

# Karnataka Bank Ltd.

Your Family Bank, Across India

Regd. & Head Office  
P. B. No.599, Mahaveera Circle  
Kankanady  
Mangaluru – 575 002

Phone : 0824-2228182  
E-Mail : [comsec@ktkbank.com](mailto:comsec@ktkbank.com)  
Website : [www.karnatakabank.com](http://www.karnatakabank.com)  
CIN : L85110KA1924PLC001128

## SECRETARIAL DEPARTMENT

30.08.2025

HO: SEC:154:2025-26

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 the FY 2024-25**

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 2024-25.

This is for your kind information and dissemination.

Yours faithfully,

**Sham K**  
**Company Secretary &**  
**Compliance Officer**

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

## 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	<a href="mailto:info@ktkbank.com">info@ktkbank.com</a>
7	Telephone	0824-2228222
8	Website	<a href="https://www.karnatakabank.com">https://www.karnatakabank.com</a>
9	Financial year for which reporting is being done	FY 2024-25
10	Name of the Stock Exchange(s) where shares are listed	a. BSE Limited (Equity Shares) b. National Stock Exchange of India Limited
11	Paid-up Capital	₹ 3,77,93,02,530
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Shri Raja B S, General Manager, Branch Banking Department <a href="mailto:rajabs@ktkbank.com">rajabs@ktkbank.com</a> 0824-2228269
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
14	Name of Assurance Provider	M/s Gencarbon ESG Private Limited
15	Type of Assurance Provided	Scope 1 and 2 assurance for ESG

### II. Products/services

#### 16. 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, Digital banking, and savings bank	100%

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

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

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

Location	Number of plants	Number of offices	Total
National	NA	Branches: 952 Offices: 45 ATMs/Recyclers:1516	Branches: 952 Offices: 45 ATMs/Recyclers:1516
International	NIL	NII	NII

**19. 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. A brief on types of customers**

The Karnataka Bank Limited (KBL) has a base of over 13.7 million customers with its principal business caters 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 with a dedicated ESG Policy <https://www.karnatakabank.com/investors/policies-codes>.

These include Borrowing facilities, deposits, providing optimum returns on surplus funds or helping with overseas transactions.

The customer base of the bank consists of

1. Retail individuals,
2. Digital UPI payment service customers and partners,
3. Large corporates with treasury and wholesale banking needs,
4. MSME's including mid corporate clients,
5. NRI Individuals living abroad who maintain financial connections with their home country through NRI accounts and services,
6. Farmers and agriculturists, along with green projects Agro and Solar business units,
7. Including government bodies and agencies, non-profit organizations, and other entities that require specialised banking services, including support towards old age charitable homes,
8. 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.
9. Banking with Digital Currency (CBDC)

To cater to 'Atmanirbhar Bharat' and India's COP26 commitment towards NETZERO targets, the Bank believes in nurturing the empowerment of its customer base along with sustainable means of doing business. In FY 2024-25,

the Bank has been endeavouring in a unique way to ensure empowerment of the agriculture section of its customer base and green sustainable means of funding with unique customer products such as

1. Agri Gold Loans, Agri Credit, Krishik Godham Loan for better storage facilities,
2. Krishik Sinchana – minor irrigation,
3. Krishik Pushpankura -horticulture, tissue culture and green smart farming,
4. Krishik Sarathi – agri equipment and machinery financing
5. Agro processing scheme
6. Providing working capital for Street Vendors under the Pradhan Mantri Street Vendor's Atmanirbhar Scheme (PM SVANidhi).

To ensure that excellent banking service along with ESG goals are served, in FY 2024-25, through its digital-first, paperless agenda and targeted environmental initiatives, the Bank has made significant strides in reducing its carbon footprint, conserving resources, and embedding sustainability across its operations, in line with BRSR and ESG best practice. The Bank's ESG policy guides lending, operations, and resource use, with oversight by a Board-level ESG committee and clear KPI targets for sustainable operations.

The bank's integrated approach—combining digitalization, renewable energy, efficient water management, and green landscaping—demonstrates its commitment to reducing environmental impact, supporting the transition to a low-carbon economy, and meeting stakeholder expectations for responsible business conduct.

The Digital Centre of Excellence (DCoE) serves as a centralized hub for incubating digital products, fostering process innovation, increasing automation, and enhancing the bank's digital marketing and social media presence. Its core objective is to elevate customer engagement and satisfaction while achieving operational excellence. The Digital Centre of Excellence (DCoE) has enabled over 90% of savings bank accounts to be opened digitally, with digital journeys for current accounts and dormant account activations, eliminating paperwork and branch visits. DCoE's vision is centred around continuous innovation, striving to develop best-in-class products and processes through agile methodologies. This includes strategic collaborations with FinTech partners, a strong emphasis on UI/UX design, and the expanded integration of AI/ML technologies, all while adhering to regulatory guidelines. In recent years, the DCoE has spearheaded the development of comprehensive digital journeys across both Asset and Liability products. Retail and MSME loan offerings have been digitized using a business rule engine that supports automated verification, income assessment, and credit underwriting. Additionally, account opening solutions now leverage India Stack and OVD verification, accessible via both tablet and web platforms.

### Liabilities

- Savings Bank Accounts: Over 90% of new accounts are opened digitally via Xpress Accounts on Web, Tab, and VCIP platforms.
- Digital Current Account Journey (CUG Mode): Introduced to reduce paperwork and turnaround time (TAT) while improving operational efficiency.
- Dormant Account Reactivation: Now enabled online, removing the need for physical branch visits and ensuring a fully paperless experience.

### Assets

- Xpress Cash (Personal Loan): 100% digital adoption for the complete journey.
- Xpress Car Loan: Approximately 80% adoption rate.
- Xpress Home Loan: Around 75% adoption rate.
- Xpress MSME Loans: Adoption nearing 70%.

DCoE remains committed to furthering digitization and innovation to minimize paper usage and promote environmental sustainability. These initiatives align with the bank's Environmental, Social, and Governance (ESG) objectives, reinforcing its commitment to responsible growth and operational efficiency.

The Overall Paperless Agenda and initiatives taken Bank wide have helped the Bank to eliminate the use of millions of paper documents annually, translating to an estimated reduction of several hundred metric tons of CO<sub>2</sub> emissions, as every 1,000 sheets of paper avoided saves about 50 kg of CO<sub>2</sub>.



In addition to this whilst serving customers, the bank has ensured that there is optimization of energy, water and carbon footprint at its major offices

- **Sewage Treatment Plants:** Three major sewage treatment plants are operational—Regional Office - Udupi (10,000 KLD, FY 2023-24), Regional Office - Tumkur (10,000 KLD, FY 2022-23), and Head Office (60,000 KLD, FY 2023-24)—enabling efficient water management and recycling.
- **Solar Power:** Solar panels were installed at the Head Office Centenary building and Regional Office - Udupi in FY 2024-25, promoting renewable energy use.
- **LED Lighting:** 127 branches/offices, including 534 lights at the Head Office, converted from CFL to LED in FY 2024-25, improving energy efficiency.
- **Fuel Consumption:** Diesel consumption for FY 2024-25 was 99,250 litres for generators and 5,860 litres for vehicles; petrol consumption for vehicles was 29,841 litres.

#### IV. Employees

##### 20. Details as at the end of Financial Year: 31st March 2025

###### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1	Permanent (D)	8739	5964	68.25%	2775	31.75%
2	Other than Permanent (E)	11	8	72.73%	3	27.27%
3	<b>Total employees (D + E)</b>	<b>8750</b>	<b>5972</b>	<b>68.25%</b>	<b>2778</b>	<b>31.75%</b>
<b>WORKERS</b>						
4	Permanent (F)	NIL	NA	NA	NA	NA
5	Other than Permanent (G)	NIL	NA	NA	NA	NA
6	<b>Total workers (F + G)</b>	<b>NIL</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

Note: \* "Employees" include Officers and Award Staff.

At present workforce is at 8,750 employees. The diversity ratio is maintained at 31.75% continuing to be a Preferred Place to Work.

###### b. Differently abled Employees and workers

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1	Permanent (D)	31	27	87.10%	4	12.90%
2	Other than Permanent (E)	0	0	0	0	0
3	<b>Total employees (D + E)</b>	<b>31</b>	<b>27</b>	<b>87.10%</b>	<b>4</b>	<b>12.90%</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4	Permanent (F)	NIL	NA	NA	NA	NA
5	Other than Permanent (G)	NIL	NA	NA	NA	NA
6	<b>Total workers (F + G)</b>	<b>NIL</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

Note\*: The Bank has ensured Diversity and PWD friendly policies and workplace adjustment and has 0.35% PWD Employees in its workforce FY 2024-25.

##### 21. 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	4	-	-

Note: \*Key Managerial Personnel Including MD & CEO and Executive Director.

**22. Turnover rate for permanent employees and workers**

(Disclose trends for the past 3 years)

Particulars	FY 2024-25 (Turnover rate in current FY 2024)			FY 2023-24 (Turnover rate in previous FY 2023)			FY 2022-23 (Turnover rate in the year prior to the previous FY 2022)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
	Permanent Employees	2.24%	1.90%	2.13%	2.58%	1.90%	2.36%	1.70%	0.45%
Permanent Workers	NA	NA	NA	NA	NA	NA	NA	NA	NA

Note: Turnover Rate = (Number of employees resigned during the period / Average number of employees during the period) × 100

Over the last three years, the Bank has continued its commitment as an equal opportunity employer by fostering an inclusive and balanced work culture. Through strategic interventions and extensive training programs, the bank has prioritized employee development and workplace well-being.

With a strong emphasis on employee safety, well-being, and professional growth, the Bank continues to be a gender-inclusive and preferred place to work as it accelerates its digitalization journey.

As part of the committed plan for encouraging latest updates and awareness on ESG, Sustainability, Regulation in India, Green investing norms, trainings with Heads of Departments in General Manager, Deputy General Manager and Chief Manager Grades was conducted in FY 2024-25 within the bank. These Heads of departments are responsible for gathering data relating to ESG, Sustainability within the bank and also maintaining an oversight over the emissions reporting for the year.

