Karur Vysya Bank
Smart way to bank

Annexure IV

Business Responsibility and Sustainability Report

FY 2025-26

Business Responsibility and Sustainability Report

Our Approach to Responsible Business

The Bank believes that responsible business conduct forms the foundation of sustainable value creation. As a financial institution, responsibilities extend beyond delivering financial performance to creating positive outcomes for stakeholders, fostering an inclusive and supportive workplace for employees, supporting environmental stewardship, and contributing to the economic and social progress of the communities served.

Opportunities for growth are pursued with discipline in decision-making and consistency in value delivery, recognizing that long-term success can only be achieved through transparency, accountability, and responsible business practices.

The principles of Environmental, Social and Governance (ESG) are embedded within the broader commitment to responsible banking. These principles influence risk management, customer and employee engagement, and operational practices. Sustainability is not treated as a standalone initiative or parallel agenda; it is an integral part of the way business is conducted.

During the reporting period, the Bank strengthened the foundations of responsible business practices by refining internal processes and building organizational capabilities to address evolving stakeholder expectations and regulatory developments. These efforts reflect the belief that long-term success can only be achieved through transparency, accountability, prudent decision-making, and an unwavering commitment to ethical conduct. Progress across ESG priorities further demonstrates the commitment to translating principles into meaningful action and measurable outcomes.

Guided by the National Guidelines on Responsible Business Conduct (NGRBC), which underpin the Business Responsibility and Sustainability Reporting (BRSR) framework, responsibility is embedded across all aspects of operations. An inclusive, safe and empowering workplace for employees, effective management of environmental footprint, and delivery of sustainable value to customers and communities remain central to this approach.

Effective governance remains central to this approach. Oversight of the Bank's sustainability agenda is provided by the Board-level CSR & ESG Committee, which offers strategic direction on ESG priorities and monitors progress against established objectives. Supported by the management team and cross-functional stakeholders, this governance framework helps integrate sustainability considerations into business decisions and reinforces accountability across the organization. During the year, the Bank further strengthened its governance practices through the appointment of a Lead Independent Director and enhanced gender diversity on the Board, reinforcing its commitment to effective oversight, independent judgement, inclusive leadership and sound corporate governance.

Our actions are guided by a robust ESG Policy that articulates the principles of responsible banking and provides a framework for managing environmental and social considerations. As part of this commitment, the Bank maintains an Exclusion List that establishes clear boundaries for activities considered inconsistent with our values and sustainability objectives. By defining what we choose not to finance, we reinforce our commitment to responsible lending, prudent risk management and the promotion of sustainable economic development. The Bank also continued to support inclusive growth through its efforts towards advancing financial inclusion and extending credit to priority sectors, reflecting our purpose of enabling broader economic participation and shared prosperity. Further, in alignment with the Reserve Bank of India's Framework for Acceptance of Green Deposits, the Bank continued its Green Deposit initiatives and channelled the proceeds towards financing eligible green activities that contribute to environmentally responsible development, while also assessing and reporting the environmental impact of such allocations in accordance with the applicable framework.

Environmental stewardship remains an important aspect of our responsible business journey. During the reporting period, the Bank continued its efforts to improve resource efficiency and reduce the environmental impact of its operations through initiatives focused on renewable energy adoption and energy efficiency. The Bank expanded the number of branches operating on solar energy, reaffirming its commitment to progressively strengthening the use of renewable energy across its operations and advancing its environmental objectives.

Transparency and accountability are fundamental to maintaining stakeholder confidence. The Bank prepares its disclosures in accordance with the requirements of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, read with the SEBI Master Circular (HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated January 30, 2026. The Bank has also voluntarily aligned its reporting "with reference to" Global Reporting Initiative (GRI) Standards. Together, these frameworks enable us to provide stakeholders with meaningful, reliable and decision-useful information on our sustainability performance.

During the reporting period, the Bank further strengthened the credibility of its disclosures through independent assurance of its BRSR Core indicators by M/s. SGS India Pvt Ltd., in line with the BRSR Core framework prescribed by SEBI Master Circular (HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated January 30, 2026. This external assurance reinforces stakeholder confidence in the reliability, accuracy and robustness of the Bank's sustainability disclosures.

The Bank's ESG performance is subject to independent assessment by SEBI-registered ESG Rating Providers (ERPs) based on publicly available information. Under the subscriber-pay model, the rating agencies arrive at their assessment through independent evaluation frameworks. During the reporting period, CRISIL ESG Ratings assigned an ESG rating of 68 to the Bank based on an assessment of publicly available disclosures. Recognizing the value of these independent perspectives, the Bank subsequently subscribed to CRISIL's detailed scoring rationale to gain deeper insights into its performance across various sub-parameters.

The Bank was also independently assessed under other external ESG assessment frameworks based on publicly available information, receiving an NSE ESG Rating of 74 and an ESG Risk AI Rating of 70. Collectively, these external assessments provide valuable insights that support the refinement of internal processes, enhancement of disclosures and the continuous strengthening of the Bank's ESG maturity in line with evolving stakeholder's expectations.

74
NSE ESG Rating

70
ESG Risk AI Rating

68
CRISIL ESG Rating

The Bank remains committed to embedding the principles of responsible business across our operations by advancing environmental stewardship, fostering inclusive growth, upholding the highest standards of governance and enhancing the quality of our disclosures to create enduring value for all our stakeholders.

INTRODUCTION:

The Bank's Business Responsibility and Sustainability Report (BRSR) is prepared in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with the SEBI Master Circular (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated January 30, 2026 and the SEBI Guidance Note on BRSR. The report provides prescribed disclosures on the Bank's performance across the nine principles of responsible business conduct in the format prescribed under the BRSR framework.

SECTION A:
GENERAL DISCLOSURES

Overview

The General Disclosures provide an overview of the Bank's business profile, operational footprint, workforce, and governance practices. The Bank offers a comprehensive range of banking products and services to retail, commercial, and corporate customers through its extensive branch network. These disclosures reflect the Bank's commitment to responsible business conduct and transparency in operations.

Key Highlights

- **901** Branches
- Presence across **20 States & 2 UTs**
- **9883** Total employee strength
- **28%** Female employees
- **30%** Women representation at Board level

I. Details of the listed entity

Sl. No	Required Information	
1	Corporate Identity Number (CIN) of the Listed Entity	L65110TN1916PLC001295
2	Name of the Listed Entity	THE KARUR VYSYA BANK LIMITED
3	Year of incorporation	1916
4	Registered office address	No.20, Erode Road, Vadivel Nagar, L.N.S., Karur - 639002, Tamil Nadu
5	Corporate address	No.20, Erode Road, Vadivel Nagar, L.N.S., Karur - 639002, Tamil Nadu
6	E-mail	kvb_sig@kvb.bank.in
7	Telephone	04324-269441
8	Website	www.kvb.bank.in
9	Financial year for which reporting is being done	2025-26
10	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange
11	Paid-up Capital	₹ 1,93,32,92,438.00
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 Chandrasekaran M S, Head of Business Responsibility and Sustainability Reporting, Chief General Manager and Chief Operating Officer. Telephone No: +914324-269000, Email Id: coo@kvb.bank.in
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	On a standalone basis
14	Name of Assessment or Assurance Provider	M/s. SGS India Pvt Limited
15	Type of Assessment or Assurance obtained	BRSR Core Reasonable Assurance

II. Products/Services

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

Sl. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Banking and Financial Services	The Bank provides a wide range of Banking and Financial Services, including Retail banking, Commercial banking, Corporate banking, and treasury operations.	100%

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

Product / Service	NIC Code	% of total Turnover contributed
Banking Services	64191	100%

III. Operation

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

Location	Number of plants	Number of offices	Total
National	Not Applicable	Branches – 901 Offices - 39	940
International	Not Applicable	0	0

19. Market Served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	20 – States 2 – Union Territory
International (No. of Countries)	NIL

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

The Bank does not have any export operations, and accordingly, there is no contribution from exports to the total turnover of the entity during FY 2025-26. Hence, the percentage contribution of exports to the total turnover is not applicable.

c. A brief on types of customers

Our products and services are designed to cater to a diverse customer base, in accordance with the regulatory framework prescribed by the Reserve Bank of India (RBI). Our key customer segments include:

Resident Indians: Individuals residing in India availing banking, financial, and investment services.

Non-Resident Indians (NRIs): Indian citizens residing overseas seeking banking and investment solutions for managing their financial interests in India.

Sole Proprietorships: Individual business owners requiring banking, credit, and financial management solutions to support their operations.

Partnership Firms: Business entities established by two or more partners requiring financial services to facilitate business growth and operational efficiency.

Corporate Entities: Companies seeking comprehensive banking, treasury, financing, and transaction banking solutions.

Trusts: Entities established for charitable, religious, educational, or other purposes, requiring specialised banking and financial management services.

Clubs and Societies: Associations and institutions requiring customised banking solutions to manage their financial activities and member-related transactions.

Additionally, the Bank serves customers through Demat and trading services, enabling seamless participation in capital markets. It also promotes long-term financial security by facilitating enrolment in government-backed pension schemes such as the National Pension System (NPS) and Atal Pension Yojana (APY). Recognising the unique requirements of senior citizens, the Bank offers dedicated products, services, and support mechanisms to enhance accessibility, convenience, and financial well-being.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
	Employees					
1	Permanent (D)	9,845	7,105	72.17%	2,740	27.83%
2	Other than Permanent (E)	38	20	52.63%	18	47.37%
3	Total employees (D+E)	9,883	7,125	72.09%	2,758	27.91%
	Workers					
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total workers (F+G)	0	0	0	0	0

Note "PERMANENT EMPLOYEES" includes Employees in Officers Cadre, Clerical Cadre and Subordinate Staff Cadre as on 31.03.2026.

b. Differently abled Employees and workers:

Sl. No	Particulars	Total (A)	Male		Female	
			No.(B)	% (B/A)	No.(C)	% (C/A)
	Differently Abled Employees					
1	Permanent (D)	10	8	80%	2	20%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total differently abled employees (D+E)	10	8	80%	2	20%
	Differently Abled Workers					
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	3	30%
Key Management Personnel *	7	0	0

Note:

The Managing Director & CEO and the Executive Director are included under both the Board of Directors and Key Managerial Personnel (KMP).

*The above number of Key Managerial Personnel includes Shri J. Natarajan, Executive Director, who demitted office on 21 May 2025 consequent to completion of term, and Shri Sudhakar K. V. S. M., Chief General Manager & Chief Compliance Officer, who was relieved on 30 April 2025 consequent to resignation.

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

	FY 2025-26 (Turnover rate in current FY)			FY 2024-25 (Turnover rate in previous FY)			FY 2023-24 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	13.31%	9.62%	12.28%*	14.96%	10.74%	13.77%	11.76%	7.63%	10.58%
Permanent Workers	-	-	-	-	-	-	-	-	-

Note: *Turnover rate for permanent employees calculated based on the BRSR guideline - "*Persons leaving the employment of the entity shall include those who leave the entity voluntarily or due to dismissal, termination, retirement or death in service*".

V. Holding, Subsidiary and Associate Companies (Including Joint Ventures)

23. a. Name of holding / subsidiary / associate companies / joint ventures

Sl. 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)
Not Applicable				

VI. CSR details

24.

