

# **Business Responsibility and Sustainability Policy**

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## Definitions used in this Policy document:

**1. Ethical Behaviour:** Individual or collective behaviour that is in accordance with accepted written and/or unwritten codes of principles and values that govern decisions, actions and conduct within a business in the context of a particular situation and is consistent with accepted norms of behaviour.

*Adapted from Final Draft ISO 26000 and  
<http://business.lovetoknow.com/wiki/A> Definition for Business Ethics.*

**2. Transparency:** It is defined as openness about decisions and activities that affect society, the environment and the economy and the willingness of businesses to communicate information in clear, accurate, honest timely and complete manner.

**3. Accountability:** Principle that organizations are responsible for their actions and may be required to explain them to others.

*Adapted from IS 16001:2007.*

**4. Disclosure:** Disclosure is the practice of measuring, reporting and being accountable to internal and external stakeholders so as to provide a balanced and reasonable representation of performance.

*Adapted from GRI G3 Guidelines.*

**5. Stakeholder:** Individual or group concerned or interested with or impacted by the activities of the businesses and vice-versa, now or in the future.

*Adapted from IS 16001:2007*

**6. Governance:** Governance concerns itself with 'how' an organization makes decisions, how it operates to achieve its objectives and how stakeholders have their say in the processes.

**7. Value Chain:** Value chain refers to both the supply chain (described above) as well as the value created by the distributed channel for end use customers.

*Adapted from "Unchaining Value" Published by Sustainability*

**8. Anti-competition:** Actions that cause or are likely to cause appreciable adverse effects on free and fair completion within a country.

*Adapted Competition Commission of India.*

**9. Complicity:** Complicity refers to involvement of the business in violations of any of the principles and core elements by third parties connected with its operations. It is generally made up of the following elements:

- An action or omission (failure to act) by a company, or individual representing a company, that 'helps' (facilitates, legitimises, assists, encourages, etc.) another, in some way, to perpetrate a violation;
- The company was or should have been aware that its action or omission could provide such help
- Complicity may be direct, beneficial or silent

*Adapted from the United Nations High Commissioner for Human Rights; e-learning module*

**10. Sustainability:** The outcome achieved by balancing the social, environmental and economic impacts of business. It is the process that ensures that business goals are pursued without compromising any of the three elements.

**11. Product Life Cycle:** This refers to all the stages of a product from extraction or acquisition of raw materials through manufacturing and processing, distribution and transportation, use and reuse, recycling and disposal. In the case of services, it refers to all activities and processes from the design to delivery.

*Adapted from World Business Council for Sustainable Development*

**12. Environment:** Natural surroundings in which an organization operates, including air, water, land, natural resources, flora, fauna, people, outer space and their inter-relationships.

NOTE: Surroundings in this context extend from within an organization to the global system.

**13. Customer:** A person or business that buys goods or services produced by another person or business.

**14. Consumer:** Consumer means any person who—

- i) buys any goods for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any user of such goods other than the person who buys such goods for consideration paid or promised or partly paid or partly promised, or under any system of deferred payment, when such use is made with the approval of such person, but does not include a person who obtains such goods for resale or for any commercial purpose; or
- (ii) hires or avails of any service for a consideration which has been paid or promised or partly paid and partly promised, or under any system of deferred payment and includes any beneficiary of such service other than the person who hires or avails of the services for 6 consideration paid or promised, or partly paid and partly promised, or under any system of deferred payment, when such services are availed of with the approval of the first mentioned person, but does not include a person who avails of such service for any commercial purpose.

(As per Consumer Protection Act, 2019)

**15. Traditional Knowledge:** This refers to any indigenous technical, ecological, scientific, medical or cultural knowledge which is not necessarily documented but is in use by or generally known to communities. Typical examples include antiseptic properties of neem, turmeric, etc.

**16. Intellectual Property:** Refers to creations of the mind, such as inventions, literary, musical and artistic works, and symbols, names, images, and designs used in commerce, for which the IP owners are granted certain exclusive rights under the corresponding national IP laws. Common types of IP include patents (inventions),

copyrights, trademarks, industrial designs, software, geographic indications and trade secrets, etc.

**17. Sustainable Consumption:** The definition proposed by the 1994 Oslo Symposium on Sustainable Consumption defines it as 'the use of services and related products which respond to basic needs and bring a better quality of life while minimizing the use of natural resources and toxic materials as well as emissions of waste and pollutants over the life cycle of the service or product so as not to jeopardise the needs of future generations'. Sustainable consumption asks us to consider issues that go beyond the individual when we shop. These include not only the ecological impacts of what we buy but also the equity, human rights and political dimensions of sustainability in the production and consumption process. These aspects of sustainable consumption provide Guidelines on how to reduce the social and ecological impacts of what we consume.