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****23. (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 listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	KBL Services Limited	Wholly Owned Non-Financial Services Subsidiary	100%	Yes

**VI. CSR Details****24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) YES****(ii) Turnover (in Rs.)** ₹ 10, 283.00 Crores (for the purposes of CSR calculation)**(iii) Net worth (in Rs.)** ₹ 11, 586.00 Crores

The Bank has sanctioned 249 CSR projects as on 31st March 2025 with CSR Allocated funds of Rs 2,466.99 lakhs. The breakup is shown in the table below:

Category	No of Projects in FY 2024-25	Amount Sanctioned (in Rs lakhs)	% of Amount Sanctioned	Key Projects
Education	79	969.13	39.28	Career guidance programmes, facilitate setting up of digital classrooms, support to improve the infrastructure of schools, scholarship to meritorious children from economically weak backgrounds etc.
Healthcare	56	421.51	17.09	Support for the Mid-day meal programme, provision of safe drinking water facility at public institutions like schools and temples, upgrade the infrastructure of charitable hospitals, support to conduct free medical camps.
Protection of Culture/Heritage	40	266.35	10.80	Renovation of sites having historical importance



Category	No of Projects in FY 2024-25	Amount Sanctioned (in Rs lakhs)	% of Amount Sanctioned	Key Projects
Rural Development	4	62.12	2.52	Support in developing the infrastructure of rural schools
Environmental Sustainability	36	263.46	10.68	Promote the adoption of renewable sources of energy with special focus on solar power, rejuvenation of water bodies, facilitating waste management and promoting greenery.
Empowering women Socially / Economically disadvantaged	21	274.90	11.14	Livelihood enhancement for people with disabilities, infrastructure upgrade of old age homes, welfare of dyslexic and autistic children, Scheduled Caste/ Scheduled Tribes, women empowerment, Geriatric Healthcare Support etc.
Swachh Bharat	12	118.51	4.80	Construction of toilet blocks
Contribution to incubators	1	25.00	1.01	Skill development laboratory at SDM College of Ayurveda Hospital & Research Centre, Udyavara Udupi
Administrative Expenses	Overall spend	66.01	2.68	
Grand Total	249	2,466.99	100.00	

## VII. Transparency and Disclosures Compliances

### 25. Complaints/Grievances on NGRBC Principles (Principles 1 to 9):

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 2024-25 Current Financial Year			FY 2023-24 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	<b>YES Refer</b> <a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a>	0	0	Nil	0	0	Nil
Investors (other than shareholders)	<b>Yes Refer:</b> <a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a> Note: Investors can reach us on the dedicated email id investor.grievance@ktkbank.com to redress their grievances,	0	0	Nil	0	0	Nil
Shareholders	<b>Yes</b> Refer: <a href="https://karnatakabank.com/investor-portal">https://karnatakabank.com/investor-portal</a> An investor relationship officer is appointed for better communication with shareholders and to oversee functioning of mechanisms for redressal of investor grievances	7	1	The pending complaint was closed on 10.04.25	3	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 2024-25 Current Financial Year			FY 2023-24 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 workers	<p>Note: Shareholders can reach us on the dedicated email id investor.grievance@ktkbank.com to redress their grievances</p> <p>1. <b>Yes</b> <a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a></p> <p>The bank in its HR&amp; IR policy has appointed General Manager – HR &amp; IR Department to oversee the provisions of required facilities/ amenities including the process of recruitment for persons with disabilities for higher operational inclusion.</p> <p>Note: Employees can reach HR &amp; 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>	3	0	Nil	Nil	Nil	Nil
		Nil	Nil	Nil	Nil	Nil	Nil
Customers	<p><b>Yes</b></p> <p>1. The Bank believes that customer service experience is the key to acquire and nurture enduring relationship with our customers. The Bank has a well-defined customer complaint management system -Online Grievance Redressal Portal along with a Policy on Customer Rights and Product Suitability.</p>	<p>Total number of Service-related complaints: 25312</p> <p>[BO:388, General:1220, ATM: 23704]</p>	<p>Total number of Pending Service-related complaints: 134</p> <p>[BO:0, General:6, ATM: 128]</p>	Nil	<p>Total number of Service-related complaints: 39350</p> <p>[BO:458, General:1230, ATM: 37662]</p>	<p>Total number of Pending Service-related complaints: 208</p> <p>[BO:0, General:0, ATM: 208]</p>	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 2024-25 Current Financial Year			FY 2023-24 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
	<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> <p>c) Technology Related. Refer: <a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a> Further, Bank has dedicated Toll-free numbers for its customers, to assist their queries/raise complaints, 1800 425 1444 &amp; 1800 572 8031 and for NRI customers: 080-22021555.</p>						
Value Chain Partners	<p><b>Yes,</b> Grievances if any can be emailed to <a href="mailto:info@ktkbank.com">info@ktkbank.com</a> Refer <a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a></p>	0	0	Nil	0	0	Nil
Others, please specify	Nil	0	0	Nil	0	0	Nil

Note: Karnataka bank ATM has evolved to the next generation bank branches with improvements in accessibility, uptime, transaction success rates, and customer feedback. Customer Awareness for cybercrime and digital awareness in digital banking, prevention of fraud has been encapsulated, in the corporate website, with active communication to protect the customers best interest and safe banking practices for prevention of grievances related to fraudulent banking activities, and cybercrime.

**26. 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

S. 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"> <li>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.</li> <li>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.</li> </ol>	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><b>Opportunity</b> To promote the usage of green energy by green financing and funding of Products, frameworks, and systems</p> <ol style="list-style-type: none"> <li>1 To identify and mitigate adverse potential environmental &amp; social impacts due to Bank’s lending activities.</li> </ol>	<p>Risk and Opportunity – Adapt /Mitigate</p> <p>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</p>	<p>Positive impact: Under the ESG Environmental carbon footprint reduction initiative</p> <ol style="list-style-type: none"> <li>1. DCOE has ensured that 90% of all customer onboarding journeys are now digital.</li> <li>2. The bank has also adopted solar for internal</li> </ol>



S. 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)
			<ol style="list-style-type: none"> <li>2. To ensure that clients establish E &amp; S requirements in line with national environmental and social regulations.</li> <li>3. Bank's Environmental and Social Governance (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.</li> <li>4. Bank will desist from extending finance, irrespective of the amount, for activities coming under exclusion list in the ESG policy.</li> </ol>	<p>of the bank and where feasible to that of its stakeholders.</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>	<p>electricity for its Head Office and Regional Office, Udupi and had a tremendous push to Energy efficient LED bulb adoption along a recently installed fully functional sewage treatment at three of its major offices.</p> <p>3. Three major sewage treatment plants are operational— RO Udupi (10,000 KLD, FY 2023-24), RO Tumkur (10,000 KLD, FY 2022-23), and Head Office (60,000 KLD, FY 2023-24)—enabling efficient water management and recycling.</p>
			<p><b>Risk:</b></p> <ol style="list-style-type: none"> <li>1. Proactively identifying the risks paired with policies to reduce their impact is a critical part of the bank's pathway towards sustainability.</li> <li>2. Lack of environment, social measures will lead to increased cost, reduced resource efficiencies and potentially regulatory/compliance related costs.</li> </ol>		

S. 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)
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		No complaints and disputes raised by vendors during the year and there is 100% adherence to MSME payments reported in FY 2024-25
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 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 conducted over FY 2021-FY 2023.  The percentage of women employees to the total staff stood at >31.7% which is higher than the industry average of 23%	Adapt: The Bank has also introduced ECDS (Employee Career and Development System) by operationalizing the PMS (Performance Management System). 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. 135 Training programs were conducted in Staff Training College during FY 2024-25. During the fiscal year 2024-25, a total of 13,073 participants successfully engaged in various training programs.	Employee Fire Safety Readiness drills were held for 560 Employees 2 times during the year, at the Head Office, Centenary & RO (Annex) building, with an evacuation time of 3 min 19 seconds achieved.
5	Data Security and IT Resiliency	Risk of post covid cybersecurity attacks.  Opportunity of digital scalability along with and digitalization Resiliency of continued	<b>Risk-</b>  1. Cyber threats to banking System.  2. Data centre – disaster recovery risks in case of any disaster situation in the city of Bank's data centre with "nonstop banking"  3. Phishing attacks	<b>Risk: Mitigation</b>  1. Bank is following a defense-in-depth architecture which comprises of various security solutions positioned at different layers as Ant-DDoS (Distributed Denial of Service) solution, Next Generation	<b>Positive-</b> Improved turnaround time with customer satisfaction. <b>Negative-</b> Efficiency of cyber security systems directly impact the business productivity



S. 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)
		business support- "Leave nothing to Chance initiative"		<p>Perimeter Firewall, Web application firewall, IDS (Intrusion Detection System) &amp; IPS (Intrusion Prevention System) Solution, Email Security Appliance with APT, Anti-Virus, Workload protections &amp; Anti-Malware solutions to combat the various Cyber Intrusion attacks. Further, Bank has implemented Security Information and Event Management (SIEM) tool and Security Operations Center[SOC] team is proactively monitoring the network traffic round the clock for any suspicious or anomaly behaviour.</p> <p>2. Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction and roadmap towards cyber threat mitigation. Further, IT Departments, CISO Office, Data Centre, Disaster Recovery Site and NLS of the Bank are ISO 27001: 2022 certified.</p>	

S. 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)
3.	Customer Awareness Initiatives for reducing Phishing cyber fraud incidences :	Karnataka Bank actively promotes customer awareness to prevent cyber fraud. It advises customers not to click on suspicious links or share sensitive information like OTPs, user IDs, or passwords. The bank has warned against phishing scams and fraudulent calls requesting OTPs for loan EMI deferment, clarifying that it never asks for such details. Customers are encouraged to report suspicious activities immediately via email (isecurity@ktkbank.com) or the bank's customer care centre.			



S. 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)
6	Information disclosure and available digitally	<b>Risk:</b> information ambiguity reduction and smooth customer and media information corporate governance clarity	<ul style="list-style-type: none"> <li>Press releases/ Interviews with top management</li> <li>ESG disclosures aligned to benchmark disclosure frameworks</li> </ul>	Bank has ensured an update of the digital and cybersecurity policies for all press releases, policies in the KBL corporate website and about the Bank on social media and press , digital media . and the Standard Operating practices for Customers, shareholders, non-shareholders, bond holders and non-government, associations	Proactive measures have been taken in FY 2024-25 for customer outreach, where Customers are encouraged to report suspicious activities immediately via email (isecurity@kttbank.com) or the bank's customer care centre. The Bank has proactively reached out to customers educating them about phishing and updating its website and print media on true and accurate updates about the Bank , its operations, to avoid any misconceptions or incorrect data from becoming viral and has continued to gain customer confidence.

## 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
<b>Policy and management processes</b>									
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 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, wherever necessary. Key Policies approved by the Board are listed below: <ol style="list-style-type: none"> <li>Policy on Whistle Blower</li> <li>Policy on Data Privacy and Security for AADHAAR Enrolment</li> <li>Policy on Customer Rights and Product Suitability</li> <li>Policy on Grievance Redressal</li> </ol>								





Disclosure Questions

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

- In FY 2024-25, the bank has made an all-round integrated approach for sustainable communities focus on its CSR outreach for education, water, health care.
- Under its ESG policy, the Bank lends/invests in key sectors such as MSME and 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.
- 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.
- Additionally, the 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 & Customer Relations Committee and Audit Committee of Board reviews the items as per reference of the respective Committee and the policies are reviewed as necessitates.
- The bank has won several accolades that gives testimonies on its focus on community sustainability, ease of doing business with security and ease with digital way of banking

**Awards & Accolades:**

- **“Indian Chamber of Food and Agriculture (ICFA) conducted “Karnataka State Agriculture Summit 2024” and “Karnataka State Agri Awards 2024” at Bengaluru on 25.09.2024 as the ‘Agri Corporate Leadership’ award**

MSME Banking & MSEFC Excellence Awards 2023 (Awarded on February 29, 2024).