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

(ii) Turnover (in ₹)

1,31,58,67,09,504.30

(iii) Net worth (in ₹)

1,37,01,79,39,030.43

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VII. Transparency and Disclosure Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)
Communities	Yes https://www.kvb.bank.in/docs/grievance-redressal-policy.pdf
Investors (other than shareholders)	Yes Investors' grievances are redressed either directly by the Investor Relations cell of the bank or through the Bank's Registrar and Share Transfer Agent, M/s MUFG Intime Time India Private Limited, Coimbatore. Complaints received on the SCORES/ODR Portal (a centralized web-based complaint redressal system of SEBI) are attended to within the timelines.
Shareholders	Yes Investors' grievances are redressed either directly by the Investor Relations cell of the bank or through the Bank's Registrar and Share Transfer Agent, M/s MUFG Intime Time India Private Limited, Coimbatore. Complaints received on the SCORES/ODR Portal (a centralized web-based complaint redressal system of SEBI) are attended to within the timelines.
Employees and workers	Yes. The Bank has 2 internal portals KVB SAMADAN and HRD Assist, accessible through its intranet portal. These platforms facilitate the reporting and resolution of employee grievances
Customers	Yes. https://www.kvb.bank.in/docs/grievance-redressal-policy.pdf
Value Chain Partners	Yes Expenses Management Cell (emc@kvb.bank.in) The Bank is having centralized payment systems where the value chain partners lodge their grievances
Other (Complaints received from Individuals whose customer IDs are not disclosed / traceable (Example: BNPL customers, FASTAG customers, NON KVB Customers) were grouped under the other category)	Yes https://www.kvb.bank.in/docs/grievance-redressal-policy.pdf

FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
0	0	-	0	0	-
0	0	Nil	0	0	Nil
6	0	Resolved	4	0	Resolved
6	1	Nil	32	4	Nil
8952	590	*Out of 8952 complaints, 5061 complaints pertain to Unauthorized Financial Transactions (UFT)	5833	229	Nil
0	0	Nil	0	0	-
759	22	Nil	544	8	NA

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

Sl. No	Material issue identified	Indicate whether Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity
1	Brand Reputation	Risk	**Rationale for the Risk:** If Brand Reputation is not effectively managed, it can lead to loss of stakeholder trust, negative media and social media backlash, and reduced customer acquisition and retention. This can also impact market confidence, slow growth, weaken competitiveness, and increase regulatory scrutiny
		Opportunity	**Rationale for the Opportunity:** Brand reputation is a key driver of stakeholder trust, customer acquisition, and long-term business growth. Effective management of the Bank's brand enhances credibility, strengthens customer confidence, and creates opportunities for business expansion and market differentiation .
2	Financial Performance	Opportunity	**Rationale for the Opportunity:** By leveraging its core strengths in RAM verticals; as well as Risk-managed capital deployment, the Bank continues to generate stable financial returns while expanding into emerging sectors aligned with sustainability and inclusive growth
3	Digitalization	Opportunity	**Rationale for the Opportunity:** Digitalization is the Strategy adopted by bank for providing superior customer experience and seamless transactions. Bank will be offering Digital Products, Payments and Process Re-engineering & Innovation through various Digital Channels in both organic and inorganic ways, Thereby increasing the revenue and reducing the cost.
4	Customer Experience & Satisfaction	Risk	**Rationale for the Risk:** Inadequate customer experience or ineffective grievance resolution may lead to customer dissatisfaction, reputational risk, customer attrition, and potential regulatory concerns.
		Opportunity	**Rationale for the Opportunity:** Conversely, delivering seamless banking experiences and effectively resolving customer grievances enables KVB to strengthen customer loyalty and enhance service quality across physical and digital channels.

Opportunity Risk

In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
The Bank adopts a proactive communication and reputation management approach through consistent stakeholder engagement, transparent disclosures, media monitoring. Regular brand-building initiatives and customer feedback assessments help safeguard and strengthen the Bank's reputation	Negative
	Positive
	Positive
	Positive
The Bank mitigates customer experience and satisfaction risks through continuous enhancement of digital capabilities, process simplification, customer feedback mechanisms, and robust grievance redressal systems.	Negative
Regular monitoring of service quality, timely resolution of customer complaints, and customer-centric product and service innovations enable the Bank to strengthen customer trust and improve overall customer experience.	Positive

Sl. No	Material issue identified	Indicate whether Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity
5	Regulatory and Statutory Compliance		**Rationale for the Risk:** Banking is a highly interconnected, systemic sector. A single compliance failure such as a lapse in Anti-Money Laundering (AML) or Know Your Customer (KYC) protocols directly threatens the financial ecosystem. Regulators possess the immediate power to halt a bank's growth, suspend digital onboarding, or restrict credit offerings, making it a critical threat to business continuity and stakeholder trust. **Rationale for the Opportunity:** Maintaining an immaculate regulatory track record gives a bank a distinct competitive edge. It acts as a ""governance premium"" that allows the bank to secure fast-tracked regulatory approvals for innovative digital products and branch expansions. Furthermore, top-tier global ESG funds heavily prioritize strong governance, meaning superior compliance acts as a magnet for low-cost, institutional capital.
6	Cyber Security and Data Privacy		**Rationale for the Risk:** Cyber Security and Data Privacy are critical to safeguarding the Bank's information assets, ensuring compliance with regulations stipulated by regulators and maintaining customer trust. Any failure in these areas may result in data breaches, financial loss, regulatory penalties, and reputational damage. **Rationale for the Opportunity:** Conversely, a strong cyber security framework enhances resilience, protects sensitive data, and strengthens stakeholder confidence.
7	Business Ethics		**Rationale for the Risk:** Non-adherence to business ethics may result in regulatory non-compliance, reputational damage, financial loss, and fraud. **Rationale for the Opportunity:** Effective management of business ethics strengthens governance practices, ensures regulatory compliances and enhances reputation.

Opportunity Risk

In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Because banking regulations are legally binding and non-negotiable, the bank's primary strategic approach is Mitigation, paired with a proactive sub-strategy of Adaptation for upcoming regulatory/statutory shifts. The Mitigation Strategy: The bank deploys a strict, multi-tiered internal control framework known as the Three Lines of Defense. • The first line consists of frontline business units enforcing rules during daily transactions. • The second line is the dedicated Compliance and Risk Management department setting policies. • The third line is an independent Internal Audit team. This framework is further reinforced by implementing automated RegTech (Regulatory Technology) to eliminate human error in transaction monitoring, alongside conducting mandatory ethics and compliance training for 100% of the workforce. The Adaptation Strategy: The bank utilizes a continuous "Horizon Scanning" methodology. Specialized compliance teams actively monitor draft regulations, consultation papers from central banks, and changing global ESG mandates to plan the bank's internal IT infrastructure and policies before new laws officially come into effect.	Negative Positive
Implementation of a robust information security framework aligned with regulatory guidelines including continuous monitoring through SOC, deployment of security controls, periodic vulnerability assessments and penetration testing, incident response mechanisms, Third party & employee awareness programs and various regular audits/compliance reviews.	Negative Positive
Periodic internal audits, whistle blower mechanism, investigations of ethical violations and reporting to ACB.	Negative Positive

Sl. No	Material issue identified	Indicate whether Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity
8	Transparency & Fair Disclosures		**Rationale for the Risk:** Lack of transparency or inadequate disclosure can lead to regulatory non-compliance, reputational damage, erosion of market capitalization due to loss of stakeholder trust and uninformed decision-making by investors and other stakeholders. **Rationale for the Opportunity:** Transparency and fair disclosure create an opportunity to strengthen market trust, which directly improves fundraising ability and supports sustainable business growth.
9	Fraud Risk Management		**Rationale for the Risk & Opportunity:** Fraud Risk is identified as material risk as it protects customer funds, preserves trust, limits financial and operational losses, meets regulatory and supervisory expectations, supports sound governance and enables resilience in a digital & evolving threat landscape.
10	Financial Inclusion		**Rationale for the Risk:** Challenges such as technology disruptions, network connectivity issues, cybersecurity threats, authentication failures may impact the seamless delivery of banking services, particularly in underserved and remote geographies. Such disruptions may affect customer experience. **Rationale for the Opportunity:** Expanding banking services to unbanked and underbanked populations presents significant opportunities to enhance financial inclusion, broaden the customer base, increase deposit mobilisation, and strengthen the Bank's presence in rural and semi-urban markets.

Opportunity Risk

In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Ensures timely, accurate and consistent disclosure of material information, strong internal controls, regulatory compliance and transparent stakeholder communication to maintain trust and accountability.	Negative
	Positive
The Bank is guided by a comprehensive enterprise-wide Fraud Risk Management Policy which is duly approved by the Board of Directors, to ensure a top-down approach. Additionally, an organizational structure has been defined for implementation, monitoring and review of Fraud Risk Management. This approach is designed with emphasis on the following, • Governance Framework for Fraud Risk Management • Prevention of Frauds • Early Detection of FRAUDS – framework for EARLY Warning Signals (EWS) and Red Flagging of Accounts (RFA) • Framework for Identification of Frauds and Assessment • Classification, Reporting and Follow up of Frauds • Closure of Fraud cases Reported to RBI • Others - Cheque related frauds/Legal Audit of title documents/ARC sale / Penal measures/accounts under Resolution / Role of Auditors and • Approved Standard Operating Procedures are in place for effective management of Fraud related Incidents	Negative
The Bank mitigates risks associated with Business Correspondent operations through the use of multi-network SIMs, enhanced biometric or facial authentication or IRIS scanners. Awareness programmes for Business Correspondents to prevent fraudulent activities, including money mule accounts.	Negative Positive

KVB

Sl. No	Material issue identified	Indicate whether Risk or opportunity (R/O)	Rationale for identifying the risk / opportunity
11	Corporate Governance		**Rationale for the Risk & Opportunity:** Corporate governance is considered as a material risk and opportunity because governance practices influence regulatory compliance, ethical conduct, transparency, accountability and stakeholders trust. Weak governance can result in legal, financial, reputational consequences and increased cost of capital thereby creating difficulty in fund raising, while strong governance enhances investor confidence, improves risk management, supports sustainable growth and contributes to long term value creation.
12	Talent Attraction & Retention		**Rationale for the Risk:** The banking sector faces intense competition for skilled talent, particularly in digital banking, technology, cybersecurity, risk management, compliance, and customer relationship functions. Inability to attract, develop, and retain qualified employees may lead to higher attrition, skill shortages, increased recruitment costs, loss of institutional knowledge, reduced employee engagement, operational inefficiencies, and challenges in executing strategic and regulatory priorities. **Rationale for the Opportunity:** A strong employer value proposition and effective talent management practices enable the Bank to attract and retain high-performing employees, build critical future-ready skills, enhance customer service, strengthen innovation and digital transformation capabilities, improve productivity, and support sustainable business growth. A motivated and skilled workforce also strengthens organizational resilience, risk management, and the Banks reputation.
13	Product Design & Innovation		**Rationale for the Opportunity:** Continuous innovation in banking products and services enables the Bank to address evolving customer needs, enhance competitiveness and expand market reach. Innovative and customer-centric solutions support digital adoption, financial inclusion and stronger customer engagement.
14	Climate Change		**Rationale for the Risk & Opportunity:** Climate change may pose physical and transition risks to the Bank's operations, customers and credit portfolio. It also presents opportunities to improve resource efficiency and support green finance initiatives.
15	ESG Oversight		**Rationale for the Risk & Opportunity:** Evolving ESG regulatory and reporting requirements, coupled with increasing stakeholder expectations, present risks if not effectively managed, while creating opportunities to enhance stakeholder confidence, improve transparency and support long-term value creation.

Opportunity Risk

In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
Key measures include establishing Independent and competent Board of Directors, implementing strong internal controls and compliance mechanisms, conducting regular risk assessments and audits and ensuring adherence to applicable regulatory requirements. The Bank also fosters a culture of integrity through comprehensive code of conduct, periodic ethics training to employees and secure whistle blower channels. Continuous monitoring of governance practices, transparent stakeholder communication and regular review of policies and procedures. This improves investor confidence, credit rating and reliability on the Bank's financial position as well.	Negative Positive
The Bank addresses talent-related risks through strategic workforce planning, campus and lateral hiring, succession planning, internal talent mobility, competitive compensation, employee engagement initiatives and continuous learning and leadership development programmes. These measures support employee retention, workforce productivity, customer experience and long-term business growth.	Negative Positive
	Positive
The Bank integrates climate-related considerations into its risk management processes, promotes resource efficiency, and supports green finance initiatives.	Negative Positive
The Bank has established governance mechanisms, including oversight by the Board-level CSR & ESG Committee, periodic review of ESG matters, and integration of ESG considerations into relevant policies, processes and disclosures.	Negative Positive

SECTION B:
MANAGEMENT AND PROCESS DISCLOSURES

Overview

The Management and Process Disclosures outline the Bank's governance framework for responsible business conduct. The Bank has established Board-approved policies aligned with the NGRBC principles, supported by Board-level oversight through dedicated CSR and ESG committees. These governance structures enable systematic implementation, monitoring, and periodic review of environmental, social, and governance practices across the Bank's operations.

Key Highlights

- Board-approved policies aligned with NGRBC principles
- Board-level CSR and ESG Committee

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			P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes											
1	a	Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	b	Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
	c	Web Link of the Policies, if available	https://www.kvb.bank.in/regulatory-disclosures/fair-practices-banking-codes-overview/banking-codes-policies/ https://www.kvb.bank.in/sustainability-esg/								
2		Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3		Do the enlisted policies extend to your value chain partners? (Yes/No)	No	No	No	No	No	No	No	Yes	Yes
4		Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	GRI standard	GRI standard	GRI standard	GRI standard	GRI standard	GRI Standard, IGBC Geen Existing Building Certification: Platinum Certification	GRI standard	GRI Standard, CSR disclosures under Section 135 of the Companies Act, 2013, read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended	GRI standard, ISO 27001, ISO 27701 PCI DSS

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9

5 Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Bank's sustainability and responsible banking commitments are defined through our Board-approved ESG Policy and related policies and frameworks, which collectively guide the integration of environmental, social, and governance considerations into our business operations, lending practices, and governance processes. These commitments include: • Integration of ESG considerations into lending and investment decisions, supported by an ESG Policy that includes an exclusion list prohibiting financing of activities with adverse environmental or social impact. • Deployment of funds mobilized under the Green Deposits Framework in accordance with the approved Green Finance Framework, towards eligible environmental activities • Compliance with Priority Sector Lending requirements prescribed by the RBI. • Commitment to promoting inclusive banking by expanding access to formal financial services in line with the Bank's financial inclusion objectives and regulatory framework. • Commitment towards efficient use of natural resources, including energy, water, and waste, with emphasis on reducing environmental footprint across operations and facilities • Maintenance of a safe, inclusive, and ethical workplace environment supported by policies on POSH compliance, human rights principles, and non-discrimination • Strengthening of cyber security, information security, and data privacy practices in line with applicable regulatory requirements and internal standards • Commitment to transparent ESG disclosures through statutory and voluntary reporting mechanisms and periodic review of ESG-related practices The Bank will continue to strengthen its sustainability and responsible banking practices through the effective implementation of these commitments, while periodically reviewing its policies and frameworks to align with evolving regulatory requirements, stakeholder expectations, and business priorities.
6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	During the reporting period, the Bank continued to integrate sustainability across its business operations, with focus on environmental performance, financial inclusion, responsible lending practices, governance strengthening, employee welfare, and information security, in line with its approved policies and regulatory requirements. The key performance highlights are as follows: • The Bank ensured that financing activities covered under the ESG Policy exclusion list were excluded from its lending operations during the reporting period. • Funds mobilized under the Green Deposits Framework were deployed in accordance with the approved Green Finance Framework towards eligible environmental activities. Post-deployment impact assessments were conducted for eligible projects to evaluate environmental outcomes. • The Bank remained compliant with Priority Sector Lending requirements prescribed by the RBI. • Financial inclusion performance was demonstrated through 76,056 PMJDY accounts opened, 119,417 enrolments under PMJJBY, 275,197 enrolments under PMSBY, and 30,440 enrolments under APY during the reporting period. The Bank continued to support financial inclusion and credit access to priority segments, including lending to small and marginal farmers, MSMEs, and weaker sections in line with regulatory requirements. • The Bank conducted 417 Financial Literacy Campaigns, impacting 5,774 beneficiaries. • During the reporting period, the Bank continued to operate its 850 kW windmill facility at Theni and rooftop solar installations at the Trichy Divisional Office (38 kW), Hyderabad Divisional Office (38 kW), and Namakkal Main Branch (15 kW). The Bank further expanded its renewable energy capacity with the installation of a 7.5 kW rooftop solar system at the Batlagundu Branch. The Central Office at Karur had obtained IGBC Platinum certification in the previous year, and the process of obtaining IGBC Green Interior certification for 10 branches was initiated during the reporting period. • The Bank strengthened governance practices through the designation of an existing Independent Director as Lead Independent Director and maintained Board composition with 30% women directors. • Employee-related performance indicators reflected continued focus on inclusion and welfare, with women employees constituting approximately 28% of the workforce. All employees were covered under insurance benefits. The Bank continued to uphold workplace safety and ethical standards, including compliance with POSH requirements. No complaints were reported under the POSH framework during the reporting period. • Cyber security, information security, and data privacy controls were maintained in line with applicable regulatory requirements and internal standards. No data breaches were reported during the reporting period.

Governance, leadership and oversight

7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	The Bank reaffirms its commitment to responsible banking and the integration of Environmental, Social and Governance (ESG) considerations into its decision-making and oversight processes. The Board-level CSR & ESG Committee provides oversight of the Bank's responsible business practices and ESG-related initiatives, ensuring alignment with applicable regulatory requirements and the Bank's long-term objectives. The Bank's approach to responsible business is anchored in its ESG Policy framework, which sets out principles for responsible lending and exclusions, and supports the integration of environmental and social considerations into business conduct. During the reporting period, the Bank continued to make progress in advancing its responsible banking practices through initiatives relating to financial inclusion, environmental stewardship, governance, employee well-being, and responsible finance, in line with its strategic priorities and regulatory expectations. The Bank recognizes that the evolving ESG landscape, increasing stakeholder expectations, and emerging regulatory developments require continuous strengthening of governance, data management, and responsible banking practices, and remains committed to addressing these areas through a structured and progressive approach. The Bank remains committed to strengthening its responsible business practices and enhancing disclosures in line with evolving regulatory requirements and stakeholder expectations.
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (yes).	Shri Chandrasekaran M S, Head of Business Responsibility and Sustainability Reporting, Chief General Manager and Chief Operating Officer.
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes The CSR & ESG Committee of the Board oversees ESG-related matters, including providing strategic direction and monitoring implementation and reporting. Refer to the Page No. 289 of the Integrated Annual Report for the detailed composition and Terms of Reference of the CSR & ESG Committee.

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									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board of Directors									Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	All policies of the Bank are reviewed and approved by the Board. Prior to submission for approval by the Board/ Committees of the Board, all policies are vetted by the Risk and Compliance departments to ensure adherence to applicable regulatory and statutory requirements.									Annually								

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
Yes	Yes	Yes	-	-	Yes	-	-	Yes
M/s. Deloitte has carried out an independent assessment/ evaluation of the working of the Compliance Policy	M/s. CareEdge Advisory has carried out an independent assessment/ evaluation of the working of the ESG Policy.	M/s. CareEdge Advisory has carried out an independent assessment/ evaluation of the working of the ESG Policy.			M/s. CareEdge Advisory has carried out an independent assessment/ evaluation of the working of the ESG Policy.			M/s. PWC has carried out an independent assessment/ evaluation of the working of the Cyber Security Policy & Information Security Policy.

Note: The policies have been reviewed by M/s. CareEdge Advisory and they have 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:

a.	The entity does not consider the principles material to its business (Yes/No)	Not Applicable
b.	The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	
c.	The entity does not have the financial or/human and technical resources available for the task (Yes/No)	
d.	It is planned to be done in the next financial year (Yes/No)	
e.	Any other reason (please specify)	

NGRBC Principles		List of Policies
P1	Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable	• Compliance Policy, • KYC/AML Policy, • Fraud Risk Management Policy, • Vigilance Policy, • Protected Disclosure Scheme (Whistle Blower), • Corporate Governance Policy, • Related Party Transaction Policy, • Code of Ethics Policy, • Vendor Code of Conduct, • Policy on criteria for determining Materiality of events
P2	Businesses should provide goods and services in a manner that is sustainable and safe	• New Product / Service Approval Policy, • Policy on Outsourcing of IT Services,
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains	• HRD Policy, • Recruitment Policy, • Compensation Policy (HR), • Mandatory Leave Policy, • POSH / Anti-Harassment Policy, • Code of Ethics Policy
P4	Businesses should respect the interest of and be responsive to all its stakeholders	• MSME Credit and Rehabilitation Policy, • Customer Relation Policy, • Policy Guidelines on Sale of Third Party Products,

NGRBC Principles		List of Policies
P5	Businesses should respect and promote human rights	• Human Rights Policy, • Diversity Equity & Inclusion (DEI) Policy, • HRD Policy, • Anti-Harassment Policy, • Vendor Code of Conduct
P6	Businesses should respect and make efforts to protect and restore the environment	• Environmental Social & Governance (ESG) Policy, • Policy on Green Deposits & Framework for Green Financing, • Policies supporting paperless/digital operations • Policy of Relief Measures by Bank in Areas affected by Natural Calamities
P7	Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent	• Communication Policy
P8	Businesses should promote inclusive growth and equitable development	• MSME Credit and Rehabilitation Policy, • Priority Sector Lending Policy, • CSR Policy
P9	Businesses should engage with and provide value to their customers in a responsible manner.	• Customer Rights Policy, • Grievance Redressal Policy, • Customer Protection / Liability Policy, • Compensation Policy – Customer, • Information Security Policy, • Cyber Security Policy, • IT Policy, • Business Continuity & Disaster Recovery Policy

SECTION C:
PRINCIPLE WISE PERFORMANCE DISCLOSURE

The Principle-wise Disclosures present the Bank's approach, initiatives, and performance across the nine principles of responsible business conduct, covering key environmental, social, governance, and customer-related aspects. The section comprises Essential Indicators, which are mandatory disclosures prescribed under the BRSR framework, and Leadership Indicators, which are voluntary disclosures demonstrating the Bank's practices beyond the mandatory disclosure requirements.

1 2 3 4 5 6 7 8 9

PRINCIPLE 1

Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Overview

The Bank's approach to responsible business is anchored in ethical conduct, transparency, and accountability. Through well-defined policies, regular training and awareness programmes, and robust governance mechanisms, the Bank promotes compliance and responsible business conduct across the organization. The absence of conflict-of-interest-related complaints and penalties involving Key Managerial Personnel and Board members reflects the Bank's commitment to high standards of governance and ethical practices.

Key Highlights

- **99.88%** Employees covered under training and awareness programmes
- **Zero** Conflict of Interest complaints
- **Nil** penalties on KMPs and Board members

Essential Indicators

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

Segment	Total number of training and awareness programs held	Topics / principles covered under the training and its impact	% age of persons in respective category covered by the awareness programs
Board of Directors	7	The Board of Directors underwent training programs on topics including Program on Cyber Attacks, Response Management & Digital Forensics, Certification Program in IT & Cyber Security for Board Members, Program for Non-Executive Directors of Bank, SIBOS 2025, Conference on Data Protection and Data Privacy, Virtual Program on KYC/ AML for Board of Directors of Banks, NBFCs and FIs, Virtual Program on Governance and Assurance for Directors on the Banks, Financial Institutions and NBFCs	100
Key Managerial Personnel	15	Key Managerial Personnel participated in wide range of training including Microsoft 365 Copilot Program, Workshop on Strategy Building and Effective Board Presentation, Program for Company Secretaries and Secretaries to the Boards of Banks, Financial Institutions & NBFCs, Virtual Conference on Draft IRAC Norms on ECL based Provisioning and Standardized Approach for Credit Risk for Commercial Banks, 53rd National Convention of Company Secretaries, SIBOS 2025, Certification Program in IT & Cyber Security for Board Members, FIBAC 2025, Data Centric Security Awareness Program for Business Leaders and HODs, Conference of Chief Financial Officers of Banks, FIs & NBFCs-New Challenges, Aarogya - Wellness Drives Success, Webinar on SEBI (LODR) 2.0 - Elevating Governance and Driving Sustainable Growth, Virtual Training Program on Cyber Security Awareness for Executives, Ethics, Cyber Security.	100
Employees other than BoD and KMPs*	1366	Please refer to the Page No. 68 of Integrated Annual Report for trainings on employees	99.88
Workers	-	-	-

Note: Part Time Employees are excluded from trainings

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

	Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Nil	0	Nil	Nil
Settlement	Nil	Nil	0	Nil	Nil
Compounding fee	Nil	Nil	0	Nil	Nil

	Non- Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	-	-	-
Punishment	-	-	-	-

Note: The above disclosure has been made based on the materiality criteria prescribed under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During FY 2025-26, neither the Bank nor its Directors and Key Managerial Personnel were subject to any material fines, penalties, settlements, compounding fees, imprisonment or punishment by any regulatory, enforcement or judicial authority.

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

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

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

Yes.

To uphold the highest standards of corporate governance, the Bank has instituted a comprehensive, Board-approved Code of Conduct. This foundational document serves as a guiding framework for ethical business conduct and responsible decision-making across the organisation, explicitly mandating:

Anti-Corruption and Anti-Bribery Compliance: The Bank has adopted a zero-tolerance approach towards fraud, bribery, corruption, and unethical financial practices, ensuring that all operations are conducted with integrity, accountability, and transparency. The policy is available on Bank's Intranet.

The Bank has also established a Whistle Blower Mechanism that enables employees and other stakeholders to report concerns relating to unethical conduct, corruption, bribery, fraud, or violations of applicable laws and internal policies. Awareness and sensitisation programmes on vigilance, ethics, and fraud prevention are conducted periodically to reinforce a culture of integrity across the organisation.

Link: https://www.kvb.bank.in/docs/whistle-blower-policy.pdf

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 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2025-26 (Current Financial Year)		FY 2024-25 (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.

Not Applicable

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	31	34

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	-	NA
	b. Number of trading houses where purchases are made from	-	NA
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	-	NA
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	-	NA
	b. Number of dealers / distributors to whom sales are made	-	NA
	c. Sales to top 10 dealers/distributors as % of total sales to dealers / distributors	-	NA

Parameter	Metrics		FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Shares of RPTs in	a.	Purchases (Purchases with related parties/ total purchases)	0.02	0.02
	b.	Sales (Sales to related parties/ total sales)	0	NA
	c.	Loans & advances (Loans & advances given to related parties / total loans and advances)	0	NA
	d.	Investments (Investments in related parties / total investments made)	0	NA

Note:

Figures are provided in Crore.

During the period under review transaction with related parties, are not material and are in repetitive nature, carried out at arm's length basis, in the ordinary course of business. Omnibus approval is obtained from Audit Committee in compliance with requirements of the Companies Act, 2013, the SEBI (LODR) Regulations 2015, and RBI Circulars as applicable, reviewed on quarterly basis.

During the reporting period, the bank has made certain purchases from the related parties in the ordinary course of business and the same is being reflected under the head "purchases".

Also the bank has waived certain service charges for the related parties in the ordinary course of banking business in line with other customers. As BRSR prescribed Related Party Transaction (RPT) format does not provide a separate head for concessions or waivers of service charges, this item is not reflected in the said table.

As per SEBI Master Circular HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026, Listed banking companies are not required to provide the disclosures with respect to related party transactions involving loans, inter-corporate deposits, advances, or investments made or given. Being a banking company, the loans and advances given to related parties fall under the purview of ordinary course of Business of the Bank. Hence, the details of the same is not provided.

Leadership Indicators

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

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

The Bank has conducted awareness and training programmes for value chain partners on the following topics. To further strengthen this approach, the Bank is in the process of formalising a structured training framework, including the methodology for determining the percentage of value chain partners covered under the awareness programmes (by value of business done with such partners).

- Mobile Usage Risks and Prevention
- Cyber Hygiene, Social Engineering, and AI-Cyber Awareness
- Phishing & Social Engineering Awareness,
- Password Management & Multi-Factor Authentication (MFA),
- Email Security & Safe Internet Practices,
- Secure Remote Working Practices and Reporting Security Incidents & Red Flags.
- Awareness and training programs on fraud prevention covering the Case studies, Compliance on KYC/AML, need for transaction monitoring etc., were conducted during the financial year

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

Yes. The bank has a policy on the Code of Conduct & Ethics for Directors and Senior Management. The policy is available on the bank's website.
https://www.kvb.bank.in/docs/code-of-conduct-and-ethics-for-directors-and-senior-management.pdf

PRINCIPLE 2

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

Overview

The Bank integrates sustainability considerations into its operations through investments in technology that enhance operational efficiency and support improved environmental and social performance. Sustainability considerations are embedded in the Bank's Procurement Policy through the incorporation of sustainable sourcing principles, promoting responsible procurement practices across its operations.

Key Highlights

- **11.35%** CapEx invested in technologies supporting environmental and social performance
- **7.46 lakh** pages saved through digital initiatives
- **Procurement Policy** incorporating sustainable sourcing principles

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

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R & D	-	-	-
Capex	11.35 %	8.30%	The Bank continued its investments in renewable energy initiatives, including rooftop solar installations at owned premises and branches, as well as the adoption of electric vehicles (EVs), contributing to improved energy efficiency, reduced greenhouse gas emissions, and a lower environmental footprint. The Bank's continued investment in solar power initiatives, supported its efforts to reduce Scope 2 emissions and promote the use of cleaner sources of energy across its operations. Investments in ATMs, cash deposit machines, online banking, mobile banking, kiosks, and other digital banking infrastructure helped reduce paper consumption and improve operational efficiency. Environmentally, these initiatives contributed to lower resource consumption and reduced paper waste. Socially, these technology-driven investments enhanced customer convenience, improved access to banking services, reduced financial barriers, and supported greater financial inclusion, particularly for customers in underserved and rural areas.

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

Yes

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

The Bank has procedures in place for sustainable sourcing and integrates environmental, social and governance considerations into its procurement practices. Preference is accorded, wherever feasible, to suppliers and service providers that demonstrate responsible business practices and comply with applicable regulatory requirements.

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)	Not Applicable
(b)	E-waste	Not Applicable
(c)	Hazardous waste	Not Applicable
(d)	Other waste	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.
Life Cycle Assessment (LCA) is not applicable to the Bank's products and 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
Life Cycle Assessment (LCA) is not applicable to the Bank's products and 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 2025-26 Current Financial Year	FY 2024-2025 Previous Financial Year
Given the nature of the Bank's operations as a financial services institution, the use of recycled or reused input materials is not material to its service delivery and, accordingly, this disclosure is not applicable.		

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable, considering the nature of the Bank's operations					
E-waste						
Hazardous waste						
Other waste						

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
As a financial services institution, the Bank does not manufacture or sell physical products or associated packaging materials. Accordingly, the disclosure relating to reclaimed products and their packaging materials is not applicable.	

1 2 3 4 5 6 7 8 9

PRINCIPLE 3

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

Overview

The Bank recognizes that employee well-being is fundamental to building an engaged and resilient workforce. Through comprehensive employee benefits and well-being initiatives, the Bank fosters an inclusive and supportive workplace that promotes employee health, well-being, and engagement.

Key Highlights

- **100%** Employees covered under insurance benefits
- **100%** Return-to-work rate after maternity leave
- **98.94%** Employees trained on skill upgradation

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health Insurance		Accident Insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	7,105	7,105	100%	7,105	100%	-	-	7105	100%	0	0%
Female	2,740	2,740	100%	2,740	100%	2,740	100%	-	-	0	0%
Total	**9,845**	**9,845**	**100%**	**9,845**	**100%**	**2,740**	**27.83%**	**7105**	**72.17%**	**0**	**0%**
Other than Permanent employees											
Male	20	20	100%	20	100%	-	-	0	0%	0	0%
Female	18	18	100%	18	100%	18	100%	-	-	0	0%
Total	**38**	**38**	**100%**	**38**	**100%**	**18**	**47.36%**	**0**	**0%**	**0**	**0%**

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

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	NA										
Female											
Total											
Other than Permanent workers											
Male	NA										
Female											
Total											

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Cost incurred on well-being measures as a % of total revenue of the Company	0.67%	0.74%

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

Benefits	FY 2025-26 Current Financial Year			FY 2024-25 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	20.03%	NA	Y	20.78%	NA	Y
Gratuity	100%	NA	Y	99.86%	NA	Y
ESI	NA	NA	-	NA	NA	-
Others - NPS	79.89%	NA	Y	79.09%	NA	Y

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 understand the importance of accessibility for all individuals, which is why the majority of our branches are located in commercial premises that are either on the ground floor or equipped with elevators and the necessary infrastructure to support those with disabilities. At our central office, we have ensured that our facilities are welcoming and accommodating, featuring wheelchair-accessible areas, a designated sick room, parking facility and accessible restrooms. We are committed to creating an inclusive environment for everyone

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

To uphold the highest standards of corporate governance, the Bank has instituted a comprehensive, Board-approved Code of Conduct. This foundational document serves as our guiding framework, explicitly mandating.

Equal Opportunity and Inclusion: A strict commitment to fostering a diverse and respectful workplace, prohibiting discrimination or harassment based on race, gender, religion, age, or background. The policy is available on Bank's Intranet.

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	-	-
Female	100	100	-	-
Total	100	100	-	-

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Not Applicable
Other than Permanent Workers	Not Applicable
Permanent Employees	Yes, The Bank has an exclusive application viz. "KVB SAMADHAN" for staff Grievance Redressal for both permanent and other than permanent employees relating to conditions of service including pay, customary benefits, leave allotment, managerial decision, harassment at workplace etc. The same can be filed by an aggrieved employee in the said portal. On submission of grievance, a complaint number will be generated by the system and acknowledged by HRD. The concerned Staff Grievance Redressal Officer at Central Office ensures to resolve the matter within 10 days. That Apart, HRD portal also has the provision to register their grievance.
Other than Permanent Employees	Yes, The Bank has an exclusive application viz. "KVB SAMADHAN" for staff Grievance Redressal for both permanent and other than permanent employees relating to conditions of service including pay, customary benefits, leave allotment, managerial decision, harassment at workplace etc. The same can be filed by an aggrieved employee in the said portal. On submission of grievance, a complaint number will be generated by the system and acknowledged by HRD. The concerned Staff Grievance Redressal Officer at Central Office ensures to resolve the matter within 10 days. That Apart, HRD portal also has the provision to register their grievance.

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	9,845	5,469	55.55%	9,765	5,557	56.91%
Male	7,105	3,824	53.82%	6,998	3,886	55.53%
Female	2,740	1,645	60.04%	2,767	1,671	60.39%
Total Permanent Workers	NA					
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Male	7,125	3,832	53.78%	7,096	99.59%	7,082	2,353	33.23%	7,024	99.18%
Female	2,758	1,872	67.88%	2,682	97.24%	2,784	1,167	41.92%	2,700	96.98%
Total	**9,883**	**5,704**	**57.72%**	**9,778**	**98.94%**	**9,866**	**3,520**	**35.68%**	**9,724**	**98.56%**
Workers										
Male	NA									
Female										
Total										

*Total Employee Headcount includes housekeeping staff, who are not within the scope of the skill upgradation program.

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No.(B)	% (B/A)	Total (C)	No.(D)	% (D/C)
Employees						
Male	7,125	6,800	95.44%	7,082	6,774	95.65%
Female	2,758	2,543	92.20%	2,784	2,645	95.01%
Total	**9,883**	**9,343**	**94.54%**	**9,866**	**9,419**	**95.47%**
Workers						
Male	NA					
Female						
Total						

10 Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?	Yes The Bank has implemented occupational health and safety practices across its Branches & Offices.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	The Bank identifies workplace-related hazards and assesses associated risks through ongoing operational practices across our branches and offices. Periodic inspection of branch and office premises to identify potential safety hazards. Fire safety checks and inspection of electrical equipment to ensure operational safety. Preventive maintenance of electrical systems and HVAC systems to reduce risk of failures. Review of workplace ergonomics. Monitoring of security surveillance systems and access control arrangements across locations. Observations arising from these reviews are addressed by the respective branches or offices through appropriate corrective and preventive actions to mitigate identified risks and strengthen workplace safety.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)	NA As the disclosure refers to "workers," it is clarified that the Bank does not have a separate category of workers.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)	Yes

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

Safety Incident/Number	Category	FY 2025-26 Current Financial Year	FY 2024-25 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 undertakes the following various measures to ensure a safe, secure, and healthy workplace across its branches, offices, and operational locations.

- Workplace accessibility measures, including maintenance of adequate lighting and ventilation, accessibility facilities, where applicable/feasible, to support employee well-being and safe movement within premises.
- Fire safety measures, including provision and maintenance of smoke detection systems, fire alarm systems, and fire extinguishers, to enhance fire prevention and response preparedness.
- Electrical safety measures, including provision of MCB/ELCBs, proper earthing systems, along with periodic inspection and preventive maintenance of electrical wirings, to mitigate risks of electrical faults and fire hazards.
- Housekeeping and slip/trip prevention measures, including maintenance of clean and obstruction-free premises, upkeep of staircases and emergency exits, and cable tray/cable management during infrastructure development and maintenance activities.
- Health and hygiene measures, including provision of safe drinking water facilities, hygienic sanitation arrangements, and rest areas for employees at branches and offices.
- CCTV surveillance systems and burglar alarm systems across branches and offices to enhance workplace security.
- Emergency preparedness training including mock drills are conducted.
- Display and maintenance of important emergency contact numbers at office locations, as applicable.

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

	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Filed during the year	**Pending resolution at the end of the year**	**Remarks**	**Filed during the year**	**Pending resolution at the end of year**	**Remarks**
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14 Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	The Bank regularly inspects workplace safety and maintenance practices across its branches and offices. Periodic fire and safety drills and internal inspections are conducted to strengthen emergency preparedness and ensure safe and conducive working conditions. Corrective actions, wherever required, are implemented to maintain appropriate health and safety standards.
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.

Not Applicable

Leadership Indicators

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

Yes

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

The Bank has established an internal mechanism to ensure adherence to these standards. At the time of vendor onboarding, a comprehensive contract is executed, incorporating clauses that mandate compliance with all applicable legal and regulatory requirements related to the engagement. In the event of any non-compliance or violation, the Bank reserves the right to terminate the contract and take appropriate action in accordance with the terms of the agreement.

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:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

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 provides transition assistance to the superannuated employees.

5. **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	The Bank has not undertaken formal assessments of value chain partners on health and safety practices during the reporting year. Going forward, the Bank aims to progressively strengthen its engagement with key value chain partners and explore mechanisms for assessing and promoting adherence to appropriate health and safety standards, in line with its commitment to responsible and sustainable business practices.
Working Conditions	

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

No significant risks or concerns relating to health and safety practices and working conditions of value chain partners were identified during the reporting period. Consequently, no corrective actions were required. The Bank will continue to engage with its value chain partners and strengthen its oversight mechanisms to promote responsible business practices across the value chain

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PRINCIPLE 4

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

Overview

The Bank follows a structured approach for stakeholder identification and engagement. Six key stakeholder groups—Employees, Customers, Investors/Shareholders, Regulatory Bodies, Communities, and Vendors—have been identified. Stakeholder engagement is undertaken through defined channels and periodic interactions.

Key Highlights

- **6** Stakeholder groups identified

1 **Describe the processes for identifying key stakeholder groups of the entity:**

The Bank identifies its key stakeholder groups through a structured process aligned with the **Account Ability AA1000 Stakeholder Engagement Standard (2015).**

The process involves:

(i) **Defining the scope and purpose** of stakeholder identification in line with business objectives and regulatory requirements;

(ii) **Identifying the stakeholder universe** through continuous engagement and internal consultations;

(iii) **Applying the principles of inclusivity, materiality, and responsiveness** to ensure all relevant groups influencing or impacted by the Bank's operations are considered;

(iv) **Mapping and prioritizing stakeholders** based on their level of influence, dependency, and relevance to key economic, environmental, and social issues; and

(v) **Validating and reviewing stakeholder groups** through periodic assessments to reflect evolving business priorities, regulatory changes, and stakeholder expectations.

Accordingly, the Bank has identified key stakeholder groups including employees, customers, investors/shareholders, regulatory bodies, communities, and vendors.

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	Employees	No	Regular manager interactions, town halls, virtual connect sessions, employee engagement surveys, HR helpdesk and grievance mechanisms, training and development programs, performance review discussions, wellness initiatives, and internal communication platforms such as emails, intranet, and newsletters.	Continuous, periodic, and need-based through regular interactions, formal review processes, and grievance redressal mechanisms.	Employee development, training and upskilling, workplace well-being, career progression, employee engagement and resolution of work-related concerns and grievances.
2	Customers	Yes, particularly the following groups of customers: pensioners, women, senior citizens, people with special abilities, and beneficiaries of social security schemes.	SMS, Email, Whatsapp, Social Media and Website, Branch Notice Boards, Awareness Posters, Pamphlets in educating the customers about safe usage of Digital Banking Services, Call Centre.	Continuous and Need-Based	Safe usage of digital banking services, customer awareness, product and service offerings, customer experience and grievance redressal.
3	Investors/ Shareholders	No	E-mail, SMS, newspaper advertisement, Bank's official website, Investors meet, Annual Report, General meeting and Stock Exchanges intimation.	Quarterly, Half-yearly, Annually & Need basis	Ensure transparent and timely communication regarding the Bank's performance and strengthen shareholder engagement.
4	Regulatory bodies	No	Email, E-filling, Letter Telephone, one-on-one meetings, video conference	Quarterly, Half-yearly,Annually & As and when Need Basis	The Bank maintains continuous and constructive engagement with the regulators to ensure effective understanding and implementation of regulatory expectations, strengthen compliance risk management practices, and provide assurance on the Bank's commitment towards robust regulatory compliance and governance standards.
5	Communities	Yes	Need based interactions are conducted with stakeholders such as communities, NGOs and institutions	Need based	Promote inclusive growth and support education, healthcare, sanitation, livelihood development and financial inclusion, particularly for women, rural communities, farmers and economically weaker sections.
6	Vendors	No	In person, through letter, mail, and telephone communications.	Half yearly and at time of renewal of agreement	Review service quality, key risk indicators (KRIs), rate negotiations and promote responsible and accountable supply chain practices.

Leadership Indicators

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

The Bank follows a structured and consistent approach to stakeholder engagement and feedback collection, ensuring that stakeholder insights are effectively integrated into strategic decision-making. Feedback gathered through mechanisms such as annual customer satisfaction surveys is used to evaluate service quality and drive continuous improvement.

These insights are also periodically reviewed by the Board of Directors, supporting informed decision-making and enabling the development of new and enhanced products and services.

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

Yes. The Bank engages with its internal and external stakeholders to understand their expectations and concerns on environmental and social topics. Stakeholder inputs are considered as part of the Bank's materiality assessment to identify and prioritise material ESG topics, which are taken into account in the Bank's decision-making and business activities.

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

The Bank remains committed to advancing financial inclusion by enhancing access to affordable banking services and promoting financial literacy, particularly in rural and semi-urban communities. It provides doorstep banking services for senior citizens and other vulnerable customers to improve accessibility and convenience. During the year, the Bank conducted 417 Financial Literacy Campaigns, benefiting 5,774 participants.

The Bank continues to promote inclusive growth by extending its products, services and CSR initiatives to vulnerable and marginalised communities, including women beneficiaries, through interventions focused on financial inclusion, sanitation, healthcare, education, environmental sustainability, restoration of water bodies, tree plantation, development of community forests, and sustainable livelihood promotion through skill development programmes for women, youth and economically disadvantaged groups.

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PRINCIPLE 5

Businesses should respect and promote human rights

Overview

The Bank is committed to promoting and protecting human rights through equitable workplace practices, employee awareness programmes, and effective grievance redressal mechanisms. The KVB SAMADHAN portal serves as a dedicated platform for employees to raise workplace-related grievances, while regular human rights training promotes awareness and responsible workplace practices.

Key Highlights

- **96.10%** Employees trained on Human Rights
- **100%** More than minimum wage compliance
- **Zero** POSH complaints
- **KVB SAMADHAN** Employee grievance portal

Essential Indicators

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

Category	FY 2025-26 Current Financial Year			FY 2024-25 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	% (B / A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
Employees						
Permanent	9,845	9,467	96.16%	9,765	8,887	91.01%
Other than permanent	38	31	81.58	101	83	82.18%
Total Employees	**9,883**	**9,498**	**96.10**	**9,866**	**8,970**	**90.92%**
Workers						
Permanent	NA	NA	NA	NA	NA	NA
Other than permanent	NA	NA	NA	NA	NA	NA
Total Workers	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

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

Category	FY 2025-26 Current Financial Year					FY 2024-25 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
Employees										
Permanent	9,845	0	0	9,845	100%	9,765	0	0	9,765	100%
Male	7,105	0	0	7,105	100%	6,998	0	0	6,998	100%
Female	2,740	0	0	2,740	100%	2,767	0	0	2,767	100%
Other than permanent	38	0	0	38	100%	101	0	0	101	100%
Male	20	0	0	20	100%	84	0	0	84	100%
Female	18	0	0	18	100%	17	0	0	17	100%
Workers										
Permanent	NA									
Male										
Female										
Other than permanent										
Male										
Female										

Note: 57% of the total employees are covered under IBA pattern of pay structure and remaining 43% of employees covered under CTC pay structure and the same were much more than the minimum wages as prescribed by respective State government under Shops and Establishments Act/ Scheduled employment of respective state

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

a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	6	20,00,000	3	20,00,000
Key Managerial Personnel#	7	89,77,844.00	-	-
Employees other than BoD and KMP	8060	10,10,699.84	3017	11,61,011.97
Workers	-	-	-	-

Note:

*Remuneration paid to Non-Executive Directors for the FY 2025-26 (including Shri K G Mohan, who have demitted office at the close of office hours on October 11, 2025) has been considered for Median Remuneration. Additionally, the Honorarium paid to Part-time Chairperson has also been included. However, sitting fees paid to Non-Executive Directors for attending Board/Committee meetings are not considered for this calculation.

#Managing Director & CEO, 2 Executive Directors, Chief Financial Officer, Company Secretary and 2 Chief General Managers are included in the definition of Key Managerial Personnel (KMP)

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

	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Gross wages paid to females as % of total wages	24.83%	25%

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)

All grievances and issues related to human rights are addressed by the Staff Grievance Redressal Officer. Matters pertaining to sexual harassment are handled by the Internal Complaints Committee (ICC) in accordance with established procedures.

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

Yes, the Bank has established a grievance redressal mechanism, KVB SAMADHAN. Upon submission of a grievance, a unique complaint number is generated and acknowledged by the Human Resources Department. The designated Staff Grievance Redressal Officer at the Central Office ensures that the issue is resolved within a stipulated timeframe of 10 days.

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

	FY 2025-26 Current Financial Year			FY 2024-25 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	0	0	NA	1	Nil	ICC investigation completed. Disciplinary proceedings initiated.
Discrimination at workplace	0	0	NA	0	0	NA
Child Labor	0	0	NA	0	0	NA
Forced Labor/ Involuntary Labor	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other Human rights related issues	0	0	NA	0	0	NA

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

	FY 25-26 Current Financial Year	FY 24-25 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	1
Complaints on POSH as a % of female employees / workers	0	0.04
Complaints on POSH upheld	0	1

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

The Bank has established an Internal Complaints Committee (ICC) to address issues related to discrimination and harassment. All complaints are handled with the highest level of confidentiality, ensuring a safe and respectful environment for employees.

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

Yes

10 Assessments for the year:

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

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

NA

Leadership Indicators

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

Aggrieved employees may raise complaints related to human rights through the KVB SAMADHAN application. Upon submission, a unique complaint number is generated and acknowledged by the Human Resources Department. The designated Staff Grievance Redressal Officer at the Central Office ensures resolution of the matter within a stipulated timeframe of 10 days.

All grievances pertaining to sexual harassment in the workplace are addressed in accordance with the Bank's Sexual Harassment Policy.

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

The Bank has several policies such as Human Rights Policy, Code of Ethics, Anti-Harassment Policy, Diversity-Equity- Inclusive Policy, Vendor Code of Conduct etc to uphold the values and principles of Human Rights. The Bank strives to adhere the relevant policies and regulations pertaining to human rights. The policy and its elements are universally applicable across the Bank, for all the employees, customers, and stakeholders.

The Bank envisages to create a working environment based on trust and transparency, where everyone can contribute at work without fear of discrimination or inequality. This also reflects the Banks ethos of customer focus, ethics, transparency, teamwork, and ownership.

The Bank has also an inbuilt mechanism for raising complaint regarding Human rights and its mitigating processes.

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

The bank follows RBI guidelines about the provision of ramps in the branches.

4 Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	The Bank outlines its expectations from vendors and service providers through its Vendor Code of Conduct, which promotes adherence to ethical business practices, human rights principles, fair labour standards, and compliance with applicable laws and regulations. While these expectations are communicated to value chain partners through the agreements, a formal assessment of value chain partners against these parameters is yet to be conducted.
Discrimination at workplace	
Child Labor	
Forced Labor/Involuntary Labor	
Wages	
Others – please specify	

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

Not Applicable

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PRINCIPLE 6

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

Overview

The Bank integrates environmental considerations into its operations through renewable energy adoption, efficient resource management, and sustainable infrastructure. Investments in renewable energy and resource efficiency, together with the IGBC Platinum-certified Green Central Office building, demonstrate the Bank's commitment to environmentally responsible operations and climate resilience.

Key Highlights

- **IGBC Platinum** Green Central Office building
- **~3068 GJ** units of renewable electricity consumed
- **209.02 tonnes** of waste recycled

Essential Indicators

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

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	3,068.99	4,194.95
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	**3,068.99 ***	**4,194.95**
From non-renewable sources		
Total electricity consumption (D)	1,13,066.42	1,04,481.15
Total fuel consumption (E)	7,131.50	7,340.40
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	**1,20,197.92**	**1,11,821.55**
Total energy consumed (A+B+C+D+E+F)	**1,23,266.91**	**1,16,016.51**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	0.0000009368	0.00000100817
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	0.000019054	0.00002050625
Energy intensity in terms of physical output (Total energy consumed / Full Time Equivalent)	12.47	11.88
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	M/s. SGS India Pvt Ltd	

Note: *The Bank operates a captive windmill located at Theni, Tamil Nadu, and the renewable power generated therefrom is utilized for captive consumption at the Central Office, Karur and Divisional Office, Chennai through the TANGEDCO grid, subject to applicable wheeling, banking and transmission loss mechanisms. Till FY 2024–25, renewable energy from the Bank's captive windmill was disclosed based on the units generated by the windmill. From FY 2025–26 onwards, renewable energy consumption has been considered based on actual renewable energy units adjusted against electricity consumption, including utilization of banked units. Further, renewable energy consumption during FY 2025–26 was lower owing to maintenance activities undertaken at the captive windmill. During FY 2025–26, the Bank expanded its rooftop solar capacity by commissioning an additional rooftop solar installation at Batlagundu, in addition to the existing installations at Namakkal, Hyderabad and Trichy.

To align with current year disclosure, previous year intensity is restated and presented in INR terms instead of INR crore for comparability.

PPP-adjusted revenue has been calculated using the IMF PPP conversion factor for India. As per the Industry Standards Note on BRSR Core, the same PPP conversion rate has been applied for intensity-based calculations for the current and previous financial years. The PPP rate considered for both years is 20.34 INR per international US$. (https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC)

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 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	-	-
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Water from municipal corporation	-	-
(vi) Water Bottles / Aquaguard (Ltr X number of bottles) (kL)	-	4,807.31
(vii) Others	1,18,515.87	1,17,652.05
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**1,18,515.87**	**1,22,459.36**
Total volume of water consumption (in kilolitres)	**23,703.17**	**24,491.87**
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	0.00000018013	0.00000021283
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00000366391	0.00000432901
Water intensity in terms of physical output (Total water consumption / Full Time Equivalent)	2.40	2.48
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency	M/s. SGS India Pvt Ltd	

Note:

In line with the Industry Standards Note on BRSR Core, water withdrawal has been calculated by multiplying the number of employees by the stipulated 45 litres per head per working day, with reference to the Central Ground Water Authority (CGWA) guidelines. Further, based on the Central Pollution Control Board (CPCB) report dated 24 December 2009, it has been assumed that 80% of the water withdrawn is returned to the sewage system, while the remaining 20% is considered as actual water consumption.

To align with current year disclosure, previous year intensity is restated and presented in INR terms instead of INR crore for comparability.

PPP-adjusted revenue has been calculated using the IMF PPP conversion factor for India. As per the Industry Standards Note on BRSR Core, the same PPP conversion rate has been applied for intensity-based calculations for the current and previous financial years. The PPP rate considered for both years is 20.34 INR per international US$. (https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC)

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

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	NA	NA
- No treatment		
- With treatment – please specify level of treatment		
(v) Others (Municipal Sewers)		
- No treatment	94,812.67	97,967.48
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**94,812.67**	**97,967.48**
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	M/s. SGS India Pvt Ltd	

Note:

In line with the Industry Standards Note on BRSR Core, water withdrawal has been calculated by multiplying the number of employees by the stipulated 45 litres per head per working day, with reference to the Central Ground Water Authority (CGWA) guidelines. Further, based on the Central Pollution Control Board (CPCB) report dated 24 December 2009, it has been assumed that 80% of the water withdrawn is returned to the sewage system, while the remaining 20% is considered as actual water consumption.

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

No. Owing to the nature of business, the Bank has not implemented a mechanism for Zero Liquid Discharge

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

Parameter	Please specify unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
NOx	Not Applicable		
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others – please specify			

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

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

Parameter	Unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	944.40	543.92
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	22,229.25	21,099.39
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent / ₹	0.0000001766	0.000000188
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)	Metric tonnes of CO_2 equivalent / USD	0.0000035929	0.00000382552
Total Scope 1 and Scope 2 emission intensity in terms of physical output (Total Scope 1 and Scope 2 GHG emissions / Full Time Equivalent)	Metric tonnes of CO_2 equivalent / FTE	2.35	2.22
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	M/s. SGS India Pvt Ltd		

Note:

- Scope 1 emissions reported by the Bank include direct emissions from diesel consumption in DG sets, fuel consumed in owned vehicles, and fugitive emissions arising from refrigerant refilling in air-conditioning equipment owned by the Bank.
- Scope 2 emissions have been calculated based on the grid emission factors published by the Central Electricity Authority (CEA).
- To align with current year disclosure, previous year intensity is restated and presented in INR terms instead of INR crore for comparability.
- PPP-adjusted revenue has been calculated using the IMF PPP conversion factor for India. As per the Industry Standards Note on BRSR Core, the same PPP conversion rate has been applied for intensity-based calculations for the current and previous financial years. The PPP rate considered for both years is 20.34 INR per international US$. (https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC)

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

S. No.	GHG Reduction Project	Details	Contribution towards GHG Reduction
1	**Captive Wind Energy Project**	The Bank operates an 850 kW Windmill at Govindanagaram, Theni District, Tamil Nadu. During FY 2025-26, the windmill generated 8,81,599 units of renewable electricity, of which 7,50,257 units were consumed for captive use at the Central Office, Karur and Divisional Office, Chennai through the TANGEDCO grid under wheeling and banking arrangements, after accounting for applicable transmission and banking losses.	Contributes to reduction of Scope 2 emissions by replacing grid electricity with renewable energy.
2	**Rooftop Solar Power Projects**	Rooftop solar installations at Trichy Divisional Office (38 kW), Hyderabad Divisional Office (38 kW), Namakkal Main Branch (15 kW) and Batlagundu Branch (7.5 kW). During FY 2025-26, these systems generated 1,02,470 units of renewable electricity.	Contributes to reduction of Scope 2 emissions through on-site renewable energy generation.
3	**Energy Efficiency Initiatives**	Installation of LED lighting systems across identified Bank premises to reduce lighting energy consumption.	Reduces electricity usage from lighting, contributing to lower Scope 2 emissions.
4	**Energy Efficiency Initiatives**	Installation of VRF air-conditioning systems at selected Bank premises.	Reduces electricity usage from HVAC systems, contributing to lower Scope 2 emissions.
5	**Electric Mobility**	Electric vehicle(s) have been introduced at the Central Office as part of the Bank's vehicle fleet. The EV(s) are charged using electricity generated from the Bank's captive renewable energy sources.	Supports reduction of direct emissions from the Bank's transportation fleet (Scope 1)

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

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	-	-
E-waste (B)	99.97	62.97
Bio-medical waste (C)	-	-
Construction and demolition waste (D)	-	-
Battery waste (E)	109.05	111.84
Radioactive waste (F)	-	-
Other Hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil). Please specify, if any. (G)	-	-
Other non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector) – Paper Waste	0.4*	-
Total (A+B + C + D + E + F + G + H)	**209.42**	**174.81**

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.000000001591	0.00000000152
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.0000000323	0.00000003090
Waste intensity in terms of physical output (Total waste generated / Full Time Equivalent)	0.02	0.02
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	209.02	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	**209.02#**	**-**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Landfilling	-	-
(iii) Other disposal operations (through recyclers)	-	174.81
Total	**-**	**174.81**
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		M/s. SGS India Pvt Ltd

Note:

* The reported quantity of paper waste represents waste generated during FY 2025–26. As of the reporting date, the subsequent processing of the same had not been completed and will be undertaken through the Bank's established waste management mechanism.

Till FY 2024–25, waste recovered through buy-back arrangements and authorized vendors for further recycling was disclosed under "Other disposal operations (through recyclers)". From FY 2025–26 onwards, such quantities have been presented under "Total waste recovered through recycling" to more appropriately reflect the underlying waste management practice.

To align with current year disclosure, previous year intensity is restated and presented in INR terms instead of INR crore for comparability.

PPP-adjusted revenue has been calculated using the IMF PPP conversion factor for India. As per the Industry Standards Note on BRSR Core, the same PPP conversion rate has been applied for intensity-based calculations for the current and previous financial years. The PPP rate considered for both years is 20.34 INR per international US$. (https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC)

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 mage such wastes

The Bank has incorporated e-waste management requirements as part of its IT Policy and follows defined procedures for the responsible disposal of electronic assets. The lifecycle of IT assets such as hardware is generally five years, after which the assets are disposed of through Original Equipment Manufacturers (OEMs) under buyback arrangements. In the case of IT peripherals and consumables, e-waste is disposed of through authorised e-waste recyclers and vendors in accordance with the Bank's IT Policy and applicable regulatory requirements. Batteries from UPS systems are returned to the Original Equipment Manufacturers (OEMs) under buyback arrangements to ensure environmentally sound disposal and recycling. And, the general waste generated at the Bank's operation is disposed of through local municipal authorities, as applicable.

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:

Sl. 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, as the Bank does not operate offices in or near ecologically sensitive areas.			

12 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current Financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable. The bank had no projects falling under the purview of impact assessment in the reporting financial year.					

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:

Sl. 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
Yes The Bank ensures full compliance with all relevant environmental laws, regulations, and guidelines in India.				

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

NA

(ii) Nature of operations

NA

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	NA	NA
(ii) Groundwater	NA	NA
(iii) Third party water	NA	NA
(iv) Seawater / desalinated water	NA	NA
(v) Others	NA	NA
Total volume of water withdrawal (in kilolitres)	**NA**	**NA**
Total volume of water consumption (in kilolitres)	**NA**	**NA**
Water intensity per rupee of turnover (Water consumed / turnover)	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	NA	NA
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(ii) Into Groundwater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iii) Into Seawater	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
(v) Others	NA	NA
- No treatment	NA	NA
- With treatment – please specify level of treatment	NA	NA
Total water discharged (in kilolitres)	**NA**	**NA**

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

NA

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

Parameter	Unit	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	4910.19	-
Total Scope 3 emissions per rupee of turnover (Total Scope 3 emissions / Revenue from operations)	Metric tonnes of CO_2 equivalent / ₹	0.000000037	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

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

No

Note: Scope 3 emissions reported above include Category 3 - Fuel and Energy Related Activities (not included in Scope 1 or Scope 2), and Category 5 - Waste Generated in Operations.

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, as the Bank does not have offices in/around ecologically sensitive area

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

S. No.	Initiative Undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the Initiative
1	**Green Building Initiatives**	The Bank's Central Office Main Building is certified as an IGBC Platinum Green Building. IGBC Green Interior certification for 10 branches is under progress.	Improved energy efficiency, water conservation and sustainable infrastructure design.
2	**Renewable Energy Initiatives**	Captive wind and rooftop solar installations across selected Bank premises.	Consumed 8,52,727 units of renewable electricity during FY 2025-26, reducing dependence on conventional grid electricity and improving energy efficiency.
3	**Energy Efficiency Measures**	Installation of LED lighting and VRF air-conditioning systems at branches and offices, wherever feasible.	Reduced electricity consumption and improved operational energy efficiency.
4	**Electric Mobility**	Adoption of electric vehicles in the Bank's fleet.	Promotes cleaner mobility and reduces fossil fuel consumption in transportation.
5	**Digitalisation and Paperless Banking**	Implementation of Biometric e-KYC and Digital Assisted FD/RD Journey, enabling digital processing and reduced paper-based workflows.	Saved approximately 7,46,391 pages, avoiding ~3.73 tCO_2e, while reducing courier usage, storage requirements and processing time.
6	**Rainwater Harvesting**	Rainwater harvesting system at Central Office.	Supports water conservation and groundwater recharge.
7	**Sewage Treatment Plant (STP)**	STP installed at Central Office for treatment and reuse of wastewater.	Enables wastewater reuse and reduces freshwater consumption.
8	**Passive Energy Design**	Incorporation of open-to-sky (OTS) roofing provisions at the Central Office main building to enhance natural daylighting as part of passive energy-efficient design.	Reduced dependence on artificial lighting and improved energy efficiency.

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

Yes, The DR/BCP is duly approved by the Board. Critical systems / applications are identified and quarterly DR testing / Drills are performed. The challenges/ observations during the drill activity are noted and used for fine tuning our systems and procedures.

Business Continuity Plan (BCP) ensures critical Banking operations continue without major interruption during emergencies or disasters. It Identifies important business functions, key employees, systems, and alternative arrangements to maintain services. Regular testing, training, and periodic review of the BCP help the bank remain prepared and resilient during unexpected events.

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**

Not Applicable

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

Not Applicable

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

a. **By the listed entity**

Nil

b. **By the top ten (in terms of value of purchases and sales, respectively) value chain partners**

Nil

PRINCIPLE 7

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

Overview

The Bank engages with trade and industry associations to contribute to the development of the banking sector while remaining aligned with evolving regulatory and industry developments. These engagements facilitate knowledge sharing, industry collaboration, and the exchange of best practices.

Key Highlights

- **15** Trade and Industry association memberships
- **Nil** anti-competitive cases

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   15

   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.**

Sl. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
1	Confederation of Indian Industry CII (IGBC Founding Membership)	National
2	Data Security Council Of India (DSCI)	National
3	Federation Of Indian Chambers Of Commerce And Industry (FICCI)	National
4	Foreign Exchange Dealer's Association Of India (FEDAI)	National

Sl. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State / National)
5	Indian Banks Association (IBA)	National
6	Indian Institute Of Banking And Finance (IIBF)	National
7	International Chamber Of Commerce (ICC)	International
8	National Institute Of Bank Management	National
9	Southern India Banks' Staff Training College	National
10	The Associated Chambers Of Commerce And Industry Of India (ASSOCHAM)	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
No adverse orders have been issued against the Bank by any regulatory authority in relation to anti-competitive practices.		

Leadership Indicators

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

Sl. 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
NIL					

1 2 3 4 5 6 7 8 9

PRINCIPLE 8

Businesses should promote inclusive growth and equitable development

Overview

The Bank promotes inclusive growth through responsible procurement, employment generation, and community development initiatives. By sourcing from MSMEs and small producers, strengthening its presence in rural and semi-urban areas, and implementing CSR initiatives, the Bank contributes to inclusive economic development and community well-being.

Key Highlights

- **9.76%** Procurement from MSMEs/small producers
- **~37%** Job creation in rural and semi-urban areas
- **2.83+ lakh** CSR beneficiaries

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
Not Applicable. As per the BRSR Guidance Note, this disclosure pertains to Social Impact Assessments (SIA) conducted in accordance with the provisions of the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013. Considering the nature of the Bank's operations as a banking and financial services institution, this disclosure is not applicable.					

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

Sl. 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 ₹)
Not Applicable						

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

The Bank receives and addresses community concerns through continuous engagement with beneficiaries, local communities, implementation partners, and other relevant stakeholders across its CSR initiatives. Feedback, concerns, and grievances identified during project implementation are reviewed at the operational level and addressed in coordination with implementation partners and local authorities, wherever required.

The CSR & ESG Committee provides strategic guidance by reviewing, advising, and recommending CSR projects and interventions aligned with identified community needs.

Also, in line with RBI's Master Direction: RBI/CEPD/2023-24/108 CEPD.PRD.No.S1228/13.01.019/ 2023-24, dated 29th December 2023 has issued instructions that Regulated Entity (RE) shall formulate a Standard Operating Procedure (SOP) approved by the Committee of the Board handling Customer Service and Protection.

Accordingly, Standard Operating Procedure (SOP) on Grievance Redressal Mechanism was issued to the branches and operational units vide circular No.296/2024 dated 26th September 2024 for compliance and uniform approach in redressal of customer grievances.

Grievance Redressal policy of the Bank was hosted in website of the Bank. https://www.kvb.bank.in/regulatory-disclosures/fair-practices-banking-codes-overview/banking-codes-policies/index.html

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

Parameter	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Directly sourced from MSMEs/ small producers	9.76%	-
Directly sourced within India	98.24%	100

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

Location	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Rural	6.31%	7.23%
Semi-urban	30.83%	33.47%
Urban	18.73%	20.38%
Metropolitan	44.13%	38.92%

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

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

Sl. No	State	Aspirational District	Amount spent (In ₹)
1	TAMILNADU	VIRUDHUNAGAR	84,17,200
2	TAMILNADU	RAMANATHAPURAM	63,20,000

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

Yes

(b) From which marginalized /vulnerable groups do you procure?

The Bank is in the process of implementing the preferential procurement provisions under its Procurement Policy, which was rolled out during reporting Financial Year.

(c) What percentage of total procurement (by value) does it constitute?

The Bank is in the process of establishing the methodology for determining and reporting the percentage of procurement from marginalized/vulnerable groups (by value).

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:**

Sl. No	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the Case	Corrective action taken
Not Applicable		

6 Details of beneficiaries of CSR Projects:

During FY 2025–26, the Bank approved the following 41 CSR projects.

Sl. No	Project Title	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Model Village - Strengthening Rural Communities through Model Village Framework	3224	75
2	Development of Sponge Park at Mullai Nagar in Tambaram	6500	65
3	Banking, Saving, And Financial Literacy Programme Empowering Rural India Through Financial Literacy	32000	70
4	Youth Suicide and Gambling Prevention Initiative	5000	70
5	Provision of Additional Building for Old Age Home in Karur	50	100
6	Revive & Reimagine - Enhancing Guindy National Park	8312	65
7	Rejuvenation of Anicuts in Noyyal River System	7000	100
8	Breast Cancer Screening Project in the Community	15000	100
9	Improved access to Education Facilities through Solar Installation in Govt. Schools	11239	95
10	Fostering Resilient Ecosystems and Communities in the Western Ghats: Conserving a Fragile Ecosystem for Biodiversity & People	525	100
11	Palm Livelihood for Empowerment among Rural & Marginalized Communities	1000	80
12	Supporting Rural Health Infrastructure in Karur through Government Hospitals	4597	75
13	Sports For Excellence Program With Life Skills	2027	100
14	Sakthi Gram – Ensuring Water and Energy Security	4400	75
15	Community Based Early Intervention For Children (0-14 Years)	265	100
16	Installation of Solar Street Lights in Dharumathupatti village, Dindigul district	1000	65
17	Nutrition Hampers For Children With HIV	500	100
18	Provision of EV Battery Operated Vehicle To Arulmigu Dhandayuthapani Swamy Temple, Palani	25000	65
19	Provision of Vehicles for Solid Waste Management & Channel Cleaning To Madurai Corporation	3400	65
20	Renovation of Minor Irrigation Water Harvesting Structures	1540	100

Sl. No	Project Title	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
21	Supporting Rural Health Dispensary in Karur	4739	75
22	Empowering Special Needs Children Through Therapy Infrastructure Support	88	100
23	Provision and Ambulance & Battery Operated Vehicle to Periyar Government Hospital, Periyar Nagar, Chennai	5678	65
24	Provision of Battery Operated vehicles to Greater Chennai Corporation - 3 different locations	25000	65
25	Provision of Battery Operated vehicle for Garbage Collection in Kulithalai Municipality	1850	65
26	Maintenance of Walk N Jog	72000	65
27	Provision of Battery Operated vehicle to Sri Durga Malleswara Swamy Varla Devasthanam,	16500	65
28	Financial Literacy Awareness Program to School Students	1165	100
29	Establishing Public Open Gyms at Coimbatore	6500	65
30	Support to School Infrastructure - MPPP School,Surampeta, Gollaprolu	65	100
31	Provision of Safe Drinking Water to Anganwadi Centers in Nagercoil	567	100
32	Educational Support to Students-Scholarships Program	50	100
33	Enhancing Municipal Parks as Green & Wellness Spaces	10200	65
34	Changing Lives of Underprivileged Children with Type 1 Diabetes	210	100
35	Establishing Eco-Park in Pankaj Nagar, Melapalayam Zone, Tirunelveli	1530	65
36	Provision of mechanized water body cleaning equipment	5000	65
37	Cybersecurity Awareness for General Public	Relates to ongoing/multi-year projects where beneficiaries will be reported in subsequent years upon the realization of project outcomes	
38	Pitch 2Konnect (Impact Innovation Fund + Startup Accelerator)		
39	Advancing Vision Care through Expansion of Sankara Eye Hospital, Coimbatore		
40	Provision of 10 Two-Wheeler Vehicles Patrolling for Women's Safety		
41	Provision of Washroom facility at ISKCON Wave City Temple, Ghaziabad		
	Total	**2,83,721**	

1 2 3 4 5 6 7 8 9

PRINCIPLE 9

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

Overview

The Bank is committed to delivering responsible banking services through customer-centric practices, effective grievance redressal, and robust information security measures. Strong customer service standards and cybersecurity controls help safeguard customer information, strengthen trust, and deliver secure and reliable banking experiences.

Key Highlights

- **93.70%** Consumer complaints resolved
- **Zero** data breaches
- **Customer Grievance Redressal Policy**

Essential Indicators

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

The Bank has established mechanisms to receive and respond to consumer complaints and feedback in line with its Grievance Redressal Policy. Customers can submit complaints and feedback through the Bank's corporate website via the dedicated feedback portal. All submissions are reviewed, addressed, and resolved through the structured grievance redressal mechanism to ensure timely and effective resolution.

https://www.kvb.bank.in/customer-service/feedback-form/

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

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

3 Number of consumer complaints in respect of the following:

	FY 2025-26 Current Financial Year		Remarks	FY 2024-25 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	0	0	-	0	0	NA
Advertising	0	0	-	0	0	NA
Cyber-security	0	0	-	0	0	NA
Delivery of Products	0	0	-	0	0	NA
Quality of Products	0	0	-	0	0	NA
Restrictive Trade Practices	0	0	-	0	0	NA
Others (Customer Complaints and Complaints received from Individuals whose customer IDs are not disclosed / traceable (Example: BNPL customers, FASTAG customers, NON KVB Customers) were grouped under the other category)	9,711	612	-	6,377	237	NA

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

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

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

Yes

The Bank maintains a Board approved Information Security and Cyber Security Policy, overseen by the Information Security Group. The policy is classified for internal use and is made available to all employees through the Bank's internal employee portal to facilitate awareness and adherence to the prescribed information security controls and 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

Not Applicable

7 Provide the following information relating to data breaches:

a. Number of instances of data breaches

0

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

NA

c. Impact, if any, of the data breaches

NA

Leadership Indicators

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

Information on the Bank's products and services is made available through our corporate website, ensuring easy access for customers across different segments. Dedicated sections provide comprehensive details tailored to personal, business, NRI, and agricultural banking needs. The relevant links are:

https://www.kvb.bank.in/personal/

https://www.kvb.bank.in/business/

https://www.kvb.bank.in/nri/

https://www.kvb.bank.in/agriculture/

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

The Bank has taken several proactive steps to inform and educate consumers about the safe and responsible usage of its products and services. Regular customer awareness campaigns on secure banking practices are conducted through SMS, email, social media, the official website, and branch displays. Accessible customer support is provided via branches, call centres, and digital channels to promptly resolve queries and report suspicious transactions. The Bank also ensures easy access to grievance redressal mechanisms, including escalation channels and information on the RBI Integrated Ombudsman Scheme.

These initiatives strengthen financial literacy, encourage responsible banking behaviour, and safeguard customers against financial frauds, while enabling them to make informed use of the Bank's products and services. More details on secure banking practices are available on the Bank's website:

https://www.kvb.bank.in/secure-banking/

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

The Bank has established a defined mechanisms to inform consumers of any risk of disruption or discontinuation of essential services. Service disruption notifications are prominently displayed in branches for customer awareness. In addition, prior intimation is provided through SMS and email alerts to customers in the case of planned service interruptions.

These measures ensure timely communication, minimize inconvenience, and help customers plan their banking activities effectively.

4 Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The Bank continues to emphasise the importance of transparency and clear communication about its products, recognising how vital these values are in a customer-focused industry. In line with the regulations set by the Reserve Bank of India, we provide comprehensive and transparent details about our products both on our website and in our branches. This includes clear explanations of product features, service charges, and any applicable additional fees. Interest rates for various deposit and loan schemes are updated promptly on our website whenever changes occur.

To further assess customer satisfaction, the Bank has conducted surveys, aimed at continually enhancing service quality.

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INDEPENDENT REASONABLE ASSURANCE STATEMENT

Independent Assurance Statement to The Karur Vysya Bank Limited on its BRSR Core Indicators for FY 2025-26

The Board of Directors,

The Karur Vysya Bank Limited,
No. 20, Erode Road, Vadivel Nagar, L.N.S.,
Karur- 639002, Tamil Nadu.

Nature of the Assurance

SGS India Private Limited (hereinafter referred to as 'SGS India') was engaged by The Karur Vysya Bank Limited (the 'Company') to conduct an independent assurance of the Company's Business Responsibility and Sustainability Reporting (BRSR) (the 'Core Report') for the reporting period of April 1, 2025, to March 31, 2026. SGS India has conducted a Reasonable level of Assurance for the BRSR core indicators. This assurance engagement was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) and ISAE 3410.

Reporting Framework

The Report has been prepared following

1. Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026), dated 30 January 2026 circular.
2. Greenhouse Gas Protocol Standard.
3. ISO 14064-1:2018 Standard.

Intended Users of this Assurance Statement

This Assurance Statement is provided with the intention of informing all internal and external Stakeholders The Karur Vysya Bank Limited.

Responsibilities

The information in the report and its presentation is the responsibility of the management of the Company. SGS India has not been involved in the preparation of any of the material included in the report.

Our responsibility is to express an opinion on the text, data, and statements within the defined scope of assurance, aiming to inform the management of the Company, and in alignment with the agreed terms of reference. We do not accept or assume any responsibility beyond this specific scope. The Statement shall not be used for interpreting the overall performance of the Company, except for the aspects explicitly mentioned within the scope.

Assurance Standard

SGS has conducted a Reasonable level of Assurance for BRSR core parameters under 9 ESG Attributes, including all essential indicators as specified under BRSR standards and amendments made as on date. This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (revised) and ISAE 3410 (Assurance Engagements other than Audits or Reviews of Historical Financial Information).

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Our evidence-gathering procedures were designed to obtain a 'Reasonable' level of assurance, which is a high level of assurance in accordance with ISAE 3000(revised) standard, but is not absolute certainty. It involves obtaining sufficient appropriate evidence to support the conclusion that the information presented in the report is fairly stated and is free from material misstatements.

Statement of Independence and Competence

The SGS Group of companies is the world leader in inspection, testing, and assurance, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social, and ethical auditing and training; and environmental, social, and sustainability report assurance. SGS India affirms our independence from The Karur Vysya Bank Limited, being free from bias and conflicts of interest with the organization, its subsidiaries, and stakeholders.

The assurance team was assembled based on their knowledge, experience, and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, RBA, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification, and GHG Validation Lead Auditors, and experience on the SRA Assurance.

Scope of Assurance

The assurance process involved assessing the quality, accuracy, and reliability of BRSR Indicators (KPIs) within the report for the period April 1, 2025, to March 31, 2026. The reporting scope and boundaries include the Central office and all other offices & branches spread across different states in India.

Assurance Methodology

The assurance comprised a combination of desktop review, interaction with the key personnel engaged in the process of developing the report, and remote verification of data. Specifically, SGS India undertook the following activities:

- Assessment of the suitability of the applicable criteria in terms of their comprehensiveness, reliability, and accuracy.
- Interaction with key personnel responsible for collecting, consolidating, and calculating the BRSR core and essential indicators, and assessing the internal control mechanisms in place to ensure data quality.
- Application of analytical procedures and verification of documents on a sample basis for the compilation and reporting of the KPIs.
- Assessing the aggregation process of data at the Central Office level.
- Critical review of the report regarding the plausibility and consistency of qualitative and quantitative information related to the KPIs.

Limitations

SGS India did not come across any limitation to the agreed scope of the assurance engagement. SGS India verified data on a sample basis; the responsibility for the authenticity of the data entirely lies with the Company. The assurance scope excluded forward-looking statements, product- or service-related information, external information sources, and expert opinions. SGS India has not been involved in the evaluation or assessment of any financial data/performance of the company. Our opinion on financial indicators is based on the third-party financial reports audited by the Company. SGS India does not take any responsibility for the financial data reported in the audited financial reports of the Company.

The assurance scope excludes:

- Disclosures other than those mentioned in the assurance scope.
- Data reviews outside the operational sites as mentioned in the reporting boundary.
- Validation of any data and information other than those presented in "Findings and Conclusions."
- The assurance engagement considers an uncertainty of ±5% based on the materiality threshold for Assumption/ estimation/measurement errors and omissions.
- The Company's statements that describe the expression of opinion, belief, aspiration, expectation, aim to future intention provided by the Company, and assertions related to Intellectual Property Rights and other competitive issues.
- Mapping of the Report with reporting frameworks other than those mentioned in the Reporting Criteria above.

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Findings and Conclusions

Based on the procedures we have performed and the evidence we have obtained, we are satisfied that the information presented by the Company in its report (as per the table below) is complete, accurate, reliable, fairly stated in all material respects, and is prepared in line with the BRSR requirements.

The list of BRSR Core Indicators that were verified within this assurance engagement is given below:

Sr.No.	BRSR Core Attribute	BRSR Core Indicator
1	Greenhouse gas (GHG) footprint	≈ Total scope 1 emissions ≈ Total scope 2 emissions ≈ GHG emission intensity (scope 1 +2)
2	Water footprint	≈ Total water consumption ≈ Water consumption intensity ≈ Water discharge by destination and levels of treatment
3	Energy footprint	≈ Total energy consumed ≈ % of energy consumed from renewable sources ≈ Energy intensity
4	Embracing circularity	≈ Plastic waste ≈ E-waste ≈ Total waste generated ≈ Waste intensity ≈ Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations. ≈ For each category of waste generated, the total waste disposed of by the nature of the disposal method
5	Employee well-being and safety	≈ Spending on measures towards the well-being of employees as a % of the total revenue of the Company ≈ Details of safety-related incidents for employees
6	Enabling gender diversity in business	≈ Gross wages paid to females as % of wages paid. ≈ Complaints on POSH
7	Enabling inclusive development	≈ Input material sourced from MSMES/ small producers as % of total purchases. ≈ Job creation in smaller towns: Wages paid to people employed in smaller towns as % of total wage cost
8	Fairness in engaging with customers and suppliers	≈ Instances involving loss/breach of data of customers as a percentage of total data breaches or cybersecurity events. ≈ Number of days of Accounts Payable
9	Openness of business	≈ Concentration of purchases & sales done with trading houses, dealers, and related parties ≈ Loans and advances & investments with related parties

Page | 3

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For and on behalf of SGS India Private Limited

Kalpesh Thombare Technical Reviewer and National Manager – ESG & Sustainability Services, SGS India. 26th June 2026.	**John Wesley M** Lead Verifier – ESG & Sustainability Services, SGS India. Team Member: Tushar Girigosavi 26th June 2026.