

Business Responsibility & Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

| | | |
|-----|---|---|
| 1. | Corporate Identity Number (CIN) of the Listed Entity | L65110KA2016PLC142162 |
| 2. | Name of the Listed Entity | Ujjivan Small Finance Bank Limited |
| 3. | Year of incorporation | 2016 |
| 4. | Registered office address | Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru-560095, Karnataka |
| 5. | Corporate address | Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru-560095, Karnataka |
| 6. | E-mail | investorrelations@ujjivan.com |
| 7. | Telephone | 1800 208 2121 |
| 8. | Website | www.ujjivansfb.in |
| 9. | Financial year for which reporting is being done | FY 2022-23 |
| 10. | Name of the Stock Exchange(s) where shares are listed | National Stock Exchange of India Ltd. (NSE) and BSE Ltd. (BSE) |
| 11. | Paid-up Capital | ₹ 1,954.70 Crores |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Sanjeev Barnwal Email – sanjeev.barnwal@ujjivan.com Phone: 1800 208 2121 |
| 13. | Reporting boundary | Standalone basis |
| | 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). | |

II. Products/services

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

| S. No. | Description of main activity | Description of business activity | % of turnover of the entity (FY23) |
|--------|----------------------------------|--|------------------------------------|
| 1 | Financial and Insurance Services | Banking activities by Central, Commercial and Saving banks | 100 |

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

| S. No. | Product/Service | NIC Code | % of total turnover contributed |
|--------|--------------------------------------|----------|---------------------------------|
| 1 | Banking Activity by Commercial Banks | 65191 | 100 |

III. Operations

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

| Location | Number of banking outlets | Number of ATMs | Number of offices | Total |
|---------------|---------------------------|----------------|-------------------|-------|
| National | 629 | 517 | 24* | 1,170 |
| International | Nil | Nil | Nil | Nil |

*Includes 2 call centres of Ujjivan Small Finance Bank

17. Markets served by the entity:

a. Number of locations

| Locations | Number |
|----------------------------------|----------------|
| National (No. of States) | 25 (PAN India) |
| International (No. of Countries) | Nil |

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

Given the nature of business and operations of the bank, exports are not applicable to it.

c. A brief on types of customers

The bank provides its services to a diverse range of customers such as – Senior citizens, Minors, Proprietors/ MSME customers/Corporate entities/ Government entities, Visually impaired / Handicapped customers and Underserved/ unsophisticated customers.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees (including differently abled):

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------|-----------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| EMPLOYEES | | | | | | |
| 1. | Total employees | 17870 | 14506 | 81% | 3364 | 19% |

b. Differently abled Employees

| S. No. | Particulars | Total (A) | Male | | Female | |
|------------------------------------|-----------------------------------|-----------|---------|-----------|---------|-----------|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| DIFFERENTLY ABLED EMPLOYEES | | | | | | |
| 1. | Total differently abled employees | 22 | 16 | 73% | 6 | 27% |

19. 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 | 3 | 0 | 0 |

20. Turnover rate for permanent employees

| | FY 2022-23 | | | FY 2021-22 | | | FY 2020-21 | | |
|---------------------|------------|--------|-------|------------|--------|-------|------------|--------|-------|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 5478 | 1172 | 6650 | 4931 | 1130 | 6061 | 2902 | 730 | 3632 |

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

21. (a) Names of holding / subsidiary / associate companies / joint ventures

| S. No. | Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed Entity | Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No) |
|--------|---|--|-----------------------------------|--|
| 1 | Ujjivan Financial Services Limited | Holding company | Nil | No |

VI. CSR Details

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

Yes. The bank has been executing CSR projects on liability terms since inception. However, in FY 2022-23 the organisation was not liable for the CSR obligations

(ii) Turnover (in ₹)

4,754.19 Crores

(iii) Net worth (in ₹)

3,775.49 Crores

VII. Transparency and Disclosures Compliances

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

| Stakeholder group from whom complaint is received | Grievance redressal mechanism in place (Yes/No) | FY 2022-23 Current Financial Year | | | FY 2021-2022 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 |
| Communities | Yes | 0 | 0 | NA | 0 | 0 | NA |
| Investors (other than shareholders) | Yes | 0 | 0 | Holders of Unlisted Non-Convertible Debentures | NA | NA | There were no Investors other than Shareholders in FY 2021-22 |
| Shareholders | Yes | 61 | 61 | NA | 11 | 11 | NA |
| Employees and workers | Yes | 0 | 0 | NA | 0 | 0 | NA |
| Customers* | Yes | 969 | 0 | NA | 731 | 0 | NA |
| Value Chain Partners | Yes | 0 | 0 | NA | 0 | 0 | NA |

* Complaints mostly related to Phishing, Vishing, Smishing by Fraudsters and other complaints.

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

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

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|---------------------------|--|--|--|--|
| 1. | Responsible Finance | Opportunity | Ability to capitalise on ever-increasing opportunities related to green finance. | - | Positive |
| 2. | Decarbonisation Strategy | Opportunity | Transitioning to low carbon operations by enhancing renewable energy share, further optimising resource consumption through various operational measures and by leveraging on technology | - | Positive |
| 3. | Human Capital Development | Opportunity | Focusing on ability to attract, retain, and develop a highly skilled workforce. | - | Positive |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|--------------------------------------|--|---|--|--|
| 4. | Employee wellbeing | Opportunity | Focus on physical and mental wellbeing of the employees leading to personal and professional growth and offering recognition and rewards for employees. | - | Positive |
| 5. | Cyber Security & Data Privacy | Risk | Customer data breach, data loss, cyber-attacks could lead to exposure of sensitive data to the unauthorised individuals. | Cyber Security & Data Privacy is considered as one of the critical aspects given the nature of the business. Defined policy, procedure and governance is established for safeguarding the risk. Risk Management committee shall also oversee cybersecurity related issues on a periodic frequency. Internal audits are conducted to ensure alignment with global standards like ISO 27001. | Negative |
| 6. | Consumer Financial Protection | Risk | Risks arising due to unethical lending practices or mis-selling financial products. | Risk assessment and evaluation of business operations, transparency in lending practices, financial literacy for the consumers. | Negative |
| 7. | Corporate Citizenship & Philanthropy | Opportunity | Promoting social welfare, extend the need-based projects for the communities thereby building trust and relationship with communities | - | Positive |
| 8. | Customer relationship management | Opportunity | Focuses on improving customer satisfaction by providing seamless banking experience, doorstep service, benefits, financial literacy etc. | - | Positive |
| 9. | Access to Finance | Opportunity | Focus of USFB is mass market segment. The products are designed to serve mass market with a purpose of financial inclusion and lending to underserved. | - | Positive |