- **Bank honored with IBA’s Banking Technology Awards - 24.01.2025**

Bank has created history by winning awards in six categories at the ‘20<sup>th</sup> Annual Banking Technology Conference, Expo & Citations, 2024’ instituted by Indian Banks’ Association, the premier organization of the Banking Industry in India. The awards were ‘Best Tech Talent & Organization’, ‘Best IT Risk Management’, ‘Best Technology Bank’, ‘Best Fintech & DPI Adoption’ - all Runner Ups, ‘Best Digital Sales, Payments & Engagement’ -Special Mention and ‘Best AI & ML Adoption’ – Special Mention

- **ASSOCHAM Best Innovation & Partnership Initiatives Award under Small Banks on 17.10.2024**

Bank has been conferred with ASSOCHAM Best Innovation & Partnership Initiatives Award under Small Banks in the 19<sup>th</sup> Annual Summit & Awards in a glittering function held at Mumbai on 17.10.2024.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<p>6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.</p> <ol style="list-style-type: none"> <li>1. Information security policy</li> <li>2. Policy on Disclosure Scheme</li> <li>3. Policy on Compensation</li> <li>4. Remuneration for Directors</li> <li>5. Policy on Corporate Social Responsibility CSR</li> <li>6. Code of Conduct</li> <li>7. Whistleblower Policy</li> <li>8. Policy on customer rights and product suitability</li> <li>9. Policy on Grievance Redressal</li> <li>10. Policy on third party products</li> <li>11. Risk Management Policy</li> <li>12. Cybersecurity IT Policy</li> <li>13. Karnataka Bank Code of Conduct</li> <li>14. Karnataka Bank HR policies</li> </ol>	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
<p>Policies are listed in website and some are internal policies such as risk management, cybersecurity controls and HR policies which are adopted during the operations of the Banking business due to sensitive nature of disclosure.</p>									
<b>Governance, leadership, and oversight</b>									
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. Accordingly, we lend / invest in key sectors such as MSME and Agriculture, Infrastructure, Power (including solar and wind), manufacturing, etc., demonstrating our resolve to provide responsible and sustainable finance. Bank continues to prioritize lending to businesses with robust environmental and social management systems that enable identification of risks and impacts and their effective mitigation.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of Karnataka Bank is the highest authority responsible for the oversights of the implementation of Business Responsibility Policies. The chief executive officer and managing director of the company is the highest 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)								
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.	<p>Yes. The Board of 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 Bank's operations in addition to the Top Down ESG committee, CSR committee.</p> <p>Focus Groups and their Department (Dept.) ownership is listed below:</p> <ul style="list-style-type: none"> <li>• Formation of the management-level – <b>ESG committee – Executive Director</b></li> <li>• ESG Strategy and Roadmap including Disclosures and Accounting to Stakeholders by <b>ESG Committee of Executives</b></li> <li>• Approach and focus area of ESG and Climate risk tracking by <b>Credit-Sanctions Dept, Risk Management Department.</b></li> <li>• Climate Change Strategy: Energy and Emissions Renewable energy, Waste Disposal, reduction of usage of plastic in offices, branches, and marketing/outreach events: <b>being managed by IT department, Fixed Assets and Premises section.</b></li> </ul>								



Disclosure Questions

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

- Migrating to energy-efficient IT systems & servers-, including Electronic Waste disposal – through authorised personnel by IT Dept with **e-waste Disposal** certificates from authorized e-Waste disposal agency TechChef disposing 687 kgs in Jan 2024 and 388 Kgs e-Waste in Dec 2024. E-waste Disposal includes IT Assets which carry Bank's data such as computer, HDDs, drives, tapes, printers, scanners, and other data-bearing devices
- IT assets which do not carry information or data such as UPS, Batteries etc is currently being disposed under Buyback manner with the OEM.
- Disposal of Hazardous waste: Not in scope for the bank
- Digital adoption for paperless consumption by **HR Dept. / Credit Sanctions Dept./IT Department/DCoE**
  - a. Bank has implemented e -statement facility in its delivery channels like Mobile Banking and Internet Banking. Also, a separate application 'KBL-M Passbook' made available in which customers can generate the statement on their own instead of using paper statements.
  - b. Further, Bank has implemented DMS- Document Management System to store all its documents digitally. Customer on boarding also made digital in which 90% of new customers on boarding happens through our Digital journeys where no paper is used.
  - c. Implementing e-statement facilities via Mobile Banking, Internet Banking, and KBL-M Passbook, and digitized document storage with a Document Management System (DMS), with 90% of new customer onboarding done digitally, saving approximately 2,070.9 metric tons of CO<sub>2</sub>e annually for 13.7 million customers
- Evaluation of Energy/environment-friendly projects with CSR budget allocation to Renewable Energy to customers and Community and Society: by CSR-**BBD Committee**
- Environmental and Social Risk management in lending, including climate risk under the Atma Nirbhar Bharat Scheme, incentivise customers for green vehicle (EV/Hydrogen): by **Credit Sanctions**
- Procurement Practises and reduce carbon commitment: by **IT Department in FY2024-25**
  - a. Mandated ENERGY STAR, EPEAT Gold, or TCO Certified desktops for energy efficiency.
  - b. Used low-power CPUs, GPUs, and SSDs to reduce energy consumption.
  - c. Chose desktops with power-saving features to minimize usage.

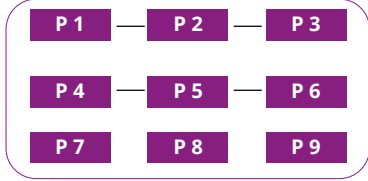




10. Details of Review of NGRBCs by the Company:

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 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 MD & CEO/Chief Financial Officer/Company Secretary and Chief Compliance 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.



Yes. M/s GENCARBON ESG Private Limited, ESG committee of Karnataka Bank have jointly mapped the existing policies and procedures against the requirements of BRSR and accordingly suggested the improvements to bridge it with the BRSR requirements.

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)	The bank has taken a conscious initiative to engage with Vendors in the supply chain industry who have adopted net-zero or low-emission manufacturing processes which help to reduce emissions are preferred. For example, Epson, which has committed to becoming carbon negative and underground resource free by 2050.  These include banking value chain partners under Direct Assignment Arrangement (Less than 2% of total revenue hence not material value) such as <ul style="list-style-type: none"> <li>• Paisalo Digital Ltd</li> <li>• Satin Creditcare Network Ltd</li> <li>• Clix Capital Services Private Ltd</li> <li>• Ugro Capital Ltd</li> <li>• Sundaram Home Finance Limited</li> </ul>								
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
Board of Directors	3 Trainings held. Ongoing Multiple Trainings throughout the year	1. Session on SEBI (Prohibition of Insider Trading) Regulations, 2015 2. Cyber Security Awareness for the Board members 3. Certification Programme in IT and Cyber Security for Board Members	1. 100% 2. 100% 3. 9.09%
Key Managerial Personnel	Ongoing Multiple Trainings throughout the year	1. Session on SEBI (Prohibition of Insider Trading) Regulations, 2015 2. Cyber Security Awareness for the Board members 3. Cyber Security	1&2. 100% 100% (MD & CEO and ED, CS, CFO). 3. CFO
Employees other than BoD and KMPs	Principle 1 1144 Employees Principle 3 8750 employees -100%	PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable. PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains	Principle 1 13.07% Principle 3 100%
Workers	NIL	NIL	NIL

**Note:** Trainings and principles are being furthered in FY 2024-25. 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 addition in FY 2024-25, trainings on the latest updates and awareness on ESG, Sustainability, Regulation in India, Green investing norms, Carbon Credits, was held with General Managers and Chief Managers to provide an operational and strategic understanding of ESG norms in line with the Bank's 2030 agenda.



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 fee		-Nil-		
	Settlement		-Nil-		
	Compounding fee		-Nil-		

Note: No Penalties imposed on Karnataka Bank as per RBI Policy Press Release. [Refer <https://www.rbi.org.in/commonperson/english/Scripts/PressReleases.aspx>]

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.

Bank has zero tolerance approach towards corruption and bribery. The Bank has updated and digitally published a 'Whistle blower policy' and the same is available on Bank's website. <https://karnatakabank.com/investors/policies-codes>

**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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	NIL	NIL
KMPs	NIL	NIL
Employees	NIL	NIL
Workers	NIL	NIL

**6. Details of complaints about conflict of interest:**

	FY 2024-25 (Current Financial Year)		FY 2023-24 (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.**

No regulatory actions, fines or penalties related to corruption or conflicts of interest were reported in FY 2024-25.

**8. Number of Days of Accounts Payables**

The Bank ensures that compliance with MSME payment regulations at each branch and department and has implemented digital tools to facilitate prompt invoice settlements, enhancing supplier trust and operational efficiency in alignment with the MSME requirements settlement of 45 days with 100% on time adherence.

Metric	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days	Not Applicable due to banking Nature of business	Not Applicable due to banking Nature of business

**9. Openness of Business:**

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. % from Trading Houses	N/A	N/A
	b. Number of Trading Houses	N/A	N/A
	c. % from Top 10 Trading Houses	N/A	N/A
Concentration of Sales	a. <2 % to Dealers/Distributors *	<2%	<2%
	b. Number of Dealers/Distributors *	5	0
	c. % to Top 10 Dealers/Distributors *	<2%	<2%
Share of RPTs in Common Types	a. % Purchases with Related Parties	N/A	N/A
	b. % Sales to Related Parties	N/A	N/A
	c. % Loans & Advances to Related Parties	N/A	N/A
	d. % Investments in Related Parties	N/A	N/A

\* NBFCs and Co lending

**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
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The Bank ensures that the people working in contact centres are trained on matters such as ethics, code of conduct, responsible customer engagements

**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 2024-25	Previous Financial Year FY 2023-24	Details of improvements in environmental and social impacts
 R & D	Not Applicable for Banking system		<ul style="list-style-type: none"> <li>Bank's e-statement and Document Management System (DMS) initiatives for FY2024-25, transitioning to e-statements (via Mobile Banking, Internet Banking, and KBL-M Passbook) and digital onboarding with DMS for 13.7 million customers has resulted into 2,070.9 metric tons CO<sub>2</sub>e saved.</li> <li>Bank has setup two Solar power-based conversions for FY 2024-25. (HO Centenary building and RO-Udupi).</li> <li>Three major sewage treatment plants are operational—RO Udupi (10,000 KLD, FY 2023-24), RO Tumkur (10,000 KLD, FY 2022-23), and Head Office (60,000 KLD, FY 2023-24)—enabling efficient water management and recycling.</li> <li>For 127 branches/offices CFL lights were converted into LED lights for FY-2024-25 (Including 534 lights at Head office)</li> </ul>
 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 Bank has sustainable sourcing procedures being implemented to the extent applicable to a Bank. Being in the Financial Services sector, material purchase for operations is not significant except for paper. Bank has implemented e-statement facility in its delivery channels like Mobile Banking and Internet Banking to reduce its sourcing of Paper for Statement and passbook printing. Under its DMS (Document Management System) digital initiative that has reduced its customer paper requirements by 80%, saving approximately 2,070.9 metric tons of CO<sub>2</sub>e annually for 13.7 million customers. Based on the top-down guidance given by the Bank CEO, in FY 2024-25, Procurement Practises and reduce carbon commitment by **IT Department has been updated to include:**

- i. Mandated ENERGY STAR, EPEAT Gold, or TCO Certified desktops for energy efficiency.
- ii. Used low-power CPUs, GPUs, and SSDs to reduce energy consumption.
- iii. Chose desktops with power-saving features to minimize usage.
- iv. Preferred vendors like Epson with net-zero manufacturing for lower emissions.
- v. Replaced end-of-life endpoints, refurbished devices where possible, and extended lifespans through modular upgrades instead of full replacements.

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

This is being done progressively. Percentage cannot be determined in a banking business operation 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. The Bank has adopted Plastic avoidance, wherever possible, 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: <ol style="list-style-type: none"> <li>1. Branches may raise request through a module in the internal application.</li> <li>2. Respective Regional office may forward the request to IT Dept.- Hardware team for approval.</li> <li>3. IT Dept: The hardware team will scrutinize 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.</li> <li>4. 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.</li> <li>5. Green certificate/Destruction certificate will be provided by the vendor within stipulated number of days from the date of E-waste collection.</li> <li>6. Approx 687Kgs in Jan 2024 and 388 Kgs in Dec 2024 were disposed as per sustainability norms under the observation and certification of M/s TechChef certified e-Waste Solutions</li> </ol>
 (c) Hazardous waste	Not Applicable due to nature of Banking operations
 (d) Other Waste	Within the bank site operations, for treatment of Sewage generated by the banking site, 3 Sewage Treatment Plants installed in RO Udupi (10000 KLD) installed in FY 2023-24, RO Tumkur (10000 KLD) installed in FY 2022-23 and Head Office (60000 KLD) installed in FY 2023-24. KLD stands for Kilo Litres Per Day, which is now operational. Other Waste is not applicable due to the nature of banking operations.

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 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Not Applicable as the Bank is into 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:

Particulars	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
 Plastics (including packaging)	NA	NA	NA	NA	NA	NA
 E-waste	NA	NA	0.388 MT	NA	NA	0.687 MT* 4.55 MT E-Waste (one time disposal)
 Hazardous waste	NA	NA	NA	NA	NA	NA
 Other waste	NA	NA	NA	NA	NA	43.40 (one time disposal)- battery waste

Note: In FY 2023-24, due to tech decommissioning an e-Waste of 4.55 MT and 43.40 MT (battery) is a larger one time disposal done, as part of the migration of DC servers to co-located centre.

## 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)
 <b>Permanent employees</b>											
 Male	5964	5964	100%	0	-	NA	NA	303	5.11%	NIL	-
 Female	2775	2775	100%	0	-	180	6.49%	NA	NA	NIL	-
<b>+</b> Total	<b>8739</b>	<b>8739</b>	<b>100%</b>	<b>0</b>	<b>-</b>	<b>180</b>	<b>6.49%</b>	<b>303</b>	<b>5.11%</b>	<b>NIL</b>	<b>-</b>
 <b>Other than Permanent employees</b>											
 Male	8	8	100%	NIL	NIL	NIL	-	NIL	-	NIL	-
 Female	3	3	100%	NIL	NIL	NIL	-	NIL	-	NIL	-
<b>+</b> Total	<b>11</b>	<b>11</b>	<b>100%</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>-</b>	<b>NIL</b>	<b>-</b>	<b>NIL</b>	<b>-</b>

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

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)
 <b>Permanent employees</b>											
 Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
 Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>+</b> Total	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
 <b>Other than Permanent employees</b>											
 Male	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
 Female	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
<b>+</b> Total	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

**Spending on Well-being Measures:**

Metric	Current FY2024-25	Previous FY 2023-24
Cost as % of Total Revenue	0.74%**	0.54%

\*Note \* This inclusive of 12th BPS and 9th Joint Note arrears. Total Well-being spend on workers inclusive of employees is Rs.1347.58 Crores\* in fy 2024-25 and was Rs.931.95 Crores in fy 2023-24.

Details	FY 2024-25	FY 2023-24	Increase
Welfare Spend in crores Rs.	₹1,347.58	₹931.95	₹415.63
Turnover in Crores Rs.	₹ 1,82,766.21	₹ 1,71,059.49	₹ 11,706.72
% Spend Share	0.74%	0.54%	3.55%

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

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	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%	NA	Y	34.46%	NA	Y
Gratuity	100%	NA	NA	100%	NA	NA
ESI	Nil	NA	NA	Nil	NA	NA
Others- please specify*	66%	NA	Y	65.54%	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, Digi sites, 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, are in compliance 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.
- 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.

7. 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.

**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.**

**Yes**





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. Karnataka 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
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>NA</b>	<b>NA</b>

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

Particulars	Yes/No (If yes, then give details of the mechanism in brief)
 Permanent workers	NA
 Other than permanent workers	NA
 Permanent employees	Yes.
 Other than permanent employees	<p>There is well defined Grievance Mechanism in Karnataka Bank mentioned under PARA 5 Grievance redressal of the Equal opportunity Policy</p> <p><a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a></p> <p>Process</p> <ul style="list-style-type: none"> <li>Bank has a well-defined grievance redressal mechanism, to enable its employees and others associated with the Bank to not overlook any concern.</li> <li><b>Step 1 Early Detection:</b> 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.</li> <li><b>Step 2: Enquiry:</b> Further, Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly.</li> <li><b>Step 3:</b> 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.</li> </ul>

**Particulars****Yes/No (If yes, then give details of the mechanism in brief)**

- 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.
- The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.
- 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.
- 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.

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 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)
<b>Total Permanent Employees</b>	<b>8739</b>	<b>8569</b>	<b>98%</b>	<b>8907</b>	<b>8460</b>	<b>95%</b>
- Male	5964	5832	98%	6108	5808	95%
- Female	2775	2737	98%	2799	2652	95%
<b>Total Permanent Workers</b>						
- Male				NA		
- Female						

**8. Details of training given to employees and workers:**

Category	FY 2024-25 Current Financial Year					FY 2023-24 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)
<b>Employees</b>										
Male	5972	591	9.90%	3458	57.90%	6108	808	13.23%	5738	93.94%
Female	2778	182	6.55%	1403	50.50%	2799	219	7.82%	2222	79.39%
<b>Total</b>	<b>8750</b>	<b>773</b>	<b>8.83%</b>	<b>4861</b>	<b>55.55%</b>	<b>8907</b>	<b>1027</b>	<b>11.53%</b>	<b>7960</b>	<b>89.37%</b>
<b>Workers</b>										
Male										
Female						NA				
<b>Total</b>										

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

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	5972	5972	100%	6108	6108	100%
Female	2778	2778	100%	2799	2799	100%
<b>Total</b>	<b>8750*</b>	<b>8750</b>	<b>100%</b>	<b>8907</b>	<b>8907</b>	<b>100%</b>
<b>Workers</b>						
Male	NIL	NIL	NIL	NIL	NIL	NIL
Female	NIL	NIL	NIL	NIL	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

\* 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 CSO (Chief Security Officer) who visits Branches / offices and give training on use of fire extinguishers and emergency evacuation drills.

Further, every branch / office 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 2024-25 Current Financial Year	FY 2023-24 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.

The 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 central location.



The Bank has conducted Mock evacuation drill in line with the Health and Safety Management system at

- Head Office, Mangaluru on 8th of August 2024 – 560 participants
- Head Office and Regional Office, Mangaluru, conducted on 26th of December 2024 – 540 participants.

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

Particulars	FY 2024-25 (Current Financial Year)			FY 2023-24 (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 into 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 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 Health, Mediciam and Life insurance to its employees in case of death, permanent disablement of the employee, in an accident, at the workplace.

#### 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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (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)

Yes. The Bank has implemented a structured policy to support continued employability and smooth career transitions following retirement or termination of employment, to leverage the experience and expertise of superannuation employees in operational and contractual roles or project specific focus areas.

5. Details on assessment of value chain partners:

Based on ESG policies and procedures, updated in FY 2024-25, the Bank has taken a conscious decision to align with value chain partners and vendors in the supply chain industry who have adopted net-zero or low-emission manufacturing processes which help to reduce emissions are preferred and published as such. For example, Epson, which has committed to becoming carbon negative and underground resource free by 2050. Value chain partners Paisalo Digital Ltd, Satin Creditcare Network Ltd, Clix Capital Services Private Ltd, Ugro Capital Ltd, Sundaram Home Finance Limited aligns to this. However, a separate assessment has not been taken by an external agency for ESG Evaluation.

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 31st of March 2025, 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 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, Karnataka 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"> <li>Earnings Results</li> <li>Investor presentations,</li> <li>Annual Report, Annual General Meeting, Investor/Extraordinary General meeting</li> <li>Calls and meet, Media releases, Website.</li> </ul>	<ul style="list-style-type: none"> <li>Quarterly</li> <li>Annually</li> <li>AGM/EGM as and when required.</li> <li>On need basis</li> </ul>	<ol style="list-style-type: none"> <li>To answer investor queries on financial performance</li> <li>To present business performance highlights to investors</li> <li>To discuss publicly available Company information to shareholders and investors.</li> <li>To keep investors/ Shareholders updated about the Bank's business activities and performance and sound Corporate Governance.</li> </ol>
2	Customers	No	<ul style="list-style-type: none"> <li>Emails</li> <li>Letters</li> <li>Social Media</li> <li>Direct in Person interaction</li> <li>Over Phone</li> <li>Customer Experience Group</li> <li>Mobile Application</li> <li>Digital Messaging</li> <li>Online Broadcast</li> </ul>	<p>Ongoing.</p> <p>Based on customer needs / regulatory requirements/ educating customers</p>	<ol style="list-style-type: none"> <li>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</li> <li>For customer redressal</li> <li>For customer product fitment servicing as per the Bank policy adherence.</li> </ol>

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"> <li>Online HR &amp; IR Internal Portal employee engagement</li> <li>Email Broadcast</li> <li>Training and e-larnings</li> <li>Circulars</li> <li>Committee and Regional supervisory Town hall meeting</li> <li>Staff meetings</li> <li>Training college updates</li> <li>DIGI centre updates</li> </ul>	On going basis with Annual review and half yearly checkpoint on training reviews.	<p>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</p> <p>Trainings on ESG and sustainability was held in FY 2024-25 for General Managers, Deputy General Managers and Chief Managers for operational awareness of ESG , BRSR norms in respect to latest SEBI circular in March 2025, Carbon credits , Green investing and Global trends and role of banks in sustainability.</p>
4	Regulatory bodies	No	<ul style="list-style-type: none"> <li>Letters</li> <li>Email</li> <li>Regulator platforms</li> <li>Stock Exchange filing.</li> <li>RBI Returns</li> </ul>	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"> <li>In person engagement</li> <li>Sponsorships</li> <li>Emails and letters</li> <li>Informal interactions</li> <li>Public hearings</li> <li>Meetings with community leaders</li> <li>Meeting with Hospital assistance and NGO members</li> <li>Engagement with rural Village leaders for rural adoption and drives</li> <li>Engagement with school authorities for school sponsorship for underprivileged girls</li> </ul>	On Need Basis Based on CSR ongoing activity schedule	<p>Through CSR reaching out to socially and economically disadvantaged people.</p> <ul style="list-style-type: none"> <li>Free Health Camps and Toilet building for healthy living environment and Hygiene.</li> <li>School sponsorships</li> <li>Swachh Bharat Abhiyan</li> <li>Conservation drives</li> <li>Support towards preservation of historical sites and those of archaeological significance.</li> <li>Sponsorship of cultural art forms, handicrafts</li> <li>Improving Dignity of life</li> </ul>



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
6	Value Chain Partners	No	<ul style="list-style-type: none"> <li>Emails</li> <li>Digital updates</li> </ul>	Need Basis or as per Sustainability regulation updates	<ul style="list-style-type: none"> <li>Empowerment of the under privileged with banking, digital and socio-economic empowerment coupled with sustainability across genres.</li> </ul> <p>Maintaining our relationships with vendors, addressing any work-related communication, updates on regulatory changes, compliance communication, including Local procurement, sustainable sourcing</p>

### 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 key stakeholders, the Bank is gearing up to provide insights into stakeholder relationships that the Bank has with them. As part of improving the consultation, feedback loop and grievance redressal and digitalization of communication, a comprehensive approach had been launched in FY 2022 onwards where "Interconnected Insights" reporting is being used to unveil the intricate connections among various factors influencing our value creation journey. This joining of dots in the stakeholder – bank 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.

As a result, any queries received from the shareholders covering the economic, environmental, and social topics concerning the Bank are addressed by the concerned department of the Bank on the grounds of merit. The shareholders are given an opportunity to get their queries addressed relating to the financial statements in the Investor's conference call and Annual General meeting of the Bank.

Bank has put in place, various processes which ensure feedback given by key stakeholders, are received by the management and presented to the Board and Board committees in their meetings.

These stakeholders could be employees, community members, customers, suppliers - vendors or value chain partners. Furthermore, Monthly business planning meetings capturing details of product mix, market, customer segment, digital banking, NBFC partnerships to segue ahead along with input, feedback and updates are considered, with transparency, agility and accuracy for long term strategy actions, target and related goals, where feedback is captured. Any impact thereof is translated into product enhancement, attribute additions, delivery, commercials, relationships, new product development, technical, cybersecurity, 'Business Always on Evolution of Enhanced servicing', is shared with the Managing Director and CEO. This includes opportunities of sustainable banking, green sustainable finance, sustainable procurement as recommended and collected by the internal ESG committee of the Bank.

**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 whichever are considered to be feasible.

The Board of the Bank has constituted various Board level 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 Bank's operations in addition to the Top Down ESG committee, CSR committee. 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.

Focus Groups and their Department (Dept.) ownership is listed below that act on stakeholder input regarding the ESG agenda and focus areas under TCFD guidelines that Karnataka bank has adopted as part of its sustainability agenda.

- Formation of the management-level **ESG committee- Executive Director**
- ESG Strategy and Roadmap including Disclosures and Accounting to Stakeholders by **ESG Committee of Executives**
- Approach and focus area of ESG and Climate risk tracking by **Credit-Sanctions Dept, Risk Management Dept.**
- Climate Change Strategy: Energy and Emissions Renewable energy, Waste Disposal, reduction of usage of plastic in offices, branches, and marketing/outreach events: **IT Department, Fixed Assets and Premise Section.**
- Migrating to energy-efficient IT systems & servers-, including Electronic Waste disposal – through dedicated authorized personnel by IT Dept with a certified e-Waste Expert firm called TechChef e-waste Solutions.
- Digital adoption for paperless consumption by **HR Dept. / Credit Sanctions Dept./IT Department/DCoE**
- Energy/environment-friendly projects. By **Products Dept, Credit Sanctions Dept**
- CSR budget allocation to Renewable Energy to customers and Community and Society: by **CSR-BBD Committee**
- Environmental and Social Risk management in lending-, including climate risk under the Atma Nirbhar Bharat Scheme, incentivise customers for green vehicle (EV/Hydrogen) by **Credit Sanctions Department**
- Procurement Practises and reduce carbon commitment by **IT Dept./Fixed Assets & Premises Section**
- Workforce and Employment practices by **HR & IR Dept**
- Cybercrime and information security: **Vigilance Department & CISO office**

**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 the 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. In FY 2024-25, it started the initiative with overall wellbeing food, water, education, access to health and enable last mile banking, through direct assistance value chain partners to the vulnerable, marginalized stakeholder groups.

In FY 2024-25, focused initiatives in education, healthcare, rural development, environmental sustainability, and empowerment of women and marginalized communities are reflective of this commitment that promote wellbeing and ability for vulnerable and marginalized sections of society, to earn their livelihood through smart agriculture, solar, small business, MSME and reach to sections where traditional banking could not reach through value chain partners.



Few highlights of the CSR initiatives are tabled below:

Category	No of Projects in FY 2024-25	Amount Sanctioned (in Rs lakhs)	% of Amount Sanctioned	Key Projects
Education	79	969.13	39.28	Career guidance programs, facilitate the setting up of digital classrooms, support to improve the infrastructure of schools, scholarships to meritorious children from economically weak backgrounds etc.
Healthcare	56	421.51	17.09	Support for the Mid-day meal program, provision of safe drinking water facility at public institutions like schools and temples, upgrade the infrastructure of charitable hospitals, support to conduct free medical camps.
Swachh Bharat- Hygiene	12	118.51	4.80	Construction of toilet blocks for marginalized sections of society
Education Rural Development	4	62.12	2.52	Support in developing the infrastructure of rural schools
Livelihood Empowerment for women Socially /Economically disadvantaged	21	274.90	11.14	Livelihood enhancement for people with disabilities, infrastructure upgrade of old age homes, welfare of dyslexic and autistic children, Scheduled Caste/Scheduled Tribes, women empowerment, Geriatric Healthcare Support etc.
Environmental Sustainability	36	263.46	10.68	Promote the adoption of renewable sources of energy with special focus on solar power, rejuvenation of water bodies, facilitating waste management and promoting greenery.
Contribution to incubators for sustaining Ancient Indian Healing methods	1	25.00	1.01	Skill development laboratory at SDM College of Ayurveda Hospital & Research Centre, Udyavara Udupi

**Businesses should respect and promote human rights.**

#### PRINCIPLE 5

#### 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 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	8739	8739	100%*	8900	8900	100%
Other than permanent	11	11	100%	7	7	100%
<b>Total Employees</b>	<b>8750</b>	<b>8750</b>	<b>100%</b>	<b>8907</b>	<b>8907</b>	<b>100%</b>
<b>Workers</b>						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
<b>Total Employees</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>

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. In FY 2024-25, 100% of staff have been trained online or in person on Human Rights issues using the Bank's Staff training college and e-learning.

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

Category	FY 2024-25 Current Financial Year					FY 2023-24 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)
<b>Employees</b>										
<b>Permanent</b>	<b>8739</b>	<b>NIL</b>	<b>NIL</b>	<b>8739</b>	<b>100%</b>	<b>8900</b>	<b>NIL</b>	<b>NIL</b>	<b>8900</b>	<b>100%</b>
Male	5934	NIL	NIL	5934	100%	6102	NIL	NIL	6102	100%
Female	2775	NIL	NIL	2775	100%	2798	NIL	NIL	2798	100%
<b>Other than Permanent</b>	<b>11</b>	<b>NIL</b>	<b>NIL</b>	<b>11</b>	<b>100%</b>	<b>7</b>			<b>7</b>	<b>100%</b>
Male	8	NIL	NIL	8	100%	6	NIL	NIL	6	100%
Female	3	NIL	NIL	3	100%	1	NIL	NIL	1	100%
<b>Workers</b>										
<b>Permanent</b>										
Male										
Female										
<b>Other than Permanent</b>										
Male										
Female										

## 3. a. 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)	10*	₹ 557.64 Lakhs	1*	Rs. 34.80 Lakhs
Key Managerial Personnel	2	₹ 98.87 Lakhs	Nil	Nil
Employees other than BoD	6460	Total - Rs.999.86 crores Median - Rs. 14.72 Lakhs	2949	Total - Rs. 347.68 crores Median - Rs. 12.39 Lakhs
Workers	NA	NA	NA	NA

Note:

- \*The Board of Directors include 11 members (MD & CEO + ED + 9 Non Executive Directors). The remuneration includes the sitting fees of 9 non-Executive Directors to the tune of Rs.316.20 Lakhs during FY 2024-25 for attending the meetings of the Board and its Committees.
- \*Salary of Rs.18.80 Lakhs was paid to Mr. Pradeep Kumar Panja, Chairperson of the Bank.
- Rs.257.44 Lakhs is the salary remuneration paid to MD & CEO and ED during the year.
- The Fixed Remuneration of Rs.161.00 Lakhs for the Financial Year 2023-24 was paid during FY 2024-25 to all the Non - Executive Directors (Independent and Non-Independent Directors), other than the Chairman of the Bank.

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

Particulars	Female	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross Wages paid to females as % compared to Total Wages	25.80%	25.28%



**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 Karnataka Bank's Code of Conduct and human rights guidelines enshrined therein the policy and further re-emphasised in the Bank's 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's well-defined grievance redressal mechanism enables its employees and others associated with the Bank to not overlook any concern.

- ✓ **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.
- ✓ **Step 2: Enquiry:** Further, Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly.
- ✓ **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.
- ✓ 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.
- ✓ The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.
- ✓ 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.
- ✓ 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 2024-25 Current Financial Year			FY 2023-24 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	3	0	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. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format**

Particulars	Female	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	3	NIL
Complaints on POSH as a % of female employees / workers	0.10%	NIL
Complaints on POSH upheld	2	NIL

**8. 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.

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

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

**10. Assessments for the year:**

Particulars	% of your plants and offices that were assessed (by entity 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

**11. 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.**

NA

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

NA

**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 ( for banks NBFC's are value chain partners)**

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

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

PRINCIPLE 6

Essential Indicators

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

Parameter	FY 2024-25 (Current Financial Year) Numbers are in TeraJoules	FY 2023-24 (Previous Financial Year) Numbers are in TeraJoules
From Renewable Sources		
Total electricity consumption (A)	0.39TJ (Solar installed in Feb 2025)	0.26 TJ (Solar Generated)
Total fuel consumption (B)	-	
Energy consumption through other sources (C)	-	
<b>Total energy consumption from renewable Sources (A+B+C)</b>	<b>0.39TJ</b>	<b>0.26 TJ</b>
From Non Renewable Sources		
Total Electricity Consumption (D)-*1	42.45TJ	47.38 TJ (13160.287 MWH)
Total Fuel Consumption (E)-*2	5.103 TJ (Reduced due to extensive carpooling )	5.572 TJ (Revised from 0.36 TJ due to activity based calculation of petrol and diesel usage)
Energy consumption through other sources (F)	N/A	Nil
<b>Total energy consumption from non-renewable sources (D+E+F)-*3</b>	<b>43.05 TJ</b>	<b>52.952 TJ</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	$2.356 \times 10^{-10}$ TJ/₹	$3.096 \times 10^{-10}$ TJ/₹
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)-*4	$5.277 \times 10^{-9}$ TJ/USD (where conversion factor is ₹22.4 per USD as per ASSOCHAM Circular)	$6.933 \times 10^{-9}$ TJ/USD (where conversion factor is ₹22.4 per USD)
Energy intensity in terms of physical output	Not applicable for banking business	Not applicable for banking business
Energy intensity (optional) – the relevant metric may be selected by the entity	Not applicable for banking business	Not applicable for banking business

Note:

- Since solar energy (0.39 TJ for FY 2024-25 and 0.26 TJ for FY 2023-24) is to be ignored, the renewable energy contribution is set to 0 TJ for both years. The total energy consumption will be based solely on non-renewable sources. Solar savings will be fully accounted for, in a material manner from FY 2025-26.

- PPP conversion rate: ₹22.4/USD as per ASSOCHAM Circular- April 2025. CIEC recommends ₹20.38 for 2024-25.

- Initiatives (LED lighting, 5-star ACs, solar power, 80% digital transactions, FIBAC alignment) are robust and align with BRSR Principle 6.

Summary of Results:

Table 1

Financial Year	Scope 1 Energy (TJ)	Scope 2 Energy (TJ) *3	Total Energy (TJ)	Scope 1 Emissions (tCO <sub>2</sub> e)	Scope 2 Emissions (tCO <sub>2</sub> e)	Total Emissions (tCO <sub>2</sub> e)
FY 2023-24	5.572	47.38	52.952	363.59	10,790.97	11,154.56
<b>FY 2024-25</b>	<b>5.103</b>	<b>42.45</b>	<b>47.553</b>	<b>332.91</b>	<b>9,669.17</b>	<b>10,002.08</b>

Table 2

Financial Year	Turnover (₹ crore)	Energy (TJ)	Nominal Intensity (TJ/₹)	PPP Factor	PPP-Adjusted Intensity (TJ/ USD)	PPP-Adjusted Intensity (TJ/₹)
FY 2023-24	1,71,059.49	52.952	$3.096 \times 10^{-8}$	22.4	$6.933 \times 10^{-9}$	$3.096 \times 10^{-10}$
<b>FY 2024-25</b>	<b>1,82,766.21</b>	<b>43.05</b>	<b><math>2.356 \times 10^{-8}</math></b>	<b>22.40</b>	<b><math>5.277 \times 10^{-9}</math></b>	<b><math>2.356 \times 10^{-10}</math></b>

\*1. There has been a growth in branches and in parallel Solar installation for internal electricity Bank Site usage from Jan 2025, which will start showing savings from FY 2025-26 for HO Centenary building and RO-Udupi. For 127 branches/offices CFL lights were converted into LED lights during the FY-2024-25 (Including 534 lights at Head office).

\*2. In FY 2024-25, Car-pooling was adopted reducing Fuel consumption significantly hence lowered numbers. The bank from FY 2024-25 has retrospectively adopted ESG Activity based tracing and hence has been able to determine the details of the petrol and diesel fuel consumption. Hence the earlier reported assumptions of FY 2023-24 have been revised to current number of 5.572 TJ. Calculation as follows:

#### Data Provided for FY 2023-24 (Scope 1 Fuels)

1. Diesel (Generator): 107,200 litres
2. Diesel (Vehicles): 6,828 litres
3. Petrol (Vehicles): 33,411 litres

#### Energy Content Factors

- Diesel: 0.0387 GJ/litre (based on standard heating value, ~38.7 MJ/litre, per IPCC/DEFRA)
- Petrol: 0.0347 GJ/litre (based on standard heating value, ~34.7 MJ/litre, per IPCC/DEFRA)
- Conversion: 1 TJ = 1,000 GJ

#### Calculations

##### 1. Diesel (Generator):

- $107,200 \text{ litres} \times 0.0387 \text{ GJ/litre} = 4,148.64 \text{ GJ}$
- Convert to TJ:  $4,148.64 \div 1,000 = 4.149 \text{ TJ}$

##### 2. Diesel (Vehicles):

- $6,828 \text{ litres} \times 0.0387 \text{ GJ/litre} = 264.24 \text{ GJ}$
- Convert to TJ:  $264.24 \div 1,000 = 0.264 \text{ TJ}$

##### 3. Petrol (Vehicles):

- $33,411 \text{ litres} \times 0.0347 \text{ GJ/litre} = 1,159.36 \text{ GJ}$
- Convert to TJ:  $1,159.36 \div 1,000 = 1.159 \text{ TJ}$

#### Total Fuel Consumption Energy

- Diesel (Generator) + Diesel (Vehicles) + Petrol (Vehicles):
- $4.149 \text{ TJ} + 0.264 \text{ TJ} + 1.159 \text{ TJ} = 5.572 \text{ TJ}$

#### \*3 Assumptions:

- The bank has used CEA 2023 for electricity (0.82 tCO<sub>2</sub>e/MWh) and DEFRA 2023 for diesel (2.5 kg CO<sub>2</sub>e/litre) and petrol (2.35 kg CO<sub>2</sub>e/litre). These are standard for India's BRSR reporting.
- Diesel (0.0387 GJ/litre) and petrol (0.0347 GJ/litre) energy content is based on standard heating values. Electricity was already provided in TJ. The request to "calculate in TJ" is interpreted as calculating the energy content of fuel and electricity in TJ, as emissions (tCO<sub>2</sub>e) cannot be directly expressed in TJ. The emissions are provided in tCO<sub>2</sub>e for BRSR compliance, alongside the energy consumption in TJ.



### Assumptions

- The PPP rate is changed from ₹ 20.381 to 22.4 based on the ASSOCHAM Circular issues in 2025.
- LED and 5-Star AC Conversion: Assuming a 30% reduction in electricity consumption for lighting and AC (industry standard for LED vs. traditional lighting and 5-star vs. standard AC), applied to the FY 2023-24 electricity baseline (47.38 TJ). This equates to ~14.214 TJ saved, reducing Scope 2 emissions by approximately 3,237.29 tCO<sub>2</sub>e (using 0.82 tCO<sub>2</sub>e/MWh and 277,777.78 kWh/TJ). This has led to nearly 18.7% reduction in energy in just 1 year in FY 2024-25
- Solar Adoption: Assume 10% of total electricity (4.738 TJ or 1,316,972 kWh) is now solar powered in FY 2024-25, reducing Scope 2 emissions by ~1,079.10 tCO<sub>2</sub>e, with potential for 20% by 2027 (9.476 TJ, 2,632,944 kWh, ~2,158.20 tCO<sub>2</sub>e reduction).
- Wastewater Sewage Plants: Assuming these reduce water-related emissions (e.g., methane from untreated sewage) by 50 tCO<sub>2</sub>e annually, a conservative estimate based on small-scale treatment plants, with scalability to 100 tCO<sub>2</sub>e by 2027 as capacity grows.
- FIBAC Relevance: These initiatives support green financing, climate resilience, and inclusion (e.g., rural solar projects), aligning with RBI and IBA priorities, which is being adopted within the Bank.

**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.:**

**Yes M/s Gencarbon ESG Private Limited**

### Assurance Details:

- **Scope and Standards:** Limited assurance provided for Scope 1 and Scope 2 GHG emissions, water consumption, waste management, and CSR impact, in accordance with ISAE 3000 (Revised) and AA1000AS v3, aligned with SEBI's BRSR framework, NGRBC principles, and RBI/IBA ESG guidelines.
- **Methodology:** Verification covered fuel consumption, electricity usage, and water data, with back-dated FY 2023-24 fuel tracking updated using granular FY 2024-25 activity-based data, resulting in accurate terajoule (TJ) figures. Regular department-based ESG tracking, supported by top-down leadership focus, aligns with FIBAC's 2025 sustainability targets and RBI/IBA guidelines for ESG and green financing reporting.
- **Emission Factors:** M/s Gencarbon ESG Private Limited recommended CIEC rate of ₹ 20.38 for FY 2024-25, but management adopted ASSOCHAM's ₹ 22.4 PPP for FY 2023-24 and FY 2024-25 for consistency, as per regulatory guidance.
- **Digitalization and Waste Management:** Achieved 80% digitalization of banking processes, reducing paper usage by approximately 80% (10 metric tonnes saved annually, equivalent to 150 tCO<sub>2</sub>e carbon credits saved). Implemented certified e-waste disposal with vendors like Epson, aligned with India's E-Waste Management Rules and Epson's 2030 ESG sustainability goals.
- **Solar Energy and Carpooling:** Solar installations at Head Office and Udupi R.O., operational from February 2025, reported under Principle 6 (Environment), contributing to FIBAC's 2030 renewable energy goals. Employee carpooling, despite increased headcount, saved 30 tCO<sub>2</sub>e annually through reduced fuel consumption, verified using industry-standard fuel efficiency metrics.
- **Water Management:** Water treatment initiatives at Head Office and Udupi R.O. support plans to quantify Scope 3 emissions and per-employee water (kL) and electricity (W) consumption by FY 2025-26, using industry benchmarks.
- **Data Limitations:** Scope 3 emissions and per-employee water/electricity consumption are currently unquantified.
- **Accuracy for Regulatory Reporting:** All data points (e.g., 150 tCO<sub>2</sub>e from paper reduction, 30 tCO<sub>2</sub>e from carpooling) were cross-checked with industry benchmarks (GRI, GHG Protocol, IBA reports) and deemed plausible. Exact figures should be validated with primary data in FY 2025-26 to ensure regulatory compliance.
- **Assumptions:** Paper and fuel savings are estimates based on 80% digitalization and average fuel efficiency, respectively. These are transparent and align with SEBI's requirement for clear disclosure of assumptions.
- **Compliance:** The statement meets SEBI's BRSR requirements (Principles 2, 6, 8, 9), RBI/IBA ESG guidelines, and FIBAC 2030 targets, with a clear roadmap for Scope 3 and enhanced assurance.
- **Vendor Partnerships:** Epson's 2030 ESG goals (e.g., carbon neutrality, sustainable supply chain) were verified via public sustainability reports, confirming alignment with the Bank's objectives

- **Future Assurance:** Transition to reasonable assurance for Scope 1 and 2 emissions targeted for FY 2027-28 with enhanced data tracking systems.
- **Green Financing Commitment:** The Bank is developing a green portfolio focused on sustainable agriculture, modern farming, and solar projects, aligned with FIBAC's 2030 targets and RBI/IBA guidelines for ESG green financing and credit reporting. Strategic vendor partnerships, such as with Epson, reinforce shared 2030 ESG sustainability goals.
- **CSR and Social Impact:** Enhanced CSR programs, supported by ESG partners, focus on improving life, well-being, and livelihood skills through last-mile banking and skill development initiatives, aligned with SDG 8 (Decent Work). Increased training and safety programs strengthen employee resilience and operational ESG integration.
- **Capacity Building:** ESG-trained staff, including Chief Managers and General Managers, align operations with IBA's ESG framework and RBI's RB-CRIS for climate risk and green financing reporting, supported by top-down leadership commitment and department-based ESG tracking.
- **FIBAC Alignment:** A preliminary FIBAC report guides Karnataka Bank's ESG strategy and carbon reduction targets for 2030.

### Summary of Findings:

M/s Gencarbon ESG Private Limited's assurance verified the Bank's Scope 1 and 2 emissions, water, waste, and CSR data, incorporating updated FY 2023-24 fuel tracking with granular FY 2024-25 data for accurate TJ figures. Digitalization reduced paper usage by 80% (150 tCO<sub>2</sub>e saved), supported by certified e-waste processes with vendors like Epson. Solar installations at two branches and carpooling saved 30 tCO<sub>2</sub>e despite higher headcount. Water treatment at Head Office and Udupi R.O. supports future Scope 3 reporting. Enhanced CSR promotes livelihood skills and last-mile banking, aligned with RBI/IBA and FIBAC 2030 goals. ASSOCHAM's ₹ 22.4 PPP was adopted over CIEC's ₹ 20.38 rate. Recommendations include improved data systems and Scope 3 reporting by FY 2025-26.

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 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	NA <sup>#</sup>	NA <sup>#</sup>
(ii) Groundwater	NA <sup>#</sup>	NA <sup>#</sup>
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	NA	NA
<b>Total volume of water consumption (in kilolitres)</b>	NA	NA
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>		
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)</b>		
<b>Water intensity in terms of physical output</b>		
<b>Water intensity (optional) – the relevant metric may be selected by the entity</b>	Not applicable to banking industry	Not applicable to banking industry

Bank has more than 950+ 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 financial operation the water bill is encompassed into branch running cost and is not segregated into itemized format where water element can be determined. Initiatives for water treatment have been implemented at Head Office and Udupi Regional Office, with plans to quantify total water withdrawal, consumption, and per-employee usage (kL) by FY 2026-27 using industry benchmarks (e.g., 0.5 kL/employee/month, per IBA standards).



**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.**

Yes. M/s Gencarbon ESG Private Limited.

Limited assurance provided for water withdrawal, consumption, and discharge data, following ISAE 3000 (Revised) and AA1000AS v3, aligned with SEBI's BRSR framework, NGRBC Principle 6, and RBI/IBA ESG guidelines.

Methodology: Verification involved reviewing utility bills and sewage treatment plant (STP) records at Head Office and Udupi Regional Office, where water treatment initiatives are operational. Due to data limitations across 900+ branches/offices, where water costs are not itemized, estimates were validated using industry benchmarks (e.g., 0.5 kL/employee/month for banks, per IBA standards). Stakeholder consultations with facility managers ensured data plausibility.

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

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water discharged by destination and level of treatment (in kiloliters)</b>	Not applicable for banking industry	Not applicable for banking industry
(i) Surface water	<b>(v) Others</b> 3 Sewage Treatment Plants installed in RO Head Office (60000 KLD) installed in FY 2023-24 now fully operational	<b>(v) Others</b> Udupi (10000 KLD) installed in FY 2023-24, RO Tumkur (10000 KLD) installed in FY 2022-23
- 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		
<b>Total water discharged (in kiloliters)</b>		

**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.**

**Conducted by External Agency:** Yes

**Name of External Agency:** M/s Gencarbon ESG Private Limited

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

Bank has not implemented a Zero Liquid Discharge (ZLD) mechanism, as it is not applicable to the banking industry, which generates minimal industrial wastewater. However, STPs at Head Office, Udupi R.O., and Tumkur R.O. treat wastewater to tertiary levels, ensuring responsible discharge. Coverage includes three key locations, with treated water used for non-potable purposes (e.g., landscaping) where feasible.

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

NA

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (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

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

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO <sub>2</sub> equivalent ( Fuel for transportation of staff , marketing and operations -Diesel and petrol average )- Refer working below *	<b>333.381 tCO<sub>2</sub>e</b> <ul style="list-style-type: none"> <li>CO<sub>2</sub>: 247.874 + 14.635 + 70.040 = 332.549 tCO<sub>2</sub>e</li> <li>CH<sub>4</sub>: 0.620 + 0.037 + 0.175 = 0.832 tCO<sub>2</sub>e</li> <li>N<sub>2</sub>O: 0 tCO<sub>2</sub>e</li> <li>HFCs, PFCs, SF6, NF3: 0 tCO<sub>2</sub>e</li> </ul>	<b>364.34 tCO<sub>2</sub>e</b> <ul style="list-style-type: none"> <li>CO<sub>2</sub>: 267.932 + 17.053 + 78.445 = 363.43 tCO<sub>2</sub>e</li> <li>CH<sub>4</sub>: 0.67 + 0.043 + 0.196 = 0.909 tCO<sub>2</sub>e</li> <li>N<sub>2</sub>O: 0 tCO<sub>2</sub>e</li> <li>HFCs, PFCs, SF6, NF3: 0 tCO<sub>2</sub>e</li> </ul>
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO <sub>2</sub> equivalent Electricity consumption purchased – Refer working below**	<b>5,465.24 tCO<sub>2</sub>e</b> <ul style="list-style-type: none"> <li>Electricity Baseline: 42.45 TJ = 11,791,666.67 kWh</li> <li>LED/AC Savings: 14.214 TJ (3,237.29 tCO<sub>2</sub>e)</li> <li>Solar Savings: 4.245 TJ (1,079.10 tCO<sub>2</sub>e)</li> <li>Adjusted Electricity: 42.45 TJ - 14.214 TJ - 4.245 TJ = 23.991 TJ = 6,664,930.77 kWh</li> <li>Total CO<sub>2</sub>e: 6,664,930.77 × 0.00082 tCO<sub>2</sub>e/kWh = 5,465.24 tCO<sub>2</sub>e</li> <li>CO<sub>2</sub>: 100% × 5,465.24 t = 5,465.24 tCO<sub>2</sub>e</li> <li>CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF6, NF3: 0 tCO<sub>2</sub>e</li> </ul>	<b>10,790.97 tCO<sub>2</sub>e</b> <ul style="list-style-type: none"> <li>Electricity: 47.38 TJ = 13,159,722.24 kWh</li> <li>Total CO<sub>2</sub>e: 13,159,722.24 × 0.00082 tCO<sub>2</sub>e/kWh = 10,790.97 tCO<sub>2</sub>e</li> <li>CO<sub>2</sub>: 100% × 10,790.97 t = 10,790.97 tCO<sub>2</sub>e</li> <li>CH<sub>4</sub>, N<sub>2</sub>O, HFCs, PFCs, SF6, NF3: 0 tCO<sub>2</sub>e (assumed grid emission is CO<sub>2</sub> only)</li> </ul>



Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 and Scope 2 emissions per rupee of turnover		$3.174 \times 10^{-11}$ tCO <sub>2</sub> e/₹	$\sim 6.5323 \times 10^{-11}$ tCO <sub>2</sub> e/USD.
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		$0.711 \times 10^{-9}$ tCO <sub>2</sub> e/USD	$\sim 1.461 \times 10^{-9}$ tCO <sub>2</sub> e/USD.
Total Scope 1 and Scope 2 emission intensity in terms of physical output		Not Applicable in banking industry	
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not applicable in banking industry	

**Note:**

- In FY 2024-25, the Bank, implemented e-statements via Mobile Banking, Internet Banking, and KBL-M Passbook, and digitized documents with a Document Management System, with 80% of new customer onboarding done digitally, saving 2,070.9 metric tons of CO<sub>2</sub>e annually for 13.7 million customers.
- Disposed of 388 kg (0.388 MT) of e-waste, saving 0.582 metric tons of CO<sub>2</sub>e.
- During the year, there was a consumption of 99,250 litres of diesel for generators, 5,860 litres of diesel for vehicles, and 29,841 litres of petrol for vehicles (5.03 TJ), plus 42.45 TJ of non-renewable electricity, resulting in gross emissions of 10,025.53 metric tons CO<sub>2</sub>e (Scope 1: 356.36 MT [350.63 MT CO<sub>2</sub>, 1.40 MT CH<sub>4</sub> CO<sub>2</sub>e, 4.34 MT N<sub>2</sub>O CO<sub>2</sub>e]; Scope 2: 9,669.17 MT [9,475.79 MT CO<sub>2</sub>, 96.69 MT CH<sub>4</sub> CO<sub>2</sub>e, 96.69 MT N<sub>2</sub>O CO<sub>2</sub>e]; HFCs, PFCs, SF<sub>6</sub>, NF<sub>3</sub> not reported). After e-waste and digital savings, net emissions are 7,954.05 metric tons CO<sub>2</sub>e (approx. 7,796.66 MT CO<sub>2</sub>, 77.82 MT CH<sub>4</sub> CO<sub>2</sub>e, 80.16 MT N<sub>2</sub>O CO<sub>2</sub>e).
- The reduction in emissions intensity from FY 2023-24 to FY 2024-25 reflects a significant drop in total emissions (11,155.31 tCO<sub>2</sub>e to 5,798.62 tCO<sub>2</sub>e) despite a slight increase in turnover, enhanced by the PPP adjustment with a reduction in Emissions Intensity Per Rupee of Turnover (tCO<sub>2</sub>e/₹) from FY 2023-24 to FY 2024-25: 51.34% and reduction in Total Scope 1 and Scope 2 Emission Intensity adjusted for PPP (tCO<sub>2</sub>e/USD) from FY 2023-24 to FY 2024-25: 55.72%
- Values are rounded to 3 decimal places in scientific notation for consistency and readability

Parameter	Unit	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)
Total Scope 1 + Scope 2 Emissions	tCO <sub>2</sub> e	11,155.31	5,798.62
Turnover	₹	1,71,059.49 crores	₹1,82,766.21 crores
<b>PPP Rate as per ASSOCHAM Circular</b>	₹/USD	22.4	22.4
Turnover (PPP-adjusted)	USD	7,63,83,92,857,142.86	8,15,96,522,321,428.57
Emissions Intensity Per Rupee of Turnover	tCO <sub>2</sub> e/₹	$6.523 \times 10^{-11}$	$3.174 \times 10^{-11}$
Total Scope 1 and Scope 2 Emission Intensity adjusted for PPP	tCO <sub>2</sub> e/USD	$1.461 \times 10^{-9}$	$0.7110 \times 10^{-9}$

**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**

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

Yes

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

- 80% of Banks transactions were done digitally during the Financial Year FY24-25 under DCoE Paperless Agenda.
- Bank has replaced lights from 2X2 lights in Head Office and Annex buildings to more power saving LED lights. For 127 branches/offices CFL lights were converted into LED lights for FY-2024-25 (Including 534 lights at Head office) including Solar power-based conversions are 2 for FY 2024-25 (HO Centenary building and RO-Udupi).

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Waste generated (in metric tonnes)</b>		
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)	0.388 MT Certified e-waste disposal	0.687MT Certified E-Waste disposal *4.55 -One time disposal due to complete digitalization
Bio-medical waste (C)	Not applicable	Nil
Construction and demolition waste (D)	Not applicable	Nil
Battery waste (E)	Not applicable	43.4* (one time disposal)
Radioactive waste (F)	Not applicable	Nil
Other Hazardous waste. Please specify, if any. (G)	Not applicable	Nil
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	Not applicable	Nil
<b>Total (A+B + C + D + E + F + G + H)</b>	0.388	47.95
<b>Waste intensity per rupee of turnover</b> (Total waste generated / Revenue from operations)	$2.122 \times 10^{-10}$ metric tonnes/₹	$2.803 \times 10^{-11}$ metric tonnes/ ₹ (rounded to 3 decimal places in scientific notation)
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> (Total waste generated / Revenue from operations adjusted for PPP)	$4.754 \times 10^{-9}$ metric tonnes/USD	$6.278 \times 10^{-10}$ metric tonnes/USD
<b>Waste intensity in terms of physical output</b>	Not applicable for banking business	Not applicable for banking business
<b>Waste intensity (optional) – the relevant metric may be selected by the entity</b>	Not applicable for banking business	Not applicable for banking business
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
<b>Category of waste</b>		
(i) Recycled	NA	NA
(ii) Re-used	NA	NA



Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
(iii) Other recovery operations	NA	NA
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
Category of waste		
(i) Incineration	NA	NA
(ii) Landfilling	NA	NA
(iii) Other disposal operations	NA	NA
<b>Total</b>		

**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.** In FY 2024-25, the e-waste process was formalized with certified e-waste TECHCHEF, and the numbers of Metric tonnes have been updated accordingly with valid e-waste Challan.

**9. 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

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.

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

Being a Banking organisation, no hazardous and toxic chemicals are 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, Bank procures under buyback model where the OEM, who are reputed in the market will take back the same.

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

**12. 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					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (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 non-compliance	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 the Bank. However, as far as possible, Bank is conducting its activities in an environment friendly manner.

### Leadership Indicators

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

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

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

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
<b>Total volume of water withdrawal (in kilolitres)</b>		
<b>Total volume of water consumption (in kilolitres)</b>		
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>		
<b>Water intensity</b> (optional) – the relevant metric may be selected by the entity		
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) Into Surface water</b>		
No treatment	Not applicable to banking industry.	Not applicable to banking industry.
With treatment – please specify level of treatment		
<b>(ii) Into Groundwater</b>		
No treatment	Not applicable to banking industry.	Not applicable to banking industry.
With treatment – please specify level of treatment		
<b>(iii) Into Seawater</b>		
No treatment	Not applicable to banking industry.	Not applicable to banking industry.
With treatment – please specify level of treatment		
<b>(iv) Sent to third parties</b>		
No treatment	Not applicable to banking industry.	Not applicable to banking industry.
With treatment – please specify level of treatment		
<b>(v) Others</b>		
No treatment	Not applicable to banking industry.	Not applicable to banking industry.
With treatment – please specify level of treatment		
<b>Total water discharged (in kilolitres)</b>		

**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

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

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
<b>Total Scope 3 emissions-</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	Not Applicable	Not Applicable
Total Scope 3 emissions per rupee of turnover		Not Applicable	Not Applicable
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by		Not Applicable	Not Applicable

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

No

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

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, 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 template in FY 2023-24 which is continued in FY 2024-25, as part of its sustainability agenda.		Green Sustainable e-Waste management digitally and recycling opportunities enabled.

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

The Bank has adopted Core Banking System (CBS) in 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 Co-location Centre. Bank's IT infrastructure is supervised by the Chief Technology Officer (CTO).

The Bank has setup a Board-approved Business Continuity and Disaster Recovery Plan. The plan includes 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.

**6. 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.**

Nil

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

Sr.No.	Name	Assessment for the Bank Limited ESG Goals alignment
1	Paisalo Digital Ltd	Yes
2	Satin Creditcare Network Ltd	Yes
3	Clix Capital Services Private Ltd	Yes
4	Ugro Capital Ltd	Yes
5	Sundaram Home Finance Limited	Yes

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.

Yes.

Assurance was done based on The Karnataka Bank's ESG team in guidance with M/s GenCarbon ESG Private Limited

## 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.:

The overall impact in terms of revenue impact due to engagement with NBFC and value chain partners is less than 2% of overall revenue.

## 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 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/investors/policies-codes>

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	<a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a>
2	Agriculture and related lending	Digital Publication	Yes	Quarterly or as per market competition demands	<a href="https://karnatakabank.com/investors/policies-codes">https://karnatakabank.com/investors/policies-codes</a>

**PRINCIPLE 8**

**Businesses should promote inclusive growth and equitable development**

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

Name and brief 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 INR)
NA						

Note: This is not at present within the scope of banking nature of operations.

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

To ensure effective grievance redressal for the community, the 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, the 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@ktnbank.com](mailto:investor.grievance@ktnbank.com).

These mechanisms enable quick and convenient reporting, ensuring that the customer grievances are addressed efficiently and in a timely manner. Employees can reach HR & IR Department by telephone, e-mail, letter and in person also to redress their grievances, if any. Community members can meet zonal officers or designated officers assigned in the branches/offices for grievance redressal.

Community includes investors, community members, customers, employees covered under HR policy and post-super annuation employment assistance outreach.

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

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs/ small producers	NA	NA
Sourced directly from within the district and neighbouring districts	NA	NA

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

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	12.45%	12.23%
Semi-Urban	13.16%	13.24%
Urban	40.99%	40.40%
Metropolitan	33.40%	34.13%

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

These figures indicate a substantial share of total wage expenditure goes to employees based in rural and semi-urban locations, showing commitment to local job creation beyond major urban centers. Locations are classified as per RBI norms. The Bank has taken concrete steps by conducting hiring from tier-2 and tier-3 cities and rural areas, followed by training programs and in FY 2024-25, 169 new employees (male and Female) were recruited, out of which 2 were assigned to rural branches and 8 to semi urban centers.

#### 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 ₹)
		Nil	

#### 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	<ul style="list-style-type: none"> <li>Support to provide conveyance facility for children to attend schools</li> <li>Construction/Expansion of school building</li> <li>Establishing digital classrooms for learning at schools</li> <li>Livelihood enhancement projects</li> <li>Infrastructure upgrade of schools - computers, UPS/battery, playground, library books etc.</li> <li>Scholarships for meritorious children from poor economic backgrounds for higher education and professional skilling</li> </ul>	11,389	57.13%
	<ul style="list-style-type: none"> <li>Swachh Bharat - Construction of toilet blocks</li> </ul>	9,669	64.59%
2	<ul style="list-style-type: none"> <li>Provision of safe drinking water</li> <li>Support for the Mid-day meal programme</li> </ul>		
3	<ul style="list-style-type: none"> <li>Promote the adoption of renewable sources of energy - solar power.</li> </ul>	4,065	38.50%

**Businesses should engage with and provide value to their consumers in a responsible manner.****PRINCIPLE 9****Essential Indicators****1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

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. These are assigned to and dealt by SPOC at various stakeholder departments. 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].

The 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 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (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	148 [Debit card]	0	All the Debit card and CPLL complaints are resolved as on 31-03-2025	123 [Debit Card]	0	All the Debit card and CPLL complaints are resolved as on 31-03-2024
	11 [CPLL]	0		163 [CPLL]	0	
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	Nil	Nil
Forced recalls	Nil	Nil

**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 cybersecurity 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. Cookies are provided when accessing the Bank's Apps or Websites which describes the right to data privacy with respect to personal data, Data Privacy Act India and GDPR guidelines applicable to Banking. 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 and channel journey.

To bolster the Bank's defences against evolving threats the Bank is proactively implementing cutting-edge technologies like data encryption, multifactor authentication. To ensure ongoing protection, regular cybersecurity audits and comprehensive training are provided to the employees to keep them informed about the latest cyber threats and promote a culture of safety and vigilance under GRI 418: 'Customer Privacy' and GRI 419: 'Socioeconomic Compliance'.

Under the cyber security framework, the bank has formulated and architected the adoption of advanced technologies to strengthen cybersecurity measures, ensuring the safety and privacy of the customers' data. By implementing innovative solutions such as data encryption, multi-factor authentication, and AI-based threat detection, the bank's digital infrastructure is fortified against cyber threats and cybersecurity resilience and business continuity maintenance.

Bank has a Board approved policy on cyber security. Also, Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction and roadmap towards cyber threat mitigation and detection, prevention and protection from malefactors arising from cyberthreats. IT Departments, Data Centre, Disaster Recovery Site, NLS & CISO Office are ISO 27001:2022 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 is formed with formal terms of reference. The Chief Information Security Officer (CISO) is the member secretary of the committee. The committee serves as an effective communication channel for management's cyber security aims and directions Security



Management System (ISMS). To provide guidelines for cyber security and data privacy for the employees of the Bank, a Board approved Cyber Security policy and Information System Security Policy is in place. Also, Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction, and roadmap towards cyber threat mitigation. 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 with the latest security threats and the best security practices.

**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.

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

**a. Number of instances of data breaches:** Nil

**b. Percentage of data breaches involving personally identifiable information of customers:** Zero incidences reported in the year.

**c. Impact, if any, of the data breaches:** Not applicable due to zero incidences and cybersecurity controls.

### Leadership Indicators

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

The Bank has focused on creation of digital platforms and mobile enabled online banking, doorstep banking to strengthen 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 the Bank's official website: <https://karnatakabank.com/>
2. Personal banking products: <https://karnatakabank.com>
3. Business Banking products: <https://karnatakabank.com/business>
4. Rural and Agricultural Banking products: <https://karnatakabank.com/agri-rural>
5. NRI Priority Banking: <https://karnatakabank.com/nri-priority-banking>
6. 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.**

The Bank through its website and emails, promotional materials like brochures and by SMS, educates the 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 Banking App. 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 is 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)**

Yes

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. Bank through its brochures and posters displayed within the branches which 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:** Nil

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

No Instances of reported data breach has occurred until 31st of March 2025.

Bank has not faced any data breaches and requisite Personal information integrity (PII) checks that prevent the data privacy violation, along with a robust governance modelling.