**18. Well-being:** Is a state of being happy, healthy and prosperous? It includes indicators of wealth and employment, built environment, spiritual, social, physical and mental health, education, recreation and leisure time and social belonging. Well-being is synonymously used with good quality of life.

**19. Employee:** A person employed, whether for remuneration or not, for carrying out activities of the organization or any part thereof, incidental to or connected with those activities, in pursuance of the organization's stated objectives.

**20. Freedom of Association:** Workers and employers, without distinction whatsoever, have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization.

**21. Participation of workers:** Situation where workers are involved in some way with decision-making in a business organization. Worker participation can take many forms. There might be a consultative council in the company where trade unions and management meet regularly to discuss points of mutual interest. Workers can be organized in quality circles and meet regularly in small groups to discuss ways in which their work could be better organized.

**22. Collective Bargaining:** Negotiating between the employees organization and employer's organization/management in good faith with a view to agree on terms and conditions of work and/or settlement of disputes and grievances of employees represented by a representative body of employees

**23. Grievance Mechanism:** Mechanism for any stakeholder individually or collectively to raise and resolve reasonable concerns affecting them without impeding access to other judicial or administrative remedies. The mechanism should be:

- Clear, transparent and have independent governance structures.
- Accessible
- Predictable
- Equitable

- Based on dialogue and mediation

**24. Work-life balance:** Work-life balance is a broad concept including proper balancing `work` (career and ambition) on one hand and `life` (pleasure, leisure, family and spiritual development) on the other. Related, though broader, terms include `lifestyle balance` and `life balance`

**25. Fair Living Wages:** A wage sufficient for a family to meet its basic needs and which provides some ability to deal with emergencies.

**26. Harassment:** Harassment covers a wide range of offensive behavior that is unwanted by the recipient and which the perpetuator knows or ought to know or ought to know is threatening or disturbing. It does not include any acts done by the superior/s, as per extant guidelines, in the line of duty to enforce discipline by his subordinates.

**27. Work Place:** IS 16001:2007. Place(s) where activities of the organization are carried out in pursuance of its stated objectives.

**28. Vulnerable and Marginalised Groups:** Group of individuals who are unable to realize their rights or enjoy opportunities due to adverse physical, mental, social, economic, cultural, political, geographic or health circumstances. These groups in India include:

- Women and girls
- People with disabilities
- Children
- Tribal
- Migrants, migrant workers

## 1. Introduction:

### 1.1 Background

SEBI vide circular No. CIR/CFD/DIL/8/2012 dated 13.02.2012 has stipulated that Business Responsibility (BR) Reports as part of annual reports will be mandatory for top 100 listed entities at BSE and NSE based on market capitalization. The SEBI stipulation for BR Reports as part of annual reports will be effective from the financial year ending on or after December 31, 2012. Accordingly, the Bank's Annual Report for the year ended 31.03.2013 must contain the Business Responsibility (BR) report also.

The BR report mandated by SEBI is on the implementation of the nine principles laid out in the National Voluntary Guidelines. The SEBI reporting format requires that the Corporate Policy in respect of the nine principles mentioned above be formulated and formalized and the adherence thereto reported in the BR reporting format. SEBI vide circular No. CIR/CFD/CMD/10/2015 dated

04.11.2015 has prescribed the format for the Business Responsibility Report (BRR) in respect of reporting on ESG (Environment, Social and Governance) parameters by listed entities.

SEBI vide circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated 10.05.2021 has introduced Business Responsibility and Sustainability Reporting (BRSR) in place of BRR. In recent times, adapting to and mitigating climate change impact, inclusive growth and transitioning to a sustainable economy have emerged as major issues globally. There is an increased focus of investors and other stakeholders seeking businesses to be responsible and sustainable towards the environment and society. Thus, reporting of company's performance on sustainability related factors has become as vital as reporting on financial and operational performance.

With effect from the FY 2022-23, filing of BRSR shall be mandatory for the top 1000 listed companies (by market capitalization) and shall replace the existing BRR. Filing of BRSR is voluntary for the FY 2021-22. Our Bank appears in the top 1000 listed companies and filing of BRSR from the FY 2022-23 will be mandatory for the Bank.

Some of the disclosures sought under the BRSR may not be applicable to certain industries, say the service industry. In such cases, the Bank (entity) can state that such disclosure is not applicable along with reasons for the same.

SEBI vide circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12.07.2023 has introduced BRSR Core – Framework for assurance and ESG disclosures for value chain. The BRSR Core is a sub-set of the BRSR, consisting of a set of Key Performance Indicators (KPIs) / metrics under 9 ESG attributes. Keeping in view the relevance to the Indian / Emerging market context, few new KPIs have been identified for assurance such as job creation in small towns, open-ness of business, gross wages paid to women etc. The format of BRSR Core for reasonable assurance and the BRSR format after incorporating new KPIs of BRSR Core is as provided in SEBI Circular and /or as amended from time to time by SEBI.

Gist of above mentioned SEBI Circular is as under:

Listed entities shall mandatorily undertake reasonable assurance of the BRSR Core, as per the glide path specified in the following table:

<b>Financial Year</b>	<b>Applicability of BRSR Core to top listed entities (by Market Capitalisation)</b>
2023-24	Top 150 listed entities
2024-25	Top 250 listed entities
2025-26	Top 500 listed entities
2026-27	Top 1000 listed entities

### **ESG Disclosures for value chain**

- a. Disclosures for value chain shall be made by the listed company as per BRSR Core, as part of its Annual Report. For this purpose, value chain shall encompass the top upstream and downstream partners of a listed entity, cumulatively comprising 75% of its purchases / sales (by value) respectively.

- b. Listed entities shall report the KPIs in the BRSR Core for their value chain to the extent it is attributable to their business with that value chain partner. Such reporting may be segregated for upstream and downstream partners or can be reported on an aggregate basis.
- c. ESG disclosures for the value chain shall be applicable to the top 250 listed entities (by market capitalization), on a comply-or-explain basis from FY 2024-25.
- d. The limited assurance of the above shall be applicable on a comply-or-explain basis from FY 2025 - 26.

### **Assurance provider**

- a. The Board of the listed entity shall ensure that the assurance provider of the BRSR Core has the necessary expertise, for undertaking reasonable assurance.
- b. The listed entity shall ensure that there is no conflict of interest with the assurance provider appointed for assuring the BRSR Core. For instance, it shall be ensured that the assurance provider or any of its associates do not sell its products or provide any non-audit / non-assurance related service including consulting services, to the listed entity or its group entities.

In view of the above, the existing Business Responsibility (BR) Policy is being renamed as Business Responsibility and Sustainability (BRS) Policy.

## **1.2 Applicability of the BRS Policy**

This policy outlines the BRS philosophy of the Bank, BRS structure, roles and responsibilities. It also provides a framework for the functioning of the BRS Function. The contents of this policy are mandatory for the Bank and represent minimum standards of guidance.

Exceptions to this policy may be permitted by the Managing Director and Chief Executive Officer which shall be placed before the Board.

## **1.3 Review of the BRS Policy / Sunset Clause**

The BRS Policy will be valid for a period of three years from the date of its approval by the Board subject to review of the policy at an early date by the Nodal Officer, General Manager (Finance), if there are any change/s in regulatory guidelines in this regard and shall be submitted to the Board for approval.

## **2. BRS Philosophy:**

BRS is most effective in a corporate culture that emphasizes standards of honesty, integrity and the responsibility of business to function in ethical and socially beneficial manner. It concerns everyone in the organization and should be viewed as an integral



part of the business. The organization should hold itself to high standards when carrying on business and, at all times, strive to observe the spirit as well as the letter of the law. Failure to consider the impact of its actions on its shareholders, customers, employees and the markets may result in significant adverse publicity and reputational damage, even in the absence of any direct BRS breach.

Given the complexity of the businesses and geographic reach of the Bank, overseeing the BRS activities in the Bank as a whole is critical. BRS risk is inherent in all the businesses across the Bank and the jurisdictions in which it operates. A Bank-wide BRS framework, therefore, would assist the Bank in addressing and managing BRS across the Bank as a whole.

To achieve this objective, the Bank has defined its BRS philosophy, using key guiding principles that will facilitate enhancing the BRS framework. These key guiding principles are described below.

## **2.1 Ownership of BRS**

BRS starts at the top. The Board of Directors of the Bank is responsible for overseeing the management of BRS and implementation of the BRS framework across the Bank. The Top Management of the Bank is responsible for managing BRS and implementing the BRS policy. The Top Management of the Bank is responsible for establishing an effective BRS Function to assist in managing BRS risk in the Bank. Top Management is responsible for providing adequate staff and resources to the BRS Function to enable it to discharge its responsibilities effectively.

## **2.2 Sharing of Business Responsibility and Sustainability**

BRS is the responsibility of every individual in the organization. This implies demonstration of a strong commitment to BRS, good corporate citizenship and responsible corporate behaviour. To fulfil this responsibility, it is required of all personnel to:

- a) Possess a good understanding of the relevant BRS requirements applicable to the discharge of their duties;
- b) Ensure adherence to the applicable laws, regulations and standards.

Personnel may consult the BRS Function for assistance with any questions regarding the BRS policy or any aspect of his/her Business Responsibility and Sustainability.

## **2.3 BRS Culture**

The Bank promotes awareness of BRS obligations and ethical values to maintain an appropriate BRS culture throughout its businesses.

The BRS culture should be strengthened through various forms of communication and interactions across the organization, e.g. training, newsletters, discussions on BRS, e-learning, open lines of communication for consultation, etc. The BRS Function should

assess the BRS related training requirements for the operations units. The BRS Function should work with the Training function to develop BRS related content for training programs for various businesses.

BRS culture and awareness may be tested through a number of mechanisms such as employee surveys and reviews, at entire Bank level. BRS culture goals and achievements should be formally addressed in both business and individual recognition programs.

### 3. Scope of the BRS Function:

#### 3.1 Core areas of BRS Function:

The following nine principles form the core areas of BRS function:

**Principle 1:**

Businesses should conduct and govern themselves with Ethics, Transparency and Accountable.

**Principle 2:**

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

**Principle 3:**

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

**Principle 4:**

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

**Principle 5:**

Businesses should respect and promote human rights

**Principle 6:**

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

**Principle 7:**

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

**Principle 8:**

Businesses should support inclusive growth and equitable development

**Principle 9:**

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

The scope of the BRS function covers the entire organization and touches upon all the business and non-business areas of its functioning.

### 3.2 Business Responsibility and Sustainability Statement:

The Bank adopts the Business Responsibility and Sustainability principles enshrined in the SEBI guidelines and the enterprise wide implementation of these principles.

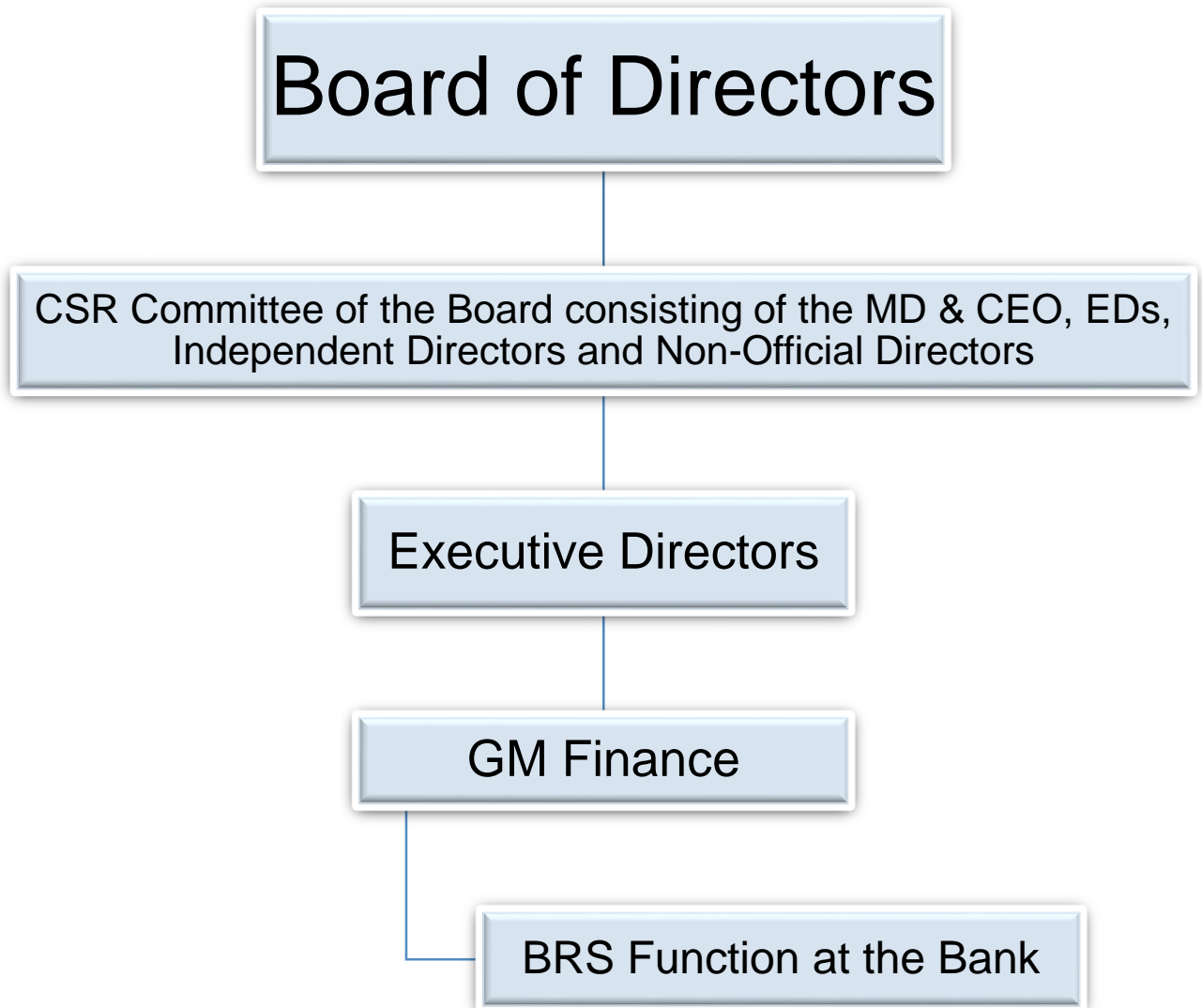
### 3.3 The Business Case for following the Guidelines for the Social Environmental and Economic Responsibilities for Business:

Principle	Revenue growth and market access	Cost savings and productivity	Access to capital	Risk management / license to operate	Human Capital	Brand Value/ reputation
<b>1. Ethics, transparency, accountability</b>	New customers Business partner of choice	Reduced cost of ambiguity Reduced litigation	Attractive to investors, banks Attractive to financial markets	Positively seen by communities, NGOs, local governments, regulators	Attract and retain employees	Positively seen by customers, regulators, media
<b>2. Safe and sustainable goods and services</b>	New customers Customer loyalty	Efficiency gains across the value chain.	Investors feel assured that liability issues are minimized	Reduced risk of action from regulators and NGOs	Employee morale is high due to working to improve the quality of life of customers/ community	Better brand identity New found USP
<b>3. Well-being of employees</b>	Business partner of choice	Increased productivity High morale Less absenteeism	--	Improved labour relations leading to less disruptions	Attract and retain employees Reduced tardiness & absenteeism	Employer of choice
<b>4. Responsiveness to all stakeholders</b>	Responsive to customer demands/ needs/ wants leads to increase in market share; The ability to function in the long term is improved to being responsiveness	Efficiency gains across the value chain	Attractive to investors, attractive to financial markets	Positively seen by communities, NGOs, local governments, regulators	People drawn to work for a sensitive employer	Positively seen by customers, regulators, media enhances corporate cache

Principle	Revenue growth and market access	Cost savings and productivity	Access to capital	Risk management / license to operate	Human Capital	Brand Value/ reputation
<b>5. Promoting Human rights</b>	Business partner of choice	Minimized litigation	Attractive to investors, Attractive to financial markets	Positively seen by communities and NGOs Lower risk of non-compliance	Employees / talent attracted by firm that is committed to the dignity of all	Positively seen by customers, regulators, media
<b>6. Protecting the Environment</b>	Business partner of choice Sustainability oriented customers will prefer to deal with organization	Lower operating costs in the long term Less danger of “externalities” emerging as liabilities.	Attractive to investors, Attractive to financial markets	Positively seen by communities, NGOs, local governments, regulators, Lower risk of non-compliance	Talent is drawn to the firm due to its commitment to the wellbeing of the planet	Positively seen by customers, regulators, media
<b>7. Responsible policy advocacy</b>	Growth stimulated due to openness and trust	Blunt the possibility of others using policy to stymie business.	Openness will attract investors committed to good governance	Positively seen by civil society	People drawn to work for an open firm.	Positively seen by customers, regulators, media
<b>8. Supporting inclusive development</b>	New customers Market expansion Innovative thinking stimulated	New models will emerge to impact cost savings	Newer sources of funding such as social venture funds	Enhanced governmental support to initiatives – cordial relations with stakeholders conducive for business growth.	Potential source of trained employees	Positively seen by customers, regulators, media
<b>9. Providing value to customer</b>	New customers Customer loyalty	New markets brought into the fold	Investors back a growing firm	Lower risk of consumer action	Talent will be drawn towards growing firm	Customers perceive brand and firm favorably

## 4. Organizational Structure – Business Responsibility and Sustainability

Organization chart in relation to BRS at the Bank level is presented below:



## 5. Roles and Responsibilities:

### 5.1 Board of Directors:

The Board of Directors retain ultimate responsibility for the Bank's Business Responsibility and Sustainability, regulations and ethical standards, and thereby have the overseeing responsibility for the management of the Bank's BRS. The Board of Directors of the Bank would be primarily responsible for approving the BRS policy and BRS framework for the Bank.

The Board of Directors of the Bank would also monitor the activities of the BRS Function, implementation of the BRS Policy, and review of progress made in BRS initiatives. After submission of Business Responsibility and sustainability

Report (annually) to Stock Exchanges, the same will be submitted to the Board of Directors (Board).

## **5.2 Business Responsibility and Sustainability – Sub Committee**

Business Responsibility and Sustainability Sub Committee consists of following members to discuss and approve the BRS reporting before publication:

- a) Executive Directors –
- b) Chief General Manager, Finance,
- c) Chief General Manager, Credit
- d) Chief General Manager, General Operations
- e) General Manager - Finance Department (Nodal Officer)
- f) General Manager - Financial Inclusion Department
- g) General Manager - Planning, Strategy and Economic Intelligence Department
- h) General Manager - Rural Department
- i) General Manager - SME Department
- j) General Manager - General Operations Department
- k) General Manager – Corporate Credit

One Executive Director and any three members will form the quorum.

## **5.3 Top Management:**

The Top Management of the Bank is ultimately responsible for ensuring BRS with applicable status, regulations, internal policies and guidelines and ethical standards relating to Business Responsibility and Sustainability. The Top Management of the Bank is responsible for implementation of the BRS Policy and its associated requirements. They are also responsible for the adequacy of processes, systems, policies and procedures that would create an appropriate environment for managing Business Responsibility and Sustainability.

Further, the Top Management would review the mitigation plans on various BRS risks identified, monitor the timely resolution of BRs issues arising out of various internal and external inspections, audits and BRS breaches, and assist in creating a BRS-conscious culture.

## **5.4 Nodal Officer [General Manager, Finance Department]:**

The designated Nodal Officer of the Bank shall have a direct reporting line to Managing Director & CEO and Executive Directors and be responsible for ensuring effective implementation of the BRS policy and other BRS initiatives, coordinating the identification and management of the Bank's BRS initiatives,

and supervising the activities of other BRS Function staff. The BRS Officer would assist the Bank's Top Management in managing effectively the BRS initiatives of the Bank and would be responsible for providing clarifications on issues or concerns relating to the Bank's BRS policy, guiding the BRS functionaries in performance and review the results of the BRS initiatives, audit and impact assessment etc. The Nodal Officer should regularly hold consultations with the Executive Directors.

### 5.5 All employees:

As set out in the guiding principles of the BRS philosophy, BRS is the responsibility of every Individual in the Bank. It is the responsibility of every employee to adhere to the requirements of the BRS Policy, and carry forward BRS initiatives. Personnel should attend training programmes organized on BRS matters and keep abreast of statutory and regulatory BRS requirements to their respective areas of operation.

## 6. Business Responsibility and Sustainability Core Elements:

**Principle 1:** Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. All Departments/Business groups/Verticals of the Bank shall follow governance structures, procedures and practices that ensure ethical conduct at all levels, and promote the adoption of this principle across the value chain.
2. Communication should be transparent and access should be available to information about decisions that impact relevant stakeholders.
3. It will be ensured that the Bank and its functionaries do not engage in practices that are abusive, corrupt, or anti- competition.
4. The Bank and its functionaries shall truthfully discharge their responsibility on financial and other mandatory disclosures.
5. Report on the status of adoption of National Voluntary Guidelines as suggested in the reporting framework stipulated by SEBI will be ensured.
6. Complicity with the actions of any third party that violates any of the principles contained in National Voluntary Guidelines will be avoided.

**Principle 2:** Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

All Business units will –

1. Assure safety and optimal resource use over the life-cycle of product/services and ensure that everyone connected with it - designers, value chain members, customers are aware of their responsibilities.

2. Raise the consumer's awareness of their rights through education, product labeling, appropriate and helpful marketing communication.
3. Regularly review and improve upon the process of new technology development, deployment and commercialization, incorporating social, ethical, and environmental considerations.
4. Recognize and respect the rights of people who may be owners of traditional knowledge, and other forms of intellectual property.
5. Recognize that over-consumption results in unsustainable exploitation of our planets resources, and should therefore promote sustainable consumption, including recycling of resources.

**Principle 3:** Businesses should promote the wellbeing of all employees

All business groups/Units will –

1. Respect the right to freedom of association, participation, collective bargaining, and provide access to appropriate grievance redressal mechanisms.
2. Provide and maintain equal opportunities at the time of recruitment as well as during the course of employment irrespective of caste, creed, gender, race, religion, disability or sexual orientation.
3. Not to use child labour, forced labour or any form of involuntary labour, paid or unpaid.
4. Take cognizance of the work-life balance of our employees, especially that of women.
5. Provide facilities for the wellbeing of our employees including those with special needs. We shall ensure timely payment of fair wages to meet basic needs and economic security of the employees.
6. Provide a workplace environment that is safe, hygienic humane, and which upholds the dignity of the employees. We shall communicate this provision to our employees and train them on a regular basis.
7. Ensure continuous skill and competence upgradation of all employees by providing access to necessary learning opportunities, on an equal and non-discriminatory basis. We shall promote employee morale and career development through enlightened human resource interventions.
8. Create systems and practices to ensure a harassment free workplace where employees feel safe and secure in discharging their responsibilities.

**Principle 4:** Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Bank will -



1. Systematically identify our stakeholders, understand their concerns, define purpose and scope of engagement and commit to engaging with them.
2. Acknowledge, assume responsibility and be transparent about the impact of our policies, decisions, product & services and associated operations on the stakeholders.
3. Give special attention to stakeholders in areas that are underdeveloped
4. Resolve differences with stakeholders in a just, fair and equitable manner.

**Principle 5:** Businesses should respect and promote human rights

1. We shall understand the human rights content of the Constitution of India, national laws and policies and the content of International Bill of Human Rights and appreciate that human rights are inherent, universal, indivisible and interdependent in nature.
2. We shall integrate respect for human rights in management systems, in particular through assessing and managing human rights impacts of operations, and ensuring all individuals impacted by the Bank's business/operations have access to grievance mechanisms.
3. We shall recognize and respect the human rights of all relevant stakeholders and groups within and beyond the workplace, including that of communities, consumers and vulnerable and marginalized groups.
4. We shall, within our sphere of influence, promote the awareness and realization of human rights across the value chain.
5. We shall not be complicit with human rights abuses by a third party.

**Principle 6:** Business should respect, protect, and make efforts to restore the environment

All business groups/units will keep environment protection in view and take the following measures to protect and restore the environment:

1. Utilize natural and manmade resources in an optimal and responsible manner and ensure the sustainability of resources by reducing, reusing, recycling and managing waste.
2. Take measures to check and prevent pollution. We shall assess the environmental damage and bear the cost of pollution abatement with due regard to public interest.
3. Ensure that benefits arising out of access and commercialization of biological and other natural resources and associated traditional knowledge and shared equitably.
4. Continuously seek to improve our environmental performance by adopting cleaner production methods, promoting use of energy efficient and environment friendly technologies and use of renewable energy.

5. Develop Environment Management Systems (EMS) and contingency plans and processes that help us in preventing, mitigating and controlling environmental damages and disasters, which may be caused due to our operations or that of a member of its value chain.
6. Report our environmental performance, including the assessment of potential environmental risks associated with our operations, to the stakeholders in a fair and transparent manner.
7. Proactively persuade and support our value chain to adopt this principle.

**Principle 7:** Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. The Bank, while pursuing policy advocacy, will ensure that the advocacy positions are consistent with the Principles and Core Elements contained in National Voluntary Guidelines.
2. To the extent possible, the Bank will utilize the trade and industry chambers and associations and other such collective platforms to undertake such policy advocacy.

**Principle 8:** Businesses should support inclusive growth and equitable development

All business units of the Bank shall –

1. Understand our impact on social and economic development, and respond through appropriate action to minimize the negative impacts.
2. Innovate and invest in products, technologies and processes that promote the wellbeing of society.
3. Make efforts to complement and support the development priorities at local and national levels.
4. Modules/Regions operating in underdeveloped areas shall be especially sensitive to local concerns.

**Principle 9:** Business should engage with and provide value to their customers and consumers in a responsible manner

1. The Bank, while serving the needs of their customers, will take into account the overall well-being of the customers and that of society.
2. The Bank will ensure that we do not restrict the freedom of choice and free competition in any manner while designing, promoting and selling our products.
3. The Bank will disclose all information truthfully and factually, through all means, including the risks to the individual, to society and to the planet from

the use of the products, so that the customers can exercise their freedom in a responsible manner. Where required, we will also educate our customers on the safe and responsible usage of our products and services.

4. The Bank will promote and advertise our products/services in ways that do not mislead or confuse the consumers or violate any of the principles in National Voluntary Guidelines.
5. We shall exercise due care and caution while providing goods and services that result in over exploitation of natural resources or lead to excessive conspicuous consumption.
6. We shall provide adequate grievance handling mechanisms to address customer concerns and feedback.

## **7. Training and Education:**

The Nodal Officer of the Bank shall identify the BRS related training needs. The Nodal Officer shall provide inputs on the development of suitable training programs and the training calendar to the Training function, and monitor the execution of the training program.

The BRS training program should include, inter alia:

- Staff members' role in the BRS framework;
- Laws and regulations, procedures and guidelines relevant to the bank's business;
- Key BRS risks that could affect the bank's business;
- Reporting of BRS issues and seeking advice on BRs issues from the BRS Function or BRS coordinator;
- Consequences of not managing BRS in an appropriate manner.

## **8. List of areas/activities in fulfillment of Corporate Social Responsibility (CSR)**

The CSR Committee of the Board has approved the CSR policy of the Bank. The list of areas/ activities are mentioned in the policy.

**As part of Corporate Social Responsibility, Initiatives Taken/Proposed:**

1. Solar Energy is used for lighting;
2. Introduced paperless working – proposed:
  - i) Annual reports are sent in electronic form wherever email address available;
  - ii) Customers are exhorted to provide their email addresses for paperless communications;
  - iii) Inside office as quality initiative as well LAN network to be put in place so that the executive at all levels are able to access the letters, memos being prepared and print out of only the final version is placed before the Top Executive for signature;
  - iv) I-pads are provided to all the board members various communications and Agenda items are being sent by electronic mode for a paperless working;
  - v) MIS reports are all generated at head office for zonal office to avoid multilevel paper usage;
  - vi) AC is maintained at 26 degree centigrade for efficient working at the same time saving of energy;
  - vii) CFC free equipment's used for saving ozone layer;
  - viii) Lights are switched off in cabins and sections where no one is working after office hours/or when area not in use;
  - ix) Conserving Water by monitoring judicious usage of the same by placing cameras to notice wastage as water is a scarce resource and which people waste without even noticing it like allowing water to run from the tap while washing one's mouth or phase or washing lunchboxes and so on and so forth in all the staff floors;
  - x) Helping rainwater harvesting and planting of trees wherever bank owns the premises and fair size compounds are available;
3. Some stretches of the road in different cities can be adopted for cleanup and planting of trees along roadside or divider of the roads;
4. Free tree saplings of fast growing varieties can be distributed in areas facing deforestation;
5. Schools where less privileged students are studying can be adopted for providing the best of facilities;
6. Computer equipment being phased out are provided free of cost for use to underprivileged children through institutions taking care of their needs;
7. Adopting/aiding homes for the mentally retarded and aiding schools having differently abled children;

8. Adopting/aiding home for aged, destitute, war, widows, national tragedies like Bhopal gas victims, Tsunami hit, riot hit, etc.
9. Usage of Condensers of sufficient capacity to redirect current normally wasted into the mainstream reducing that much drawing of electricity from the electricity provider;
10. Usage of the services rendered by the blind self-employed or sent by the Home for the blind;
11. Usage of Greeting Cards or any gift items prepared by the underprivileged/handicapped children, etc.;
12. Provide toilets in school with water facility;
13. Providing benches and fans in schools and Taat Patti (Shatranji –floor mat of extra-large size); Education of the under privileged girl child;
14. Solar lamps in villages;
15. Pure drinking water to villages-RO water plants;
16. Tricycles to physically handicapped;
17. Bus shelter in villages;
18. Chaupal for villages (village central square);
19. Eye camp/cataract operations/provision for free spectacles;
20. Under privileged/differently abled children;
21. Community hospitals-provision for beds;
22. Mid-day meals;
23. Provision for blankets;
24. Blind people - provision for sticks and braille.