| Sr. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---------|----------------------------|--|---|--|--|
| 10. | Governance and Ethics | Opportunity | Robust Governance structure influences the performance thereby attracting attention of investors and other stakeholders. It focuses on building a strong market reputation and relationship with the customers. | - | Positive |
| | | Risk | The structure, behaviour, culture, and performance of an organisation is shaped by internal Governance. Risks include ethical and legal risks, information disclosure, regulatory & reputational risks. | Stringent policies and processes for banking operations and managing risks. Setting and monitoring operational goals by senior management. Internal audits to assess the implementation of process. Providing accurate and reliable reporting. | Negative |
| 11. | Compliance | Risk | Failure to comply with the regulations and industry standards, policies, privacy breaches etc. may lead to legal implications, financial loss, reputation loss, penalties etc. | Compliance risk management by the risk committee to identify any non-compliances and addressing the same, internal audits and reporting, build a culture of ethics and compliance. | Negative |
| 12. | Digital Transformation | Opportunity | Strategic focus on digital technology levers enhancing customer experience and establishing agile end to end banking operations. | - | Positive |
| 13. | Transparency & disclosures | Opportunity | Transparent communications is critical to reinforce trust and desired behaviours, ultimately driving sustainable value realisation. | - | Positive |
| | | Risk | Misleading disclosures or inadequate reporting impacts the performance, reputation, and governance of the organisation. | Transparent governance policies and procedures. Adequate reporting and disclosures in alignment with global frameworks like GRI/TCFD/IIRC. | Negative |
| 14. | Stakeholder engagement | Opportunity | Understanding the needs and requirements of different stakeholder groups. Planning and designing the products and services to meet the requirements. | - | Positive |
| 15. | Risk & Crisis Management | Opportunity/ Risk | To better understand business/ ESG-related shifts, impacts and dependencies that may affect a business's ability to achieve its strategy or objectives. | Comprehensive ERM framework along with environment and social risks integrated in risk assessment process. Protocols and governance mechanisms established across the identified risks. | Positive/ Negative |

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|--|-----|-----|-----|-----|-----|-----|-----|-----|
| Policy and management processes | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| c. Web Link of the Policies, if available https://www.ujjivansfb.in/policies | | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | No | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes | NA* | Yes | Yes | Yes | No | No | Yes | Yes |
| 4. Name of the national and international codes / certifications / labels / standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle. | - | | | | | | | | |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | Ujjivan Small Finance Bank has carried out materiality assessment to arrive at their key material aspects relevant to their business. Future goals and targets on the key material aspects will be set and performance will be monitored | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | - | | | | | | | | |

*NA: Not Applicable

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 vision and objective of Ujjivan Small Finance Bank (USFB) is to become a mass market bank and serve the financially unserved and under-served segments of the society thereby assisting in building financial inclusion in the country. The fundamentals of USFB revolves around persistence, passion and progress that translates into the provided services. The similar focussed fundamentals are reflected into the bank's ESG and sustainability practices. With sustainability factoring to be a crucial aspect for every person and every nation, we look ahead to expand our scope towards ESG starting from our banking products and services, operations and to all our stakeholders.

The ESG aspects are an integral part of the bank's core principles. Initiatives towards optimal resource utilisation in our operations and digitalisation of our products and services are some of the key focus areas of the bank with respect to environment parameters. We also focus on social uplifting of the people who aspire in the lower middle class and in the middle-class ladder. Our CSR (Corporate Social Responsibilities) activities are carried out to help in the progress of the society in terms of educational support, basic infrastructure facilities (water, sanitation and medical) and financial literacy. Our robust governance looks into the aspects beyond compliance so that we strive to achieve better performance and explore new avenues in the markets we serve.

As one of India's newest entrants in the Banking industry, Ujjivan Small Finance Bank has since inception integrated Responsible Banking as one of its key differentiators. This Credo has seen a considerable traction in the space of financial inclusion and economic justice. Thought leadership on sustainability issues has been one of the key philosophies which includes research culminating into policy advocacy. While much of our business operations is skewed towards meeting and enhancing social goals and justice today, it is imperative that the Bank also makes its small contribution in the areas of environment management and climate change adaptation/mitigation. To that effect, the Bank welcomes India's commitment to Panchamrit for climate action and adopts the mantra of LIFE- Lifestyle for Environment to combat climate change. The Bank is internally deliberating on ways to make meaningful contribution to these marathon goals through its products, policies and processes within the contours of the triple bottom line.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies

Mr. Ittira Davis, MD and CEO

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 Risk Management Committee is responsible to approve and oversee the implementation of the Bank level policy on the ESG parameters.

10. Details of Review of NGRBCs by the Company:

| Subject for 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 | Y | Y | Y | Y | Y | Y | NA | Y | Y | Annually | | | | | | | | |

Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances

Compliance with statutory requirements is carried out annually by the bank. All the statutory Policies requiring Board/ Board Committee approval are placed for review at least 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

The Bank undergoes various audits such as the System Audit, Statutory Audit, Secretarial Audit etc. In such audits the policies are inter alia reviewed by the external auditor

1. Statutory Auditors - B K Ramadhyani & CO. and Mukund Chitale & Co.
2. Secretarial Auditor - K Jayachandran
3. System/ IS Audit - Deloitte

12. If answer to question (11) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

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

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as “Essential” and “Leadership”. While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

Essential Indicators

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

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | Percentage of persons in respective category covered by the awareness programmes |
|-----------------------------------|--|--|--|
| Board of Directors | 2 | i. Certification programme in IT and cyber security for board members ii. Programme on Governance and Assurance for Directors on Boards of Banks, FIs and NBFCs | 40 |
| Key Managerial Personnel | 4 | i. Certification programme in IT and cyber security for key managerial personnel ii. How to be effective personally and professionally iii. Scaled agile awareness workshop for leadership iv. POSH | 100 |
| Employees other than BoD and KMPs | 124 | Mandatory training programmes on IT, POSH, KYC/AML and Code of Conduct. In addition to the ones mentioned above, training programmes such as business communication, facilitation skills, capacity building, project management programme, trade finance can be taken up voluntarily by the employees | 100 (For the mandatory training programmes) |

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 INR) | Brief of the Case | Has an appeal been preferred? (Yes/No) |
| Penalty/ Fine Settlement | Principle 1 | EPFO (Employees' Provident Fund Organization) | ₹ 22.70 Crore | Currently there is an ongoing Provident Fund (PF) case that was initiated through a notice dated March 16, 2021, from EPFO under Section 7A of EPF Act for non-payment of PF dues in respect of the employees of the Bank from February 2017 up to March 2019, ordering the Bank to deposit difference of PF contribution amounting to ₹ 22.70 Crore. | Yes |
| Compounding fee | | | NIL | | |
| Awards | | | 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 | | | Nil | |
| Punishment | | | Nil | |

For FY 2022-23, the materiality threshold set by the Bank in accordance with the Policy on Determination of Materiality framed in accordance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 is Rs. 3.13 crore (being 0.1% of the total revenue of the Bank for FY 2021-22).

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

Case: The Bank received a notice dated March 16, 2021 from EPFO under Section 7A of EPF Act for non-payment of PF dues in respect of the employees of the Bank from February, 2017 up to March 2019 which also comprised of the report of EPFO enforcement officer elucidating that the Bank has not made contributions to PF in proportion to all components of the 'basic wage' as defined under EPF Act. The Notice stated that failure to remit the statutory dues is a punishable offence under Sec 14 of the EPF Act and non-payment of employee's share of PF contributions would amount to criminal breach of trust.

The Bank submitted a reply to the Notice on April 19, 2021 and presented the wage register, attendance register for the period, February 2017 to December 2020 along with the ECR challans/financial statements for the last two years. The Bank in the Reply highlighted that the PF contribution has been made on the basic wages as defined under section 2(b) of the EPF Act and that there has been no discrepancy in adhering to the provisions of contribution under the EPF Act. The Regional P.F. Commissioner – II passed an order dated August 9, 2021 ("Order") confirming the ad hoc assessment of the enforcement officer, requiring the Bank to pay ₹ 22.70 Crore.

As per the process, the Bank filed an appeal before the Central Government Industrial Tribunal (CGIT) on September 6, 2021 in relation to the Order. Since CGIT is not functioning, the Bank filed a writ petition before the Hon'ble High Court of Karnataka. Taking note of the fact that the Bank has availed efficacious statutory remedy before CGIT, the Hon'ble HC disposed of the matter and ordered that there will be an interim order of stay for depositing amount of ₹ 22.70 Crore, till the finality of appeal pending before CGIT

Outcome: At present, the matter is pending before CGIT for appearance of respondent (i.e EPFO) and hearing of the parties.

Name of the regulatory/ enforcement agencies/ judicial institutions

EPFO (Employees' Provident Fund Organisation)

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, the bank has an anti-bribery and anti-corruption policy. The Anti-bribery and Anti-Corruption Policy of Ujjivan Small Finance Bank (USFB) is aligned with USFB's code of conduct for employees, various policies, rules and regulations adopted by USFB and in conformance with the legal and statutory framework of anti-bribery and anti-corruption legislation prevalent in India. The Policy reflects the commitment of USFB and its management for maintaining highest ethical standards while undertaking open and fair business and culture, following the best practices of corporate governance and enhancing the USFB's reputation at appropriate levels.

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 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
|-----------|--------------------------------------|---------------------------------------|
| Directors | Nil | Nil |
| KMPs | Nil | Nil |
| Employees | Nil | Nil |

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

| | FY 2022-23 Current Financial Year | | FY 2021-22 Previous Financial Year | |
|--|--------------------------------------|---------|---------------------------------------|---------|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | | | | |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | | | Nil | |

7. Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No issues related to corruption and conflicts of interest was observed for the reporting period.

However, in the event for such occurrences, the bank has policies in place to address it. The bank has a Disciplinary Policy in place which defines the punitive actions for violation of any of the provisions of the Ujjivan Values, any of the provisions of the Disciplinary standard operating procedure or the Code of Conduct shall be deemed to be "Misconduct". While awarding punishment, the Disciplinary Committees would consider the gravity of the misconduct, previous record of the employee and any other extenuating or aggravating circumstances that may exist. The disciplinary action/punishment order shall be communicated in writing to the employee concerned in accordance with the provision of this policy and can be classified as minor or major penalty. Minor penalty may also include withholding variable pay for a specified period with cumulative effect. Major penalty may include Termination, Demotion/ Reduction to a lower grade or position, withholding of promotion, with cumulative effect. An employee receiving any written warning letter from the organisation will not be paid their variable pay for 1 quarter.

Leadership Indicators

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

The bank has processes in place to avoid conflict of interests involving members of the Board. The bank has policy on Code of Conduct that outlines the guiding principles and values on which the Bank’s employees shall operate and conduct business with various stakeholders of the Bank, government and regulatory agencies, media, and anyone else with whom the Bank is connected.

The bank also has a policy on Related Party Transactions (RPT). This policy seeks to define a mechanism to handle RPT to ensure the transparency, substantive and procedural fairness of such transactions and that the RPT is being entered in accordance with provisions of applicable laws.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

| | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year | Details of improvements in environmental and social impacts |
|-------|--|---|--|
| R&D | Not Applicable | | |
| Capex | | | |

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

The services provided by the bank are predominantly in the financial sectors and so procurement is related to the purchases with respect to its operations. All the purchases are carried out in alignment with Code of Conduct following the appropriate due diligence processes. Responsible business practices are also considered during procurement of goods for the bank such as energy efficient appliances, across their offices, branches and ATMs in PAN India.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

The bank operations are exclusively in the financial service sector and product reclamation has a very limited scope. The bank disposes of its paper wastes and e-wastes through certified vendors.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No).

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to the bank.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

| NIC Code | Name of Product/ Service | % of total turnover contributes | 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) |
|----------------|--------------------------|---------------------------------|--|---|--|
| Not Applicable | | | | | |

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 | Step taken |
|--------------------------|---------------------------------|------------|
| Not Applicable | | |

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

| Indicate input material | Recycled or re-used input material to total material | |
|-------------------------|--|---------------------------------------|
| | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
| Recycled Lead by weight | Not Applicable | |
| Recycled Plastics | | |
| Recycled Pallets | | |

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.

| | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (Previous Financial Year) | | |
|----------------|-------------------------------------|----------|-----------------|--------------------------------------|----------|-----------------|
| | Re-Used (MT) | Recycled | Safely Disposed | Re-Used (MT) | Recycled | Safely Disposed |
| Not Applicable | | | | | | |

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

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---------------------------|---|
| Not Applicable | |

PRINCIPLE 3: BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Essential Indicators

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

As an employee first organisation, Ujjivan conducts annual health check-up for all its employees once in two years. This annual health check-up is followed up by the Partner by providing free consultation on the reports and advising employees with high-risk reports.

To support its employees, Ujjivan also has a facility of 24x7 "Doctor on Call" teleconsultation. This facility has been made available for employees and their dependents to consult doctors during emergencies. While the services were available for physical ailments. In FY22-23, Ujjivan also launched the emotional wellness programme, where employees and their family members could tele-consult specialists with "emotional wellness" expertise to get help where required. This facility has been well received and 700+ employees/families utilised the teleconsultation.

Through our Welfare trust we extended our financial support to 1000+ employees where these employees had an impact due to natural calamities, covid etc.

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---------------------|---------------|---------------------------|-------------|--------------------|-------------|--------------------|-------------|--------------------|-------------|---------------------|--------------|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | No. (D) | % | No. (E) | % | No. (F) | % (F/A) |
| Permanent employees | | | | | | | | | | | |
| Male | 16,458 | 16,458 | 100% | 16,458 | 100% | - | - | 16,458 | 100% | 63 | 0.4% |
| Female | 3,745 | 3,745 | 100% | 3,745 | 100% | 3,745 | 100% | - | - | 16 | 0.4% |
| Total | 20,203 | 20,203 | 100% | 20,203 | 100% | 3,745 | 100% | 16,458 | 100% | 79 | 0.39% |

* Details of measures for the wellbeing of employees includes number of employees that have resigned from the bank as well, for the reporting year.

2. Details of retirement benefits.

| Benefits | FY 2022-23 (Current Financial Year) | | | FY 2021-22 (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 | 100% | NA | Y | 100% | NA | Y |
| Gratuity | 100% | NA | NA | 100% | NA | NA |
| ESI | NA | NA | NA | NA | NA | NA |
| Others (Leave Encashment) | 100% | NA | NA | 100% | NA | NA |

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 premises/offices of the bank are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The accessibility of ramps has been enhanced in 90 branches and 4 regional offices of Ujjivan small finance bank. Ujjivan's Head Offices, North and West Regional offices also have accessible restrooms for the differently abled employees.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

The bank is an equal opportunities employer and recognises everyone equally in areas of employment, including hiring, job assignment, compensation, promotion, discipline and access to benefits and training.

5. Return to work and Retention rates of permanent employees that took parental leave.

| Gender | Total number of people returned after parental leave in FY | Total Number of people who took parental leave in FY | Return to work rate | Total Number of people retained for 12 months after returning from parental leave | Total number of people returned from parental leave in prior FY | Retention Rate |
|--------------|--|--|---------------------|---|---|----------------|
| Male | 484 | 505 | 96% | 375 | 394 | 95% |
| Female | 219 | 227 | 96% | 124 | 142 | 87% |
| Total | 703 | 732 | 96% | 499 | 536 | 93% |

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

Permanent Employees

(If Yes, then give details of the mechanism in brief)

Yes. The Whistle Blower policy has been formulated as part of corporate governance and transparency norms where the employees, directors, customers, stakeholders or NGOs are encouraged to refer any complaints which have not been resolved or satisfactorily resolved within the usual applicable protocols. The employees may refer any complaints covering areas such as corruption, misuse of office, criminal offences, suspected/actual fraud, failure to comply with existing rules and regulations and acts resulting in financial loss/operational risk, loss of reputation etc. detrimental to depositors'/public interest. The policy is aimed at ensuring adherence to the highest standards of ethical, moral and legal conduct of business operations; promoting clean business transactions, professionalism, productivity, promptness and transparent practices and ensures putting in place systems and procedures to curb opportunities for corruption. It institutionalises a mechanism for protection of employees, directors from reprisals or victimisation, for Whistle blowing in good faith as the Bank strictly follows No Retaliation Policy.

It ensures we treat violations/ breaches/ noncompliance at various levels of the Bank with vigour and due care and accordingly realign processes and take corrective actions as part of its Corporate Governance. The Bank has a mechanism enabling all stakeholders to freely communicate their concerns about illegal or unethical practices. This includes the Audit Committee, Disciplinary Committees of the Bank. The whistleblower can submit a protected disclosure in a closed and secured envelope or through an email or SMS to the Head of HR, or, MD & CEO, or, the Chairperson of the Audit Committee. The Bank shall entertain anonymous/pseudonymous disclosures on merit. The identity of the whistle blower shall be kept confidential unless, required in terms of an order by a Court of Law or unless agreed to by the whistle blower

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

| Category | FY 2022-23 Current Financial Year | | | FY 2021-22 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 | Not Applicable | | | | | |
| Male | | | | | | |
| Female | | | | | | |

8. Details of training given to employees:

| Category | FY 2022-23 Current Financial Year | | | | | FY 2021-22 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 | 14,506 | 46 | 0 | 10,825 | 75 | 13,823 | 362 | 2.62 | 6,701 | 48.48 |
| Female | 3,364 | 140 | 4 | 2,108 | 63 | 3,072 | 1,560 | 50.78 | 1,558 | 50.72 |
| Total | 17,870 | 186 | 1 | 12,933 | 72 | 16,895 | 1,922 | 11.38 | 8,259 | 48.88 |

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

| Category | FY 2022-23 Current Financial Year | | | FY 2021-22 Previous Financial Year | | |
|------------------|-----------------------------------|---------------|-----------|------------------------------------|--------------|--------------|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| Employees | | | | | | |
| Male | 14,506 | 10,621 | 73 | 13823 | 13796 | 99.8 |
| Female | 3,364 | 2,412 | 72 | 3072 | 3072 | 100 |
| Total | 17,870 | 13,033 | 73 | 16895 | 16868 | 99.84 |

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, what is the coverage of such a system?

A Quick Response Team (QRT) was established during the times of Covid. QRT consists of the central Covid task force led by National Leadership Team members, REC heads of respective regions and QRT command centre which includes regional single points of contacts (RSPOCs) for co-ordinations and to keep monitoring the health status of our infected employees and provide them support as and when required.

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

Fire safety hazards are identified at regular intervals and mock drills are being conducted for emergency preparedness.

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

Work-related incidents if occurs are reported to the respective facility manager by individuals.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

Yes, the employees of the bank have access to non-occupational medical and healthcare services

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

| Safety Incident/Number | Category | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|-----------|--|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked) | Employees | 1.74 | 3.18 |
| Total recordable work-related injuries | Employees | 50 | 30 |
| No. of fatalities | Employees | 1 | 4 |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | 12 | 16 |

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

The bank follows the following to ensure safety and healthy workplace.

- (i) Towards providing better work environment to the employees and customers, all the URCs are installed with air conditioners & preventive maintenance of all the electric equipments across branches conducted periodically. Considering the health of the employees, the branches have been installed with RO water purifiers for drinking water. Doctor on call facility is also available for the employees across regional & corporate offices.
For the differently abled customers and employees, ramps have been constructed across PAN India branches.
- (ii) To ascertain adequacy and quality of the safety measures, an audit has been conducted by third party every quarter. Fire extinguishers are in place as per the defined protocols in all the offices and branches across PAN India with quarterly fire drill conducted across PAN India.

13. Number of complaints on the following made by employees

| | FY 2022-23 Current Financial Year | | | FY 2021-22 Previous Financial Year | | |
|--------------------|-----------------------------------|---------------------------------------|---------|------------------------------------|---------------------------------------|---------|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0 | 0 | NA | 0 | 0 | NA |
| Health & Safety | 0 | 0 | NA | 0 | 0 | NA |

14. Assessments for the year

| | % of your offices and branches that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Health and safety practices | No assessment carried out for the reporting year |
| 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.

Corrective action taken to address safety-related incidents are primarily the one related to road safety. Following are the initiatives taken:

- (i) Road Safety Campaign through communication mailers created
- (ii) Road Safety awareness created across region

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, the bank provides benefits of life insurance to its employees with coverage ranging from 10 Lakhs to 1 Crores.

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 engages vendors who provide third party employees as contract staff, to render certain incidental and ancillary services. These include, amongst others, security personnel, housekeeping staff, collection staff, specialists in IT and in other functions. Engagement of off role staff is governed by contracts between the Bank and the respective vendors. There is a due process for on-boarding of these vendors and the engagement of off role staff.

The agreements entered with each vendor lists the responsibilities of the vendors in these engagements, most importantly in the matter of payment of statutory dues including GST, duties, and other labour related dues relating to each of the contract staff. Hence while the Bank pays the vendors in terms of the contract, it is incumbent upon the vendor to ensure that payment of salaries and other benefits of staff as contracted, and all statutory and regulatory payments are made on time.

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 | | No. of employees that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|-----------|--------------------------------------|---------------------------------------|---|---------------------------------------|
| | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year | FY 2022-23 Current Financial Year | FY 2021-22 Previous Financial Year |
| Employees | 13 | 20 | 5 | 9 |

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

No

5. Details on assessment of value chain partners:

| Topic | % of value chain partners (by value of business done with such partners) that were assessed |
|------------------------------|---|
| Health and safety conditions | No assessment carried out |
| 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.

Not Available

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

Essential Indicators

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

The Bank engages with multiple stakeholders through formal and informal channels of communication. For redressing the grievances of the shareholders among other matters, the Bank has constituted a Stakeholders Relationship Committee as per the requirements of Section 178 of the Act and Regulation 20 of SEBI Listing Regulations. The Stakeholders Relationship Committee is chaired by an Independent Director of the Bank. The Stakeholders Relationship Committee met once a year to discuss on the various aspects of stakeholder engagement.

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

| Stakeholder Group | Whether identified as Vulnerable & Marginalised Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, 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 |
|-------------------|--|---|--|--|
| Employees | No | Email, SMS, WhatsApp and Notice Board | 1. Email: Weekly 2. SMS and WhatsApp: Daily/Weekly 3. Notice Board: Quarterly | Sharing of information and updates about ongoing activities in the bank, updates on policies and achievements of the banks |
| Investors | No | Email, Phone Contacts | Quarterly | Understanding investors perspective with current market requirements and bank's performance |
| Customers | No | Email, SMS, Advertisements, website | Weekly | Engagement through new schemes, loans, transactions |
| Suppliers | No | Email, SMS | Quarterly | Discussion on efficient and sustainable supply chain |
| Communities | Yes | Email, SMS, Newspaper, Community Meetings | Quarterly | Development of projects and new schemes |

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.

Although there is no direct consultation between stakeholders and the Board on economic, environmental, and social topics, the Board has dedicated Board Committees such as the Stakeholders Relationship Committee, Customer Service Committee, Nomination and Remuneration Committee, CSR Committee that regularly review the reports which inter alia include feedback, concerns or complaints if any from the stakeholders such as Investors, Customers, Employees etc. Further, the Bank being an entity engaged in Micro Finance with majority of its customers belonging to the unserved/ underserved community, has always been on its toes with regards to social initiatives. The concerns of investors on economic aspects, if any are attended to in the investor calls held by the Bank.

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

Yes, stakeholder consultation form part of the management of environmental and social topics. The feedback received from the stakeholders is noted by the Bank to consider the same in the initiatives of the Bank.

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

The Bank engages with the various, identified vulnerable and marginalised sections of the society through its products and services, as well as community engagement initiatives. The Bank has specific products and services that especially cater to the economically backward sections of the society in rural, urban and semi urban India, such as microfinance, digital payments, agriculture banking, MSE Loans and loans towards affordable housing.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Essential Indicators

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

| Category | FY 2022-23 | | | FY 2021-22 | | |
|----------------------------|---------------|--|-------------|---------------|--|-------------|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D) | % (D/C) |
| Employees | | | | | | |
| Permanent employees | 21,019 | 21,019 | 100% | 20,016 | 20,016 | 100% |

* Details of training provided on human rights includes number of employees that have resigned from the bank as well, for the reporting year

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

| Category | FY 2022-23 | | | | | FY 2021-22 | | | | |
|------------------|------------|------------------------|---------|-------------------------|-----------------|------------|------------------------|---------|-------------------------|----|
| | Total (A) | Current Financial Year | | Previous Financial Year | | Total (D) | Current Financial Year | | Previous Financial Year | |
| | | Equal to Minimum Wage | | More than Minimum Wage | | | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | NI(C) | % (C/A) Io. (E) | | % (E/D) | No. (F) | % (F/D) | |
| Employees | | | | | | | | | | |
| Permanent | 24,520 | 2,019 | 8 | 22,501 | 92 | 22,956 | 1,058 | 5 | 21,898 | 95 |
| Male | 19,987 | 1,593 | 8 | 18,394 | 92 | 18,754 | 769 | 4 | 17,985 | 96 |
| Female | 4,533 | 426 | 9 | 4,107 | 91 | 4,202 | 289 | 7 | 3,913 | 93 |

*Details of minimum wages includes number of employees that have resigned from the bank as well, for the reporting years.

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

Employees other than BoD and KMP:

| | Male | | Female | |
|----------------------------------|--------|---|--------|---|
| | Number | Median remuneration/ salary/ wages of respective category (INR) | Number | Median remuneration/ salary/ wages of respective category (INR) |
| Board of Directors (BoD)* | 7 | - | 3 | - |
| Key Managerial Personnel** | 3 | - | 0 | - |
| Employees other than BoD and KMP | 14,506 | 3,30,012 | 3,364 | 3,20,094 |

*The median remuneration for Board of Directors (BoDs) is only the sitting fees.

** The median remuneration for Key Managerial Personnel is confidential and hence not disclosed.

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)

Currently, no individual/ committee is present for addressing human rights impacts or issues caused or contributed to by the business. However, the bank has a credit policy that restricts lending to business which employs child labour or businesses which deals with production or activities involving harmful or exploitative forms of forced labour/harmful child labour. The credit risk management committee of the bank and the risk management committee of the board are responsible for review and approval of credit policy from time to time.

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

The bank has an escalation matrix that addresses grievances related to human rights issues. The concern is first reported to Regional Manager of Admin and as per requirement further escalated to National Manager, Head of the Department and MD & CEO in the respective order.

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

| | FY 2022-23 Current Financial Year | | | FY 2021-22 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 | 7 | 0 | NA | 4 | 0 | NA |
| Discrimination at workplace | 0 | 0 | NA | 0 | 0 | 0 |
| Child Labour | 0 | 0 | NA | 0 | 0 | 0 |
| Forced Labour/ Involuntary Labour | 0 | 0 | NA | 0 | 0 | 0 |
| Wages | 0 | 0 | NA | 0 | 0 | 0 |

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

Ujjivan is committed to provide a safe work environment to its employees, free from any kind of harassment at workplace. This includes freedom from harassment of an employee by supervisors, co-workers, customers, vendors, consultants, contract employees or any other party with whom Ujjivan is in business, service or professional relationship. At Ujjivan, sexual harassment at the workplace is a 'misconduct'. Any conduct or behaviour that amounts to sexual harassment at the workplace by any employee of Ujjivan shall result in disciplinary action as per policies and applicable laws.

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

As per business agreements and contracts, a general clause form part of the agreement that requires the vendors to comply to all the statutory laws and requirements.

9. Assessments of the year

| | % of your offices and branches that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|---|
| Child labour | 100 |
| Forced/involuntary labour | NA |
| Sexual harassment | 100 |
| Discrimination at workplace | 100 |
| Wage | 100 |

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

The bank's concurrent auditor, payroll and compliance vendor validate child labour, wages and others. IC takes care of the issues related to sexual harassments. The bank has an existing disciplinary committee at RO/CO.

Leadership Indicators

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

No grievances/ complaints were received with respect to human rights for the financial year and so no process modification has been carried out.

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

Human rights due diligence is not conducted for the bank's operations

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 premises/offices of the bank are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The accessibility of ramps has been enhanced in 90 branches and 4 regional offices of Ujjivan small finance bank.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Essential Indicators

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

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|--|---|
| Total electricity consumption (A) | 45,684.54 GJ | 53,060.46 GJ |
| Total fuel consumption** (B) | 8,407.51 GJ | 7,002.68 GJ |
| Energy consumption through other sources (C)*** | 0.077 GJ | 0.0526 GJ |
| Total energy consumption (A+B+C) | 54,092.13 GJ | 60,063.19 GJ |
| Energy intensity per Crores of turnover (Total energy consumption (Giga Joules) / turnover in Crores rupees) | 11.37 | 19.21 |

*Total energy consumption includes offices and branches.

** Fuel consumption is with respect to diesel consumption for diesel generators

*** Solar Power Plant of capacity 3 kW

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

No.

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

The bank does not fall under designated consumer category in Performance, Achieve and Trade (PAT) scheme of Bureau of Energy efficiency (BEE).

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

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|--|---|
| Water withdrawal by source (in kilolitres) | | |
| Total volume of water consumption (in kilolitres)* | 1,02,818 | 84,367 |
| Water intensity per Crores of turnover (Water consumed / turnover in Crores) | 21.62 | 26.98 |

*Consumption quantity mentioned above is the water consumed for drinking and domestic purposes and calculated based on the cost spent.

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

No

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

The water requirement by the bank is only for domestic and drinking purposes. So, there is no Zero Liquid Discharge implementation

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

| Parameter | Please specify unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|-------------------------------------|---------------------|---|---|
| NOx | mg/m3 | At the branches of Ujjivan, the type of DG sets provided by the vendor is PECH 25 which has been approved by ARAI for noise and pollution norms. At URC branches, 25 kVA DG sets are used and at non-URC branches 5 kVA DG sets are being used. | |
| SOx | mg/m3 | | |
| Particulate matter* (PM10) | mg/m3 | | |
| Particulate matter (PM2.5) | mg/m3 | | |
| Persistent organic pollutants (POP) | - | | |
| Volatile organic compounds (VOC) | - | | |
| Hazardous air pollutants (HAP) | mg/m3 | | |

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

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

| Parameter | Unit | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|--|--|---|
| *Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 591.15 | 492.37 |
| *Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available) | Metric tonnes of CO ₂ equivalent | 10,279.02 | 11,938.60 |
| Total Scope 1 and Scope 2 emissions per Crores of turnover | Metric tonnes of CO ₂ equivalent/turnover in Crores | 2.28 | 3.97 |

*Scope 1 covers the emissions emitted through the usage of Diesel in Diesel generators and Scope 2 covers the emissions emitted from Purchased grid Electricity.

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

No

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

The bank is striving to reduce greenhouse gas (GHG) generation in its facilities. The bank is actively expanding the use of clean energy to reduce GHG coming from the conventional power generation, such as by promotion of solar panel installation and optimising use of resources.

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

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|--|--|---|
| Total Waste generated (in metric tonnes) | | |
| E-waste | 3.70 | 4.14 |
| 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 | - | - |
| (ii) Re-used* | 0.727 | 0.05 |
| (iii) Other recovery operations | - | - |
| Total | 0.727 | 0.05 |
| 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 | - | - |
| Total | - | - |

*Donated reusable electronic devices to institution for reuse through our NGO's

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

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

The services provided by the bank do not generate any toxic chemical waste. The major wastes from the bank are paper waste and E-waste. The paper waste is safely disposed of through authorised vendors. In case of E-waste, it is disposed through certified recyclers.

- 10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

The bank does not have operations in Ecologically sensitive areas.

| S. 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 | | | |

- 11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Being a banking sector, environmental impact assessment of projects is not applicable.

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

Yes, the entity is compliant with the applicable environmental laws/regulations/guidelines in India.

Leadership Indicators

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

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|--|---|
| From renewable sources* | | |
| Total electricity consumption (A) | 0.077 GJ | 0.0526 GJ |
| Total fuel consumption (B) | | |
| Energy consumption through otl sources (C) | | |
| Total energy consumed from renewable sources (A+B+C) | 0.077 GJ | 0.0526 GJ |
| From non-renewable sources | | |
| Total electricity consumption (D) | 45,684.54 GJ | 53,060.46 GJ |
| Total fulconsumption (E) | 8,407.51 GJ | 7,002.68 GJ |
| Energy consumption through other sources (F) | | |
| Total energy consumed from non-renewable sources (D+E+F) | 54,092.13 GJ | 60,063.19 GJ |

* Solar Power Plant of capacity 3 kW

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

No

2. Provide the following details related to water discharged:

| Parameter | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|--|---|
| Water discharge by destination and level of treatment (in kilo litres) | | |
| (i) To Surface water | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (ii) To Groundwater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (iii) To Seawater | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | Not Available |
| (iv) Sent to third-parties | | |
| - No treatment | | |
| - With treatment – please specify level of treatment | | |
| (v) Others | | |
| - No treatment | | |
| - With treatment – Tertiary treatment | | |
| Total water discharged (in kilo litres) * | | |

Being a banking sector, the use of water is only for drinking and domestic purposes.

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

No

3. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

The bank does not operate in any ecologically sensitive areas.

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:

The bank has a programme named “Sanchaya” themed around “Use Energy Wisely”. Under this programme, the Bank took up some practical ways to make smart changes around the workplace, everyone in the Bank was involved in this energy saving initiative making the workplace more energy efficient and sustainable. This initiative helped to save about 6% YoY and 8% for the FY.

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

Yes, the entity has a Business Continuity and Disaster Management Plan.

The BCM (Business Continuity Management) plan highlights the preparedness of the bank to deal with disaster situations. The purpose of this policy is to define the need to establish a management framework necessary to ensure emergency response, resumption and recovery, restoration and permanent recovery of Ujjivan during business interruption events while maintaining compliance requirements. This applies to all the business processes,

departments, infrastructures and facilities in head office, regional offices and branches of Ujjivan. The policy statements include the BCMS organisation structure, components of BCM framework, procedural aspect of BCP, HR aspects of BCP, Infrastructure aspects of BCP, Technology aspects of BCP, Access control aspects of BCP etc. Business continuity management governance is also in place which has the BCM committee and Crisis management committee.

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?

Being a banking sector, there is no significant direct impacts to the environment from the value chain partners

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

The Bank procures goods and services from licensed and certified vendors and suppliers. The Bank has a policy on Code of Conduct. This Code of Conduct attempts to set forth the guiding principles and values on which the Bank's employees shall operate and conduct business with various stakeholders of the Bank, government and regulatory agencies, media, and anyone else with whom the Bank is connected.

PRINCIPLE 7 BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

Essential Indicators

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

The bank is a member of 8 trade and industry chambers/ associations.

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/ National) |
|--------|---|--|
| 1 | AKMI – Association of Karnataka Micro Finance institution | State |
| 2 | IBA – Indian Banks' Association | National |
| 3 | ASFBI – Association of Small Finance Banks of India | National |
| 4 | FIMMDA – Fixed Income Money Market & Derivatives Association of Indi- | National |
| 5 | MFIN - Micro Finance Institutions Network | National |
| 6 | Sa-dhan | National |
| 7 | DLCC – District Level Consultative Committee | State |
| 8 | SLBC – State Level Bankersmmittee | State |

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

No adverse orders from RBI, IRDAI and PFRDA for anti-competitive conduct.

PRINCIPLE 8 BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Essential Indicators

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

| Name and brief details of project | SIA Notification No. | Date of notification | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes / No) | Relevant Web Link |
|---|----------------------|----------------------|---|--|-------------------|
| Not applicable as there were no projects undertaken that required an SIA in the current financial year. | | | | | |

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

Not Applicable

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

Year on year, Ujjivan formulates the CSR project plan based on the specific needs of the communities that the bank operates in. The needs are gathered from the regional teams at the ground level and the projects are selected based on the criticality and the impact outlook. The bank has been of constant support to the communities through their flagship community development programme - Chote Kadam and the disaster relief activities.

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

The bank procures all its goods from licensed vendors and suppliers.

| | FY 2022-23 (Current Financial Year) | FY 2021-22 (Previous Financial Year) |
|---|--|---|
| Directly sourced from MSMEs/ small producers | Not Available | |
| Sourced directly from within the district and neighboring districts | All the materials required by the bank are procured locally irrespective of its location | |

Leadership Indicators

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

The Bank has been extending its CSR activities in the low economy states - **BIMARU (Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh)** and has impacted about 1.7 Lakhs beneficiaries during FY 2019-20 and FY 2020-21 through the Chote Kadam projects and Covid relief activities. The Bank has offered livelihood training and sustainable self-employment opportunities to 50+ women at **Purnea, Bihar** for FY 2021-22

For FY 21-22, other CSR activities provided by the bank were:

i. Community development: The bank carried out renovation of the healthcare facilities in the state of Bihar, Jharkhand, Uttar Pradesh, Odisha and Rajasthan amounting to 30 Lakhs with 72,000+ beneficiaries.

ii. Covid Relief: The bank provided Covid relief through contribution in hospital beds, critical medical equipments and oxygen concentrators in the state of Bihar, Uttarakhand, Uttar Pradesh and Odisha amounting to 25.04 Lakhs with 75,000+ beneficiaries.

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

No, the bank follows a standardised procurement policy across all suppliers and vendors. The bank carries out its procurement activities in alignment with Code of Conduct following the appropriate due diligence processes. Responsible business practices are also considered during procurement of goods for the bank such as energy efficient appliances, across their offices, branches and ATMs in PAN India.

- (b) From which marginalised /vulnerable groups do you procure?**

Not Applicable

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

Not Applicable

3. Details of beneficiaries of CSR Projects:

| S. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|--------|--|--|--|
| 1 | <p>Community Development - Year on year, Ujjivan formulate the CSR project plan based on the specific needs of the communities that the bank operates in. The needs are gathered from the regional teams at the ground level and the projects are selected based on the criticality and the impact outlook. Ujjivan have been of constant support to the communities through their flagship community development programme - Chote Kadam and the disaster relief activities. The Infrastructure Development Programme – Chote Kadam focuses on the broad categories of public infrastructure facilities such as:</p> <ul style="list-style-type: none"> i. Infrastructural support for the educational institutions ii. Renovation of healthcare facilities iii. Construction of community centres and bus stands iv. Catering to safe drinking water needs of the communities v. Provision of sanitation in the community vi. Provision of solar-powered street lighting etc. | 31,58,590+ beneficiaries | 100% |
| 2 | <p>Livelihood Programmes:</p> <ul style="list-style-type: none"> i. Training and Placement of PWDs with Cheshire Disability Trust: Partnering with Cheshire Disability Trust towards empowering differently abled people in Jamshedpur and Mumbai locations, the bank through its CSR initiative trained 200 candidates, of which 124 of them were placed with Square Meal foods, Quess Corp, Bellona Hospitality Services, DHL Logistics etc. with an average monthly income of INR 12000/- ii. Livelihood training to youth with Divya Nur Foundation: Through the association with Divya Nur Foundation in Bhubaneswar, Ujjivan offered livelihood training to 100 unemployed youth affected by Fani & Yaas cyclone in FY 2021-22 and successfully placed 59 of them in the retail sector like Khadims, HDB Finance, Hunger Box, Monginis, Veggiekart, etc. The training aimed at imparting basic computer knowledge, English language skills and retail industry domain knowledge. iii. Sustainable livelihood for women: Through partnership with Savera society in Purnea, Bihar, Ujjivan have installed 16 machines to make significant change in the lives of rural women on techniques for manufacturing jute and banana fibre products including jute bags. This empowerment serves another noble social cause. By training more people in the making and use of such biodegradable products, Ujjivan is also helping to build an alternate ecosystem for sustainable products. This programme has been earning recurrent beneficiaries with the one-time setup | 350+ beneficiaries | 100% |

| S. No. | CSR Project | No. of persons benefited from CSR Projects | % of beneficiaries from vulnerable and marginalised groups |
|--------|---|---|--|
| 3 | <p>Covid Relief: In FY 2020-21, Ujjivan extensively worked towards supporting communities during the pandemic with over 26 projects across India being executed, benefiting the frontline workers (doctors and paramedical staff, police personnel, corporation and municipality workers and transport workers). Ujjivan dedicated 52% of the CSR expenditure towards the cause and reached approximately 7,74,000+ public, 49,000+ police personnel, 10,500+ hospital staff, 12,100+ corporation/ municipal/ panchayat workers and 200 transport workers. Masks, sanitizers, dry ration, sprayers and PPE kits were distributed among many.</p> <p>In FY 2021-22, as part of Covid relief measures, the bank had initiated activities such as distribution of beds, bedspreads, oximeters, oxygen concentrators, oxygen cylinders, ITU beds, Ventilator beds, PPE kits, gloves, mask, thermal scanners, COVID safety gears for frontline workers, etc. which includes funding for 6 ITU beds to St John's Hospital, Bengaluru and 40 D Type oxygen cylinders to CMC Vellore.</p> <p>Sanjeevani Kavach (Covid Vaccination Drive): Ujjivan created a programme with the help of their internal team and launched the Ujjivan Sanjeevani Kavach Programme to vaccinate the public in their operational areas. The programme was successfully executed at 478 operational areas and was able to inoculate over 80,000 vaccines through PHCs, UPHCs, Government Hospitals & privately set-up camps.</p> <p>Awareness camps: The bank also started a COVID-19 education programme, primarily designed to create awareness about the pandemic. It provided information on how to remain safe, RT-PCR testing and relevant government insurance schemes and clarified misconceptions.</p> | <p>16,60,000+ beneficiaries</p> <p>3,57,000+ beneficiaries trained across the country</p> | 95% |
| 4 | <p>Disaster Relief: Under disaster management, the Bank supported lives affected by Yaas cyclone in Jaynagar and heavy floods at Tamluk and Panskura by providing affected communities with adequate relief material during their time of need. During the Yaas cyclone, the Jaynagar region of West Bengal was severely affected. Teams from Ujjivan SFB's Jaynagar branch reached out to affected families, assessed needs and provided help in the form of dry rations, plastic buckets, mosquito nets, etc.</p> <p>In August 2021, there were heavy floods in the Tamluk and Panskura areas in West Bengal. While the state government provided relief in the most severely affected areas, Ujjivan worked with government agencies to provide help in the form of dry rations, tarpaulin, phenyl liquid and mosquito nets, and thereby helped to check the spread of disease in the prevailing flood ridden unhygienic conditions. More than 8,000 beneficiaries received help collectively</p> <p>In 2022, Ujjivan undertook relief activities in the East region by organising health camps in Kamrup, Nagaon, Mirza, Baihata locations of Assam which were badly affected by floods in the month of September and impacted about 700+ beneficiaries.</p> | 126700+ beneficiaries | 100% |

Under CSR projects, company has taken various other initiatives such as health programmes for differently abled people and HIV and Leprosy patients, etc. for which beneficiary quantification is being done.

PRINCIPLE 9 BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Essential Indicators

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

The customers can register the complaints through multiple channels which includes;

- (A) Primary channels such as Complaint register/ complaint box available at branches, calls to Branch office or 24/7 Customer Care helpline Number, email to customer care, through internet or mobile banking app and complaint form available on website. Complaint resolution matrix along with contact details and Customer care helpline number are displayed at BC points/Branches/Website. Customers can also submit their complaints during monthly customer service committee held at linked branches.
- (B) Secondary escalation contact points such as Regional Nodal Officers and Principal Nodal Officer.
- (C) Customers can escalate their complaints to banking ombudsman in case of no response or a resolution for their complaint from the bank within 30 days or they are not satisfied with the resolution provided by bank. The complaints received through other external channels such as social media/ central government's consumer helpline & CPGRMS are also being handled for resolution. The customer is acknowledged for the complaints received either through SMS, Email or acknowledgement slip as applicable. Turn Around Time for resolution of complaints are defined on the basis of nature of complaints criticality and effort required for resolution. These TATs are added in software tool which the Bank is using for documenting, tracking and resolution of complaints. All the complaints received from different channels are captured in CRM software solution which automatically assigns complaint ticket to respective internal departments for resolution. The bank had setup a dedicated Service Quality department which monitors complaint resolution framework end to end. The data on pending complaints is being monitored and reviewed by Service Quality team and necessary internal escalation process is followed for closure of pending complaints. Complaint resolution TAT is one of the key Service Index which is being closely monitored by the bank.

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 Available |
| Safe and responsible usage | |
| Recycling and/or safe disposal | |

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

The bank has received consumer complaints with respect to cyber security such as phishing, vishing and smishing and others during the financial year 2022-23 and 2021-22.

| | FY 2022-23 Current Financial Year | | | FY 2021-22 Previous Financial Year | | |
|---|-----------------------------------|-----------------------------------|---------|------------------------------------|-----------------------------------|---------|
| | Received during the year | Pending resolution at end of year | Remarks | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy | 0 | 0 | NA | 0 | 0 | NA |
| Advertising | 0 | 0 | NA | 0 | 0 | NA |
| Cyber-security (Phishing, Vishing and Smishing by Fraudsters) | 929 | 0 | NA | 683 | 0 | NA |
| Delivery of essential Services | 0 | 0 | NA | 0 | 0 | NA |
| Restrictive Trade Practices | 0 | 0 | NA | 0 | 0 | NA |
| Unfair Trade Practices | 0 | 0 | NA | 0 | 0 | NA |
| Others (Mis-selling)* | 40 | 0 | NA | 48 | 0 | NA |

*Complaints related to mis-selling are those where a customer claims that he was promised a certain return/ feature in a product/ service and has not received the same.

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

| | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls | | Not Applicable |
| Forced recalls | | Not Applicable |

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 has a framework/ policy on data privacy. <https://www.ujjivansfb.in/privacy-policy>

Ujjivan Small Finance Bank believes in privacy of data provided by its customers/users and is committed to protect it. The bank takes all necessary and reasonable measures to protect the customer information and its transmission through the online channels. The privacy policy is applicable to customers/users that visit, use or interact with the bank through the online channels listed below.

- i. Website
- ii. Mobile Application
- iii. Internet Banking Page
- iv. Electronic communications (E-mailers / SMS) from the bank
- v. Digital Advertising Campaigns
- vi. Products and Services through online lead forms and questionnaires

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.

The complaints related to cyber security are generally received to bank through phone banking, where customers call Bank's helpline number and register their complaint/s. During the conversation the phone banking officer advise customer/s to file a complaint against the fraudster in Cyber Cell. Further, the customers also informed to submit the documents/ links through which customer had fallen prey to the fraudster. Based on the evidence submitted by the victim, following actions are taken:

Phishing, Vishing and Smishing by Fraudsters:

- i. Customer/s are advised to file a complaint against the fraudster in Cyber Cell.
- ii. The bank raises fraudulent charge back request with the beneficiary bank for the disputed transactions.
- iii. As a regular practice, during call conversation, or e-mail conversation, or during loan disbursement at branches the bank advises customers not to share any confidential credential details to anyone.
- iv. Awareness is created by sending SMS to customers to not compromise with their credentials

Leadership Indicators

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

Information related to products and services available on website
<https://www.ujjivansfb.in/>

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

The bank provides Communication through BTL, on-ground marketing initiatives and social media educating customers about safe banking practices, cyber fraud prevention, etc. The bank also conducts Financial Literacy Programmes like Diksha, to empower women from lower income families with the knowledge and tools of managing finances and make informed decisions.

In addition to this, Ujjivan also provides Financial Literacy Programmes (FLPs) such as "DIKSHA" to educate its customers. The FLPs are also provided to the MSME customers.

i) DIKSHA+

Financial education is core to Ujjivan Small Finance Bank's mission to give more low-income families access to the financial tools and resources they require to achieve security and prosperity. Ujjivan Small Finance Bank has played a key role in equipping women from low-income families with the knowledge and tools they need to save safely reduce financial risk and make informed, intelligent financial decisions. