 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.

Reserve Bank of India (RBI) has imposed a penalty of ₹ 59.10 lakh on the Bank for violating directions on interest rate on deposits and prudential norms on income recognition, asset classification and provisioning pertaining to advances. The notice justification has been given and awaiting confirmation from regulator.

8. Number of days of accounts payables

	FY 2023-24	FY 2022-23
i) Accounts payable X 365 days		
ii) Cost of Goods /services procured		
iii) Number of days of accounts payable		

Note: Accounts Payable disclosure is not applicable to the Bank, as it does not indulge in borrowing funds and lending downstream business in nature of Goods or services trading activities.

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

Parameter	Metrics	FY 2023-24	FY2022-23
Concentration of Purchases	a) i) Purchase from Trading houses	NA	NA
	ii) Total Purchases		
	iii) Purchases from Trading houses as a % of Total Purchases		
	b) Number of trading houses where purchases were made		
	c) Purchases from top 10 trading houses		
	ii) Total purchases from Trading houses		
Concentration of Sales	iii) Purchases from top 10 trading houses as % of total purchases from trading houses	NA – In the banking industry there is a recent tie with last mile finance NBFC service providers like M/s Clix Capital and M/s Sahibandhu , M/s SatinCare . However the credit concentration and engagement is not significant yet in these organizations.	NA
	a) i) Sales to Dealer /Distributor		
	ii) Total Sales		
	iii) Sales to dealers/distributors as a % of sales		
	b) Number of dealers/distributors to whom sales are made		
	c) i) Sales to top 10 dealers/Distributors		
ii) Total sales to dealer/distributor			
iii) Sales to top 10 dealers /distributors as % of total sales to dealers/distributors			



Parameter	Metrics	FY 2023-24	FY2022-23
Share of RPT's	a. i) Purchases (Purchases with related parties)	NA	NA
	ii) Total Purchases		
	iii) Purchases (Purchases with related parties as % of Total Purchases)		
	b. i) Sales (Sales to related parties)		
	ii) Total Sales		
	iii) Sales (Sales to related parties as % of Total Sales)		
	c. i) Loans & advances given to related parties		
	ii) Total loans & advances		
	iii) Loans & advances given to related parties as % of Total loans & advances		
	d. i) Investments in related parties		
	ii) Total Investments made		
	iii) Investments in related parties as % of Total Investments made		

Leadership Indicators

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

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
-------------------------------------------	----------------------------------------------	--------------------------------------------------------------------------------------------------------------------

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 is committed towards conducting the business and dealing with all its stake holders, with highest ethical standards and in compliance with all the applicable laws and regulations. The Bank has framed the "Code of Conduct" applicable to the employees, Board of Directors and Senior Management Personnel of the Bank have affirmed their compliance with the Code of Conduct for the Financial year. Refer: <https://karnatakabank.com/investors/policies-codes>

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 product and processes to total R&D and capex investments made by the entity, respectively.

Segment	Current Financial Year FY 2023-24	Previous Financial Year FY 2022-23	Details of improvements in environmental and social impacts
R & D	Given to the nature of operations as Financial Service provider, this question is. -Not Applicable-		
Capex			





2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?

Yes, the Karnataka Bank has sustainable sourcing procedures being implemented to the extent applicable to a Bank as published in Annual Report KBL NXT 2021. Being in the Financial Services sector, material purchase for operations is not significant except for paper. For procurement of equipment, the Bank ensures that energy efficiency standards are considered during the purchase of electronic equipment such as computers, laptops, energy efficient lighting devices, Air conditioning, lower printing, and office paper orders in FY 2023-24. The Karnataka Bank is also striving to ensure that the vendors and value chain partners adopt sustainable practices and procedures. However given the nature of banking business and limited sourcing opportunities for its own home operations, the Karnataka bank is one of the top Bank in India that are advocating and lending to Sustainable warehousing and sourcing value chain partners during FY 2023-24 as part of its Sustainable lending strategy for the industry Sustainable sourcing value chain, upliftment.

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

This is being done progressively. There is no percentage that can determined in a banking business operation as on March 31, 2024, due to nature of business.

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.

 (a) Plastics (including packaging)	Not applicable As per the ESG policy, the Bank has adopted Plastic avoidance in office usage and marketing peripherals.
 (b) E-waste	The IT Department of the Bank has empanelled vendor for centralized collection of E-waste from branches/departments. The process of e-waste disposal is detailed below: <ul style="list-style-type: none"> • Branches may raise request through a module in the internal application. • Respective Regional office may forward the request to IT Dept.- Hardware team for approval. • IT Dept.- hardware team may scrutiny the request and put up the request to the respective sanction authority based on rate contract and delegation of powers assigned in IT purchase policy for disposal/write off assets. • After approval, • IT Dept may issue disposal orders to the respective empanelled vendor for collecting the e-waste from branches. Along with disposal order, IT Dept will generate a proforma invoice for the sale amount. • The sold equipment by IT department will be recorded in quantity. • Where feasible, emphasis to be placed on obtaining a green certificate from the e-waste recycling vendor within stipulated number of days from the date of E-waste collection. Note: The e-waste management practices of the Karnataka Bank involve ensuring the safe disposal of hazardous electronic waste.
 (c) Hazardous waste	Not Applicable
 (d) other waste.	Not Applicable

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.

Not Applicable



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?

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.
Not Applicable as the Bank is into financial 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 as the Bank is into financial services		

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 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Not Applicable as the Bank is in financial services		

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: Not applicable

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable					
E-waste						
Hazardous waste						
Other waste						

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 as the Bank is into financial services	

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		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
 Permanent employees											
 Male	6102	6102	100%	0	-	NA	NA	368	6.03%	NIL	-
 Female	2798	2798	100%	0	-	199	7.11%	NA			
+ Total	8900	8900	100%	0	-	199	2.24%	368	4.13%	NIL	-
 Other than Permanent employees											
 Male	6	6	100%	2	33.33%	NIL	-	NIL	-	NIL	-
 Female	1	1	100%	0	0	NIL	-	NIL	-	NIL	-
+ Total	7	7	100%	2	28.57%	NIL	-	NIL	-	NIL	-

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

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
		 Permanent employees									
 Male	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 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

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Benefits	FY2024			FY2023		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/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 (Y/N/N.A.)
PF	34.46%	NA	Y	37%	NA	Y
Gratuity	100%	NA	NA	100%	NA	NA
ESI	-	NA	NA	-	NA	NA
Others- please specify*	65.54%	NA	Y	63%	NA	Y

Note: *Others category includes National Pension Scheme offered to officers, Super Annuation Fund and Earned Leave Encashment on Retirement

3. Accessibility of workplaces

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

Yes.

The Bank has taken steps to comply with the Rights of Persons with Disability Act, 2016 (RPwD Act) across bank branches, digital centres, premises, and offices where PWD /Differently abled employees are posted and put accessibility measures in compliance and alignment to the accessibility mandate under RPwD Act.

- As required under the RPwD Act, all new building structures, and sites where PWD personnel are deployed or posted, comply with accessibility requirements, modified workstations, washrooms in line with regulations
- As part of this endeavour, the Bank's physical infrastructure (buildings, furniture, facilities, and services in the building) adheres to the accessibility standards given in the Harmonised Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disabilities and Elderly Persons, 2016 and the National Building Code, 2016.
- Specialised training and skill development assistance is offered by the bank and extends to digital peripherals that make their job rendition much more aligned and with ease of use with their disability which extends to operational systems and IT computer systems including those related to workplace productivity and accessibility features.
- Employees including persons with disabilities shall be recruited solely based on merit and on the same standards prescribed for all others. However, any statutory directions/ notifications applicable to the person with benchmark disabilities with regards reservations and other facilities/ concessions shall be strictly adhered to as applicable. Post suitable for PWD shall be identified based on respective category of person with benchmark disabilities and in line with the directions/ notification issued by statutory authorities from time to time, if any. It should be ensured that the PWD employees are posted on profiles which are conducive for them to work efficiently and effectively.
- The Bank also aims to revamp its existing facilities in due course, to ensure strict compliance with the Standards. Any new facility that is built, renovated, leased, or rented.
- Preference shall be given to PWD employees for allotment of Bank's accommodation, as far as possible. Request of PWD employees for allotment of ground floor flats shall be considered by the Bank, subject to availability. Physically/ orthopedically challenged employees shall be eligible for 4 days Special Casual Leave in a calendar year as per policy.
- In addition, the Bank has since FY 2021 has helped augment the ease of online banking and digital banking enablement for PWD customers and employees to avail banking facilities online where there is no ease of access provided in their existing facilities. The Bank offers special services for Persons with Disabilities (PWD) to make banking accessible and hassle-free for them. These services include missed call banking, where customers can give a missed call from their registered mobile number to receive information like balance confirmation and mini statements. Additionally, the Bank emphasizes making banking convenient for PWD customers by encouraging them to step into their nearest the Bank location and raise any concerns to improve their banking experience. Persons with Disabilities (PWD) can avail the special services provided by the Bank by contacting the Nodal Officer at the centre, **Mr. Jayanagaraja Rao S**, who is the **General Manager of the Branch Banking Department**. They can reach out via email at customerservice@ktkbank.com or by phone at +91 824 2228275. Additionally, the Bank is committed to providing all services to customers with disabilities

without discrimination, ensuring that internal circulars are in line with RBI guidelines and offering doorstep banking services to savings account holders who are senior citizens above 70 years of age





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.

Refer: <https://karnatakabank.com/investors/policies-codes> . In addition, the Bank has in its Code of conduct and HR Policy to be an equal opportunity principle in accordance with Rights of Persons with Disability Act, 2016 (RPwD Act, while striving to provide fair and equal employment opportunities as also career progression opportunities to all our employees without any discrimination based on their race, caste, colour, religion, age, sex, and socio-economic status, to be treated with dignity and respect. The Bank is committed towards eliminating all forms of unlawful discrimination, bullying, harassment of people with disabilities and is committed to having a future ready digital enabled diverse workforce, which includes fair representation of differently abled workforce.

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	100%	100%	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

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

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
 Permanent workers	NA
 Other than permanent workers	NA
 Permanent employees	Yes. There is well defined Grievance Mechanism in the Bank mentioned under PARA 5 Grievance redressal of the Equal opportunity Policy https://karnatakabank.com/investors/policies-codes [Policy on equal opportunity of the Bank] Process i. Bank has a well-defined grievance redressal mechanism, to enable its employees and others associated with the Bank to not overlook any concern. ii. Step 1 Early Detection: raise it at an early stage in the right manner, without fear of retaliation, victimization, subsequent discrimination, or disadvantage at the workplace. Bank does not tolerate any impropriety, abuse or wrongdoing or discrimination or harassment and encourages its employees to raise their concerns. iii. Step 2: Enquiry: Further, the Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly. iv. Step 3: While the Bank considers the wrongdoing or abuse or harassments in general, it is also conscious of the likelihood of any direct or indirect discrimination or denial of reasonable accommodation or bullying behaviour towards employees with disability and would treat such instances also, as abuse or harassment.
 Other than permanent employees	



Particulars	Yes/No (If yes, then give details of the mechanism in brief)
	v. Complaints against the Staff members in relation to any type of discrimination are only handled at IR section and shall be reported to HR & IR Department.
	vi. The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.
	vii. However, necessary reasonable accommodation will be provided to employees with disabilities to effectively participate in the investigation process. For example, accessible venue for persons with locomotor disability, etc.
	viii. Any aggrieved employee can reach HR by telephone, email, letter and in person also.
	ix. This grievance redressal procedure also includes subjects such as Discharge/dismissal, misconduct, fines, etc.

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of 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 association(s) or Union (D)	% (D / C)
Total Permanent Employees	8907	8460	95%	8423	8095	96%
- Male	6108	5808	95%	5791	5627	97%
- Female	2799	2652	95%	2632	2468	94%
Total Permanent Workers	NA					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	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	6108	808	13.23%	5738	93.94%	6008	813	13.53%	4335	72.15%
Female	2799	219	7.82%	2222	79.39%	2644	496	18.76%	1767	66.83%
Total	8907	1027	11.53%	7960	89.37%	8652	1309	15.13%	6102	70.53%
Workers										
Male										
Female	NA									
Total										

*Total number of employees: 8611 and total number of employees (including CTC of 8): 8619.

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

Category	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	6108	6108	100%	6008	6008	100%
Female	2799	2799	100%	2644	2644	100%
Total	8907	8907	100%	8652	8652	100%
Workers						
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL
Total	NIL	NIL	NIL	NIL	NIL	NIL

* Performance and career development reviews will be done on annual basis

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 such system?**

Yes. The Bank has implemented various measures to ensure a safe working environment for employees. Detailed guidelines and emergency response procedures are being issued to all outlets of the Bank to take care of emergencies like fire, flood, earthquake etc. The Bank has a qualified FSO (Fire & Security Officer) who visits Branches and give training on use of fire extinguishers and emergency evacuation drills. Further, every outlet of the Bank is equipped with smoke sensors. These sensors are integrated with intrusion alarm panels. As and when there is a smoke or fire, these sensors get activated and triggers an alarm locally as well as sends an alert to a centralized command centre where such alerts are monitored on a real time basis. The command centre alerts fire and rescue department instantly in the case of an eventuality.

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

Not Applicable in lieu of The Bank's main business line being banking and financial services.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Not Applicable in lieu of the Bank's main business line being banking and financial services.

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

Yes. All the employees are covered under Group Medical and Personal Accident Insurance.

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

Safety Incident /Number	Category	FY 2023-24	FY 2022-23
		Current Financial Year	Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	NIL	NIL
	Workers	NIL	NIL
Total recordable work-related injuries	Employees	NIL	NIL
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL



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

Bank ensures that it is committed for being a responsible business entity by providing fair and safe working environment for all its employees through various initiatives like basic fire training, first aid evacuation safety related training etc. The Bank has a dedicated department to take care of all aspects related to physical security of its assets as well as employees. Under the aegis of the department, a comprehensive remote e-surveillance system has been put in place. Through this system, incidents of work-related hazards are reported, visually verified through integrated CCTV network and mitigation measures taken as per the laid down procedure. The smoke sensors, integrated to the alarm system placed at Offices enables recording and





analysis of risk events through the Command Centre. This includes mock drills and fire evacuation. The Bank has conducted Mock evacuation drill at Head Office, Mangaluru on 16.12.2023 – 477 participants and Mock evacuation drill at old Head Office, Kodialbail premises on 09.01.2024 – 298 participants in line with the Health and Safety Management system.

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

Particulars	FY 2023-24 (Current Financial Year)			FY 2022-23 Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
 Working Conditions	NIL	-	-	NIL	-	-
 Health & Safety	NIL	-	-	NIL	-	-

14. Assessments for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
 Health and safety practices	Not applicable as the Bank is in the Banking business.
 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 & safety practices and working conditions.

Safety awareness programmes related to fire drills, evacuation safety, branch security etc are carried out by the way of training.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N) - Yes

(B) Workers (Y/N)- Not Applicable

The Bank provides monetary relief to the dependent/s of the employees on the death of such employees of the Bank while in service, as per the provisions of Death Relief Fund Scheme (DRF). Whenever any death of a staff who is a KBEDRS member occurs, the bank shall immediately release ₹ 20,000/- as ad-hoc amount to the nominee of the deceased. A Circular will be issued from HR & IR to all the Branches and offices of the Bank intimating the death and directing the salary disbursing officers to deduct the subscription amount of Rupee 30/- from the immediate next salary payable to the staff, who are members of KBEDRS. The amount so deducted has to be remitted to SL-Suspense Death Relief Scheme account maintained at Head Office. On reconciliation & after receipt of the Death Certificate, the Bank shall thereafter make arrangement to pay the entire amount so collected to the appointed nominee of the deceased member as "RELIEF". Disbursement shall be made on or before the 20th of the succeeding month of collection, provided, there is no dispute.

Further, in case of death of any permanent employee, while in service, a sum of ₹ 100,000/- (Rupees One lakh only) will be granted to the spouse of the deceased employee as Death Relief Measure (DRM).

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

Bank ensures that statutory dues wherever applicable are deducted and paid to respective authorities by the Bank

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 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
	Employees	NIL	NIL	NIL
Workers	NA	NA	NA	NA

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)

No. The Bank does not provide any transitional assistance program.

5. Details on assessment of value chain partners:

All value chain partners on 31st March 2024 are not assessed by the Bank.

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
 Health and safety practices	NA
 Working Conditions	NA

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

As on March 31, 2024, the Bank has not conducted separate assessment for value chain partners, but as part of its ESG policy strives to ensure that the value chain partners also adopt the sustainability principles and COP26 principles. This will monitor in line with the ESG policy in the proposed future framework by providing advice, support, and wherever appropriate training. The Bank recognises the need to work closely with its vendors to reduce waste, improve efficiency, reduce carbon footprint, and understand their commitment towards human rights and labour practices. As far as possible, the Bank will try to procure products which are:

1. Recycled/Recyclable
2. Environment friendly
3. Energy efficient
4. Locally sourced.

The Bank will set a clear expectation with the vendors to abide by labour laws, human rights, and regulations in their line of business.



PRINCIPLE 4

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

Essential Indicators

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

As a Banking organization, the Bank has a structured Materiality and Disclosure Assessment process to identify key stakeholder groups and take their input in identifying ‘Material issues’ for the Bank.

The Bank has recognized the following stakeholders: employees, customers, investors/ shareholders, regulator, value chain partners and communities. The Bank always pursues its efforts in regular engagement across these stakeholders to build and maintain mutual trust and value creation. Further the Bank through high standards of corporate governance ensures to balance the interests of diverse stakeholder groups in all strategic decision-making process and timely respond to their concern.

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

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, 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
1	Shareholders	No	<ul style="list-style-type: none"> Earnings Results Investor presentations, Annual Report, Annual General Meeting, Investor/Extraordinary General meeting Calls and meet, Media releases, Website. 	<ul style="list-style-type: none"> Quarterly Half yearly Annually AGM/EGM as and when required. On need basis 	<ol style="list-style-type: none"> To answer investor queries on financial performance To present business performance highlights to investors To discuss publicly available Company information to shareholders and investors. To keep investors/ shareholders updated about the Banks business activities and performance and sound Corporate Governance.
2	Customers	No	<ul style="list-style-type: none"> Emails Letters Social Media Direct in Person interaction Over Phone Customer Experience Group Mobile Application Digital Messaging Online Broadcast 	Ongoing. Based on customer needs / regulatory requirements/ educating customers	<ol style="list-style-type: none"> During product service customer life cycle journey across the Bank's products and services Including prospecting in person, or through banking channels branch, /ATM or online For customer redressal For customer product fitment servicing as per the Bank policy adherence.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, 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
3	Employees	No	<ul style="list-style-type: none"> Online HR & IR Internal Portal employee engagement Email Broadcast Training and e-learnings Circulars Committee and Regional supervisory Town hall meeting Staff meetings Training college updates DIGI centre updates 	On going basis with Annual review and half yearly checkpoint on training reviews.	Most of these engagement cover areas such as Training and development, addressing, any work related to communication, updates on regulatory changes/ introduction of new regulations, compliance communication, employee policy updates and digitalization strides that the Bank is making, sustainable finance, sustainability norms
4	Regulatory bodies	No	<ul style="list-style-type: none"> Letters Email Regulator platforms Stock Exchange filing. RBI Returns 	Periodically as per statutory requirements and on need basis	Transparency in disclosures. Regulatory compliance Sound corporate governance mechanisms.
5	Communities	Yes, category belonging to marginalized groups such as farmers, under privileged women, NGO's and associations for social welfare, cultural & historical significance, elder care	<ul style="list-style-type: none"> In person engagement Sponsorships Emails and letters Informal interactions Meetings with community leaders Meeting with Hospital assistance and NGO members Engagement with rural Village leaders for rural adoption and drives Engagement with school authorities for school sponsorship t for underprivileged girls 	On Need Basis Based on CSR ongoing activity schedule	Through CSR reaching out to socially and economically disadvantaged people. <ul style="list-style-type: none"> Free Health Camps and Toilet building for healthy living environment and Hygiene. School sponsorships Rural village adoption Swachh Bharat Abhiyan Conservation drives Support towards preservation of historical sites and those of archaeological significance.
6	Value Chain Partners	No	<ul style="list-style-type: none"> Emails Digital updates 	Need Basis or as per Sustainability regulation updates	Maintaining our relationships with vendors, addressing any work-related communication, updates on regulatory changes, compliance communication, including Local procurement & sustainable sourcing



● 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.

Emphasizing the importance of our key stakeholders, the Bank in FY 2024-25 is gearing up to provide insights into stakeholder relationships that the Bank has with them. The stakeholder and the Bank's relationship journey artfully illustrates the interplay between our activities, capitals, and overall value proposition. It showcases our understanding, responsiveness, and dedication to addressing their legitimate needs and interests.

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, Inputs and suggestions of shareholders are being incorporated into the policies and activities which were considered feasible.

Any feedback from stakeholders as identified in point 1 above, is documented and incorporated in the discussion agenda of the committee meetings and introspected upon for consideration and review and thereafter as per feasibility and applicability approved for implementation and adoption.

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

The Bank is guided by Reserve Bank of India prescribed guidelines on priority sector lending, lending to small and marginal farmers, lending to weaker sections, etc., and government led initiatives to improve access to financial services to disadvantaged, vulnerable and marginalised stakeholders.

By aligning our resources, expertise, and strategic partnerships, the Bank strives to empower individuals, uplift marginalized groups, and promote community wellness. Our initiatives in education, healthcare, rural development, environmental sustainability, and empowerment of women and marginalized communities are reflective of this commitment.

As part of the Bank's CSR, the Bank during FY 2023-24, has extended support for improving the infrastructure of old age homes, orphanages, scholarship programmes for girl children to pursue higher education, initiatives aimed at the welfare of differently abled and migrant population etc. By nurturing these activities in cohesion, the Bank aims to foster a culture of shared prosperity, contributing to a more equitable and sustainable future along with the culture of the land synonymous with its 13 million customer base, also helping to reduce the digital divide and ensure economic empowerment reaches to all sectors of society.

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 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	8,900	8,900	100%	8,644	8,644	100%*
Other than permanent	7	7	100%	8	8	-
Total Employees	8,907	8,907	100%	8,652	8,652	100%
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Employees	NA	NA	NA	NA	NA	NA

Note: All the employees of the Bank have been provided with Code of Conduct which covers human rights issue and the prevention of sexual harassment, discrimination prevention, grievance redressal trainings, from time to time. Further, the Bank also has Equal Opportunity Policy for physically disabled staff members which covers discrimination prevention for physically disabled staff members.

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

Category	FY 2023-24 Current Financial Year					FY 2022-23 Previous Financial Year				
	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	8900	NIL	NIL	8900	100%	8644	NIL	NIL	8644	100%
Male	6,102	NIL	NIL	6,102	100%	6,000	NIL	NIL	6,000	100%
Female	2,798	NIL	NIL	2,798	100%	2,644	NIL	NIL	2,644	100%
Other than Permanent	7			7	100%	8			8	100%
Male	6	NIL	NIL	6	100%	7	NIL	NIL	7	100%
Female	1	NIL	NIL	1	100%	1	NIL	NIL	1	100%
Workers										
Permanent	NA-									
Male										
Female										
Other than Permanent										
Male										
Female										

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

	Male		Female	
	Number	Median remuneration salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	2	₹ 122.86 lakhs	Nil	Nil
Key Managerial Personnel	2	₹ 42.55 Lakhs	Nil	Nil
Employees other than BoD	6,480	₹ 10.74 Lakhs	2928	₹ 8.82 Lakhs
Workers	NA	NA	NA	NA

Note: The median employee remuneration for the FY 2023-24 was ₹ 0.10 crore. Considering the maximum level of variable pay, the total remuneration of the Managing Director will be ₹ 4.50 crore which is 45.20 times of the median employee remuneration. If only fixed remuneration is considered, the same stands at 20.08 times of median employee remuneration.

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

Yes. The employees can raise their concerns related to human rights issues directly with the Bank, also through the windows permitted viz., Whistle blower policy etc, which will be addressed by the HR& IR committee in line with the Karnataka Bank's Code of Conduct and human rights guidelines enshrined therein the policy and furthered re-emphasised in the FY 2023 Bank ESG policy.

This includes the customer grievance, employee grievance channels redressal processed, that can be digitally logged or emailed.

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

Every staff of the Bank has the right to be treated with dignity and respect. For any grievance on human rights issues, the employees have the access to raise their concerns through HR department apart from the mechanism like Whistle blower policy. The Bank well-defined grievance redressal mechanism, to enable its employees and others associated with the Bank to not overlook any concern.

- i. **Step 1 Early Detection is a Priority:** raise it at an early stage in the right manner, without fear of retaliation, victimization, subsequent discrimination, or disadvantage at the workplace. Bank does not tolerate any impropriety, abuse or wrongdoing or discrimination or harassment and encourages its employees to raise their concerns.
- ii. **Step 2: Enquiry:** Further, The Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly.
- iii. **Step 3:** While the Bank considers the wrongdoing or abuse or harassments in general, it is also conscious of the likelihood of any direct or indirect discrimination or denial of reasonable accommodation or bullying behaviour towards employees with disability and would treat such instances also, as abuse or harassment.
- iv. Complaints against the Staff members in relation to any type of discrimination are only handled at IR section and shall be reported to HR & IR Department.
- v. The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.
- vi. However, necessary reasonable accommodation will be provided to employees with disabilities to effectively participate in the investigation process. For example, accessible venue for persons with locomotor disability, etc.
- vii. Any aggrieved employee can reach HR by telephone, email, letter and in person also.

This grievances redressal procedure also includes subjects such as Discharge/dismissal, misconduct, fines, etc.

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

Particulars	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
	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	NIL	NIL	NIL	NIL	NIL	NIL
Discrimination at workplace	NIL	NIL	NIL	NIL	NIL	NIL
Child Labour	NIL	NIL	NIL	NIL	NIL	NIL
Forced Labour/Involuntary Labour	NIL	NIL	NIL	NIL	NIL	NIL
Wages	NIL	NIL	NIL	NIL	NIL	NIL
Other human rights related issues	NIL	NIL	NIL	NIL	NIL	NIL

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

The Bank has internal complaints committee to address the issues related to the discrimination and harassment cases.

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

Yes. The business agreements and contracts do include the Bank's expectations on respect for human rights to the extent as required, as per the relevant laws.

9. Assessments for the year:

	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Child labour	NIL
Forced/involuntary labour	NIL
Sexual harassment	NIL
Discrimination at workplace	NIL
Wages	NIL
Others – please specify	NIL

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

No significant risks or concerns arose, over and above the governance process in place and hence Nil Action. However, awareness sessions are being held to spread insight into the Human rights, discrimination and other related issues that impact the dignity, inclusive workforce at the Bank.

**Leadership Indicators****1. Details of a business process being modified / introduced because of addressing human rights grievances/ complaints.**

NIL

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

NIL

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?

Yes. Our premise / offices are easily accessible for differently abled persons.

4. Details on assessment of value chain partners: NA

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	NA
Discrimination at workplace	NA
Child Labour	NA
Forced Labour/Involuntary Labour	NA
Wages	NA
Others – please specify	NA

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

NA

PRINCIPLE 6**Businesses should respect and make efforts to protect and restore the environment.****Essential Indicators**

- Whether total energy consumption and energy intensity is applicable to the company? Yes

1. Details of total energy consumption (in Joules or multiples) and energy intensity

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year (GJ))
	Numbers are in Terajoules	
From Renewable sources		
Total electricity consumption (A)	0.26 TJ (Solar Generated)	N/A
Total fuel consumption (B)	N/A	
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	0.26j	NA
From non-Renewable sources		
Total electricity consumption (D)	(13160.287 MWH) 47.38 T J	(13927.557MWH) 50.14Tj**
Total fuel consumption (E)	(100.480 MWH) 0.36 TJ (Terajoules) #	(116.294MWH) 0.42 TJ (Terajoules) #
Energy consumption through other sources (F)	Nil	Nil
Total energy consumption (D+E+F)	(47.74 TJ)	(50.56 TJ)
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)		= ₹ 5.68 /per crore per Watt (50/56 TJ *3600 /32064cr Turnover)

Parameter	FY 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year (GJ))
	Numbers are in Terajoules	
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	NA	NA
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		
Energy intensity in terms of physical Output		
Energy intensity (optional) – the relevant metric may be selected by the entity		

Note:

Only Head office building and Regional Office building at Kodialbail, Mangaluru is considered for calculating fuel conception. In case of Branches since the generator capacity is low, units consumed cannot be ascertained.

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

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

Not Applicable

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

Parameter	FY 2023-24	FY 2022-23
	(Current Financial Year)	(Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA #	NA #
(ii) Groundwater	NA #	NA #
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	NA	NA
Total volume of water consumption (in kilolitres)	NA	NA
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	Not applicable to banking sector	Not applicable to banking sector

We have got more than 900 branches / offices spread across India. Each Branches / office are using the resources available locally for water source and water is being utilized for personal consumption only. Since this is a bank, water bill is encompassed into branch running cost and is not segregated into itemized format where water element can be determined.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

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

Not Applicable

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

Not Applicable



Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	Not applicable to Banking industry as there is no manufacturing involved.	
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? (Y/N) If yes, name of the external agency.

Not Applicable

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format: Not Applicable

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent (Fuel for road transportation of staff, marketing and operations -Diesel and petrol average)- Refer working below *	17 Metric Tonnes CO ₂ (Average)	29.75 Metric Tonnes CO ₂ (Average)
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent Electricity consumption purchased – Refer working below**	12.52 Metric Tonnes CO ₂	29.13 Metric Tonnes CO ₂
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.000249111	0.001836329
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NA	NA	NA

Note

- i. The sectoral GHG cannot be applied on our loan books sectoral exposure to arrive on bank's GHG emissions.
- ii. The bank has been encouraging use of LEDs when lights are to be replaced and where possible use of solar power and hence reduced electricity bill value was noted in FY23 after LED/Solar adoption.

- iii. To calculate the CO2 GHG emission using Equation A-1 in 40 CFR Part 98, the Bank has used both Petrol and Diesel type of fuel for its staff transport, travelling operations and the share of proportion is not calculated at present in FY 2023-24. Referring to default values for EFi and OFi for various types of fuel in Table C-1 and Table C-2 of Subpart C of Part 981 average of the corresponding emission factor and oxidation factor for that fuel and. Equation A-1 prescribed therein $CO_2 = \sum EFi \times OFi \times FCi \times 10^{-3}$

where:

CO2 is the carbon dioxide emission in metric tons; EFi is the carbon dioxide emission factor for fuel type i in kg CO2/TJ; OFi is the oxidation factor for fuel type i (dimensionless); FCi is the amount of fuel type i consumed in TJ; and i is the fuel type. Working calculation Scope 1* :

Fuel consumed is petrol, then EFi=69,300 kg CO2/TJ and OFi=0.99. If the fuel consumed is diesel, then EFi=74,100 kg CO2/TJ and OFi=0.99. If the fuel consumption is 0.24 TJ in FY 2023-24, then the CO2 GHG emission is:

- CO2=69,300×0.99×0.24×10⁻³; CO2=16.41 for petrol, and
 - CO2=74,100×0.99×0.24×10⁻³; CO2=17.59 metric tons for diesel.
 - Average of both since proportion share is not available assumed as *17 Metric Tonnes CO2
- iv. To calculate the CO2 GHG emission based on purchased electricity to run its 900+branches, DigiCenters, data centre, a consolidated electricity bill data is gathered by the Bank at present.

Using the Equation A-1 in 40 CFR Part 98 GHG, we are assuming purchased electricity as type and based on electricity consumed in FY 2023-24, referring to Table C-1 and Table C-2 and Equation A-1 is given by: $CO_2 = \sum EFi \times OFi \times FCi \times 10^{-3}$

where:

CO2 is the carbon dioxide emission in metric tons; EFi is the carbon dioxide emission factor for electricity system i in kg CO2/TJ; OFi is the oxidation factor for electricity system i (dimensionless);

FCi is the amount of electricity from system i consumed in TJ; and i is the electricity system.

Working Calculation Scope 2: **

the electricity consumption is 21.55 TJ, then the CO2 GHG emission is:

$CO_2 = 581.1 \times 1 \times 21.55 \times 10^{-3}$; CO2=12.52 CO2 GHG Emissions via electricity is 12.52 metric Tonnes

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

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

Yes

The Bank launched a branch wide initiative to install efficient lightening across its branches and more sustainable power saving Air conditioners, electronics, including higher sustainability tech infra-alternatives. It is also adopting steps to provide provisions for solar power generation in new buildings under construction, wherever possible.

- 95% of Banks transactions were done digitally during the Financial Year.
- Bank replaced lights from 2X2 lights in Head Office and Annexure buildings to more power saving LED lights.

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

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	Avoidance and Reduction of usage of plastic in office use or marketing peripherals, in now put in place under the ESG policy of the Bank	
E-waste (B)	4.55*	0.67
Bio-medical waste (C)	Nil	Nil
Construction and demolition waste (D)	Nil	Nil
Battery waste (E)	43.4*	40.6
Radioactive waste (F)	Nil	
Other Hazardous waste. Please specify, if any. (G)	Nil	



Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Nil	
Total (A+B + C + D + E + F + G + H)	47.95	41.27

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	NA	NA
(ii) Re-used	NA	NA
(iii) Other recovery operations	NA	NA
Total		

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
Total		

Note : * Due to migration of DC servers to Co-located Centre, Technology hardware /servers which were determined /assessed as 'Cannot 'Put to Use' condition', were decommissioned and subsequently disposed. This has contributed to the larger **one-time e-waste generation in FY 2023-24 as disclosed in parameter E-waste (B) and Battery Waste**. Also in the current FY, Department has conducted E-waste campaign for identifying computer & its accessory items lying across branches and also disposed henceforth identified items under E-waste process.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Not Applicable since our organization comes under Banking / Service Industry. However as per the ESG policy the bank is in the process of adopting E-waste sustainable disposal procedures.

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

Being a Banking organisation, no hazardous and toxic chemicals used in operations and hence no generation of such waste. E-waste materials generated due to upgradation / replacement of existing components like computers, modems, printers, UPS etc., are disposed as per the e-waste management policy. Further, wherever possible, we also procure under buyback model where the same OEM will take back the same who are reputed in the market.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format: Not Applicable

Sr.No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			NA

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year: Not Applicable

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

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

Sr.No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the noncompliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
NIL				

Considering the nature of activity, the provisions of the above laws are not applicable to us. However, as far as possible, the Bank is conducting its activities in an environment friendly manner.

● Leadership Indicators

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

(figures in Terajoules)

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	Not applicable as non-renewable sourcing of electricity is in setup mode and not integrated with banks main grid yet.	
Total fuel consumption (B)		
Energy consumption through other sources (C)	0.26 TJ	0.31 TJ
Total energy consumed from renewable sources (A+B+C)	0.26 TJ	0.31 TJ
From non-renewable sources		
Total electricity consumption (D)	(13160.287 MWH) 47.38 TJ	50.14 TJ*
Total fuel consumption (E)	0.36 TJ	0.42 TJ
Energy consumption through other sources (F)	Nil	Nil
Total energy consumed from non-renewable sources (D+E+F)	48 TJ	50.87 TJ

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

2. Provide the following details related to water discharged: Not Applicable

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not applicable	
- No treatment		
- With treatment – please specify level of treatment		
ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment– please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

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

**3. Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):** Not Applicable.**For each facility / plant located in areas of water stress, provide the following information:** Not Applicable**(i) Name of the area:** Not applicable as this is not in the Bank's domain and nature of business.**(ii) Nature of operations****(iii) Water withdrawal, consumption, and discharge in the following format:**

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / 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)	Not Applicable	
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	Not Applicable	
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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

Parameter	Unit	FY 2023-24 (Current Financial Year)	FY 2022-23 Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	NA	NA
Total Scope 3 emissions per rupee of turnover		NA	NA
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

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

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.: Not applicable.
6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr.No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	The bank has formulated a Digitally enabled e-waste management to be implemented in FY-24 as part of its sustainability agenda.		Green Sustainable e-Waste management digitally and recycling opportunities enabled.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link
- Yes. The Bank has adopted Core Banking System (CBS) since the year 2000, and all its branches and offices are under the CBS networks. Alternate Delivery channels, viz., ATM, Internet Banking, Mobile Banking, UPI, and PoS, have been integrated with the CBS. Disaster Recovery [DR] arrangement also exists to ensure **business continuity** in the event of a primary site failure. This arrangement is strengthened by implementing a three-way data replication process aimed at maintaining zero data loss. Critical applications like CBS, ATM, Internet Banking and Mobile Banking are part of this arrangement. Bank's Primary Data Centre is operating from a Tier-4 Colocation Centre. Bank's IT infrastructure as a whole is supervised by the Chief Technology Officer (CTO). The Bank has setup a Board-approved Business Continuity and Disaster Recovery Plan. The plan included procedures for emergency response, crisis communication, employee safety, data backup and recovery and customer service continuity. Regular drills are conducted to evaluate and improve the effectiveness of the plan to ensure that "Business is Always On" for the customer.
8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard Not Applicable
9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. Not Applicable

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.

Bank has been associated with Federation of Indian Export Organization (FIEO) and is a member of Indian Banks' Association (IBA)

- 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	Federation of Indian Export Organization (FIEO)	National
2	Indian Banks' Association (IBA)	National
3	CII – Member of National Committee of Banking	National
4	FICCI – Member of National Committee of Banking	National



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

Name of the authority	Brief of the case	Corrective action taken
NIL		

● Leadership Indicators

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

The Bank, through its association with the trade houses, has been encouraging the exports and lending to MSME sector thereby playing a pivotal role in encouraging the economic growth. The Bank has a MSME, Agriculture lending policy that is digitally published in its website: <https://karnatakabank.com/business/loans/msme-business-loan>.

Sr.No.	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/ No)	Frequency of Review by Board (Annually/ Half yearly/Quarterly/ Others- please specify)	Web Link, if available
1	MSME Lending	Digital Publication	Yes	Quarterly or as per market competition demands	https://karnatakabank.com/business/loans/msme-business-loan
2	Agriculture and related lending	Digital Publication	Yes	Quarterly or as per market competition demands	https://karnatakabank.com/agri-rural

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 2024.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NIL					

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 Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
NA						

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

To ensure effective grievance redressal for the community, Bank has introduced a centralized Customer Compliant & Grievance Redressal (CCGR) portal. This user-friendly platform allows customers to lodge their complaints, which are then automatically assigned to the relevant department for prompt resolution. Additionally, customers can also submit complaints through KBL-Mobile Banking, Internet Banking, and the Bank's Contact Centre. To maintain a regular, connect with the investors, your Bank has a dedicated Investor Relation Cell at the Registered Office. Besides redressing the grievances, if any, from the investors, the Cell proactively disseminates corporate information on a voluntary basis to the shareholders through email (wherever made available) about financial results. Alternatively, investors can email investor.grievance@ktkbank.com major events and

coverage about the Bank in the media etc. These mechanisms enable quick and convenient reporting, ensuring that the customer grievances are addressed efficiently and in a timely manner. SEBI introduced SMART ODR (Online dispute Resolution) portal in which stakeholders can register their grievance.

Employees can reach HR & IR Department by telephone, e-mail, letter and in person also to redress grievances, if any. Community members can meet regional officers or designated officers assigned in the branches for grievance redressal.

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

	FY 2023-24 Current Financial Year	FY 2022-23 Previous Financial Year
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

● 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
NIL	Nil
NIL	Nil

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

Sr.No.	State	Aspirational District	Amount spent (In ₹)
1	Karnataka	Raichur	22,13,900/-

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

Not Applicable considering the nature of Business.

(b) From which marginalized /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
		NA		

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
	NA	

**6. Details of beneficiaries of CSR Projects:**

Sr.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Training of Trainers in English Language and 21 st Century Skills Programme in association with Karnataka Skill Development Corporation	501	0%
2	School bus to Shri Maruthi High School & Komarla Gangashetty Bhagyalakshamma Public School, Rajaghatta, Doddaballapura Taluk, Bengaluru Rural District	120	60%
3	School bus to Jnanaganga Pre-University College, Nellikatte, Moodubelle	56	100%
4	Support to procure almirahs for Naknooru Narasinga Rao Memorial Govt. Pre-University College, Shirlal	53	100%
5	Drinking water purifiers donated to Delhi Kannada Education Society, New Delhi	1140	8%
6	Support to procure school bus to C M S L P School, Kizhakkekkara, Keezhvaipur P O, Mallapally	52	100%
7	Financial assistance towards procuring inverter for Govt. P U College, Arehalli	115	83%
8	Provision of safe drinking water facility to Govt. High School(Urdu) Bunder, Dakshina Kannada Dist.	75	75%
9	Support to promote education to Shri Ramakunjeshwara Sanskrit Higher Primary School, Ramakunj Post, Kadaba Taluk	250	88%
10	Financial assistance for infrastructure development of the school Shree Ananthnagar Vidyaniketan managed by G S B Charitable Trust, Shree Ananth Nagar, Electronic City Post, Bengaluru	185	0%
11	Financial assistance towards procuring vehicle for Govt. Lower Primary School Nancharu, Brahmavar, Udupi	50	40%
12	Financial assistance towards procuring A3 scanner, special kibco desk&software license for giving education to children with disability with special focus on visually impaired children under the aegis of Mitra Jyothi, Bengaluru	9812	100%
13	Financial assistance towards procuring sound system for Govt. Pre-University College (High School Division), Goliangadi, Brahmavar Taluk, Udupi District	198	25%
14	Support to procure 10 computers to Mulki Sundar Ram Shetty College, Shirva	75	69%
15	10 units of Smart Class equipment to MCC Higher Secondary School, Harrington Road, Chetpet, Chennai	800	60%
16	Financial assistance for procuring computers and other accessories -educate and rehabilitate people with special needs and provide livelihood opportunities at Chiranthana Centre for Holistic Development & Vocational Skills for Special needs, Gokula, Bengaluru	100	100%
17	Support to procure van to 'Sri Madhava Seva' a Day School and Pre-Vocational Training Centre for specially abled adults at ISRO Layout, Bengaluru run by Alamara Foundation, Bengaluru	8	100%
18	Support to procure school bus to Parimala Gurukula English Medium School, Lingasugur Road, Mudgal, Raichur District.	50	0%
19	Provision of safe drinking water facility at Haji Mardansaheb N Nadaf High School, Tevaramellihalli, Taluk, Savanur	132	100%
20	Support to Govt. Higher Primary School, Hosaniralagi, Savanur Taluk for setting up digital classroom in school	253	100%
21	Support to Govt. Higher Primary School, Mellagatti, Savanur Taluk for setting up digital classroom in school	125	100%
22	Support to Govt. Higher Primary School, School No.2, Savanur Taluk for setting up digital classroom in school	290	100%
23	Support to Govt. High School, Shirabadi, Savanur Taluk for setting up digital classroom in school	253	100%

Sr.No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
24	Support to procure school bus to Shree Bharathi Vidyapeetha, Badiadka, Kasaragodu, Kerala	45	100%
25	Setting up digital classroom at Govt. Model Primary School (RMSA), Kudlu, Bommanahalli Post, Bengaluru	250	72%
26	Support to procure school bus to Mangala Jyothi Integrated School, Vamanjoor for children with physical disabilities and special children, Vamanjoor, Mangaluru	48	79%
27	Support to improve the medical infrastructure of Jayadev memorial Rashtrottana Hospital & research Centre managed by Rashtrottana Trust, Bengaluru	460	0%
28	Operating microscope for conducting eye surgeries at Sri Vivekananda Sevashrama, Eye Clinic, Bengaluru	37	18.92%
29	Support to procure school bus to Poornaprajna Education Centre, Sangameswarpet	47	90%
30	Support to procure drinking water purifier to Govt. Lower Primary School, Varahi	28	75%
31	Financial assistance for installing lift at old age home - Shiva Sadana, Puttur managed by Shri Subrahmanya Sabha Charitable Trust@, Kudpi, Mangaluru	111	50%
32	Financial assistance towards development of GOS - SSBH Industrial School run by Guild of Service (Central), Seva Samajam, Egmore, Chennai	33	100%
33	Computers to Sri Neelambika Girls High School, Sirigere, Chitradurga managed by Taralabalu Education Society	198	100%
34	Provision of safe drinking water purifier at the office of Karnataka State Bar Council, Bengaluru	3000	30%
35	Financial assistance towards procuring six barricades for Angela Vidyaniketana Kudige, Kodagu	984	20%
36	Smartclass equipment to PKGGHSS School, Ambattur, Chennai	500	82%
37	Support to procure school buses to Smt Vimala Kulkarni Memorial School, Bhavani Nagar, Hubballi managed by Bhavadeepa Shikshana Samsthe.	31	0%
38	Installation of Off grid solar system at girls hostel building of KSSS P U College, Budarsingi, Hubballi	125	65%
39	Support to augment the collection of books of school library of Jnana Deepa School, Kurnad -Mudipu	1280	90%
40	Support to procure school bus to Jnanadeepa High School, Yelimale	45	65%
41	Advanced medical equipment 910CC NXT Three Gas System Anesthesia Workstation and Lullaby Warmer to Sri Rangadorai Memorial Hospital, Bengaluru	5795	45%
42	Upgrade the infrastructure of Computer Lab of Hoysaleshwara P U College, Arasikere	2000	85%



PRINCIPLE 9

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

● Essential Indicators

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

The Bank has a Grievance Redressal Policy; the consumer complaints are addressed as per the policy. The policy is hosted in the Bank's website.

<https://karnatakabank.com/investors/policies-codes>

The bank follows a three-tier complaint management system. The customer care is the designated point of receipt of all complaints. Complaints received through all channels (namely calls/emails/letters, regulators, Bank's Web-based Grievance Redress Management System [WebGRM], walk-in customers etc.) are incorporated in Bank's Centralised Complaint Management System. From here, these are assigned to and dealt by SPOC at various stakeholder departments. Any complainant who is not satisfied with the response provided at Tier 1 has the option to escalate the complaint to Bank's Nodal and Principal Nodal Officers [Tiers 2 and 3 respectively]. Bank rejects complaints only with the concurrence of Internal Ombudsman as stipulated in Internal Ombudsman Scheme, 2018

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about: Not Applicable

Particulars	As a percentage to total turnover
Environmental and social parameters relevant to the product	NA
Safe and responsible usage	NA
Recycling and/or safe disposal	NA

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

Particulars	FY 2023-24 (Current Financial Year)		Remarks	FY 2022-23 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	NA	Nil	Nil	NA
Advertising	Nil	Nil	NA	Nil	Nil	NA
Cyber-security	Nil	Nil	NA	Nil	Nil	NA
Delivery of essential services	30 1079	0 0	Debit card. CPLL (AEPS)	1309 13	370 4	Debit card CPLL (Banking Ombudsman)
Restrictive Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Unfair Trade Practices	Nil	Nil	NA	Nil	Nil	NA
Other	Nil	Nil	NA	Nil	Nil	NA

4. Details of instances of product recalls on account of safety issues: Not Applicable

Particulars	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

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

Yes Enhancing cyber security is a top priority for the Bank. It has a comprehensive policy on data privacy. the Bank's Privacy Policy (refer link <https://karnatakabank.com/privacy>) explains how the bank during its customer lifecycle may collect, use, store, disclose, or otherwise process personal data including personal data collected with consent. The Bank has embarked on its commitment to provide the highest level of protection regarding the processing of its customer, employees, vendors, and client personal data based on applicable laws and regulations that apply to data protection, applicable to the banking product, customer location channel journey.

To provide guidelines for cyber security and data privacy for the employees of the Bank, a Board approved Policy on Cyber Security, Information Security and Data privacy is in place. The Bank has a fully operational Security Operation Centre (SOC) and network & end point security devices to monitor any security incident and to take appropriate actions. SOC is operational on a 24 X 7 basis. The Bank is using several monitoring tools for identifying, monitoring, recording, and analysing security events or incidents within the real time IT environment. Employees are updated on the best security practices.

Also, Bank is certified under ISO/IEC 27001:2013 standards for the 'Information Security Management System' (ISMS) for the systems and procedures related to Information Technology services of the Bank and certified with PCIDSS certification for its card data environment.

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

No such action/penalty levied/imposed by Regulatory authority.

Leadership Indicators

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

The Karnataka Bank has focused on creation of digital platforms and mobile enabled online banking, doorstep banking to strengthen the direct anywhere, anytime, any type banking with its customers and channel partners including with NBFC for doorstep gold loans. These solutions are aimed to provide innovative services and solutions to all segments, provide sustainable finance, empowering livelihoods and reducing the digital divide increase socio economic equality.

1. Information on products & services of the Bank can be accessed through our official website: <https://karnatakabank.com/>
2. For Digital Products: <https://karnatakabank.com/personal/loans>
3. Personal banking products: <https://karnatakabank.com/>
4. Business Banking products: <https://karnatakabank.com/business>
5. Rural and Agricultural Banking products: <https://karnatakabank.com/agri-rural>
6. NRI Priority Banking: <https://karnatakabank.com/nri-priority-banking>
7. Gold Loans <https://karnatakabank.com/personal/loans/easy-gold-loan>

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

Bank through its website and emails, promotional materials like brochures and by SMS, educate customers on its various products and services. Further in general, public are made aware of various safety measures to be adopted by customers for preventing ATM frauds, phishing attacks etc., by sending bulk SMSs, emails to reiterate not to share ATM PIN, Internet / Mobile banking passwords, One Time Passwords (OTP), etc.

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

The Bank informs the customers in the event of any disruptions / discontinuation of essential services via e-mails, SMSs and online on its website across channels or push alerts via the Karnataka Bank Mobile application. The Bank has setup its disaster recovery for its core banking data centre and has downtime, business resilience and continuity framework implemented which will ensure that Business is Always On, despite any untoward site level downtime, the DR/Disaster recovery will ensure that the system are running resiliently and sustainably without any risk of interruption to customer business transactions or discontinuation of essential banking services.



4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey about 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)

Details of product parameters like interest rate etc. are displayed on the website. Further, details of interest rate on credit and savings products are displayed in the branches. The Bank follows all disclosure norms as required by RBI. The Bank through its brochures and posters displayed within the branches communicates the various features of products to its customers at large. Further, bank through its website, messages, and emails, educate customers on its various products and services, and mark caution to avoid sharing of ATM PIN, Internet Banking passwords, OTP etc. Customer feedback and Net promoter scores are captured as a whole and at zonal offices across products in business cycle along with feedback for bettering the Bank's services, new product launches, improving customer engagement and satisfaction in a profitable and sustainable resilient manner.

5. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact

b. Percentage of data breaches involving personally identifiable information of customers.

No Instances of reported data breach has occurred until 31st March 2024. The Bank has not faced any data breaches and has requisite Personal information integrity (PII) checks that prevent the data privacy violation, along with a robust governance modelling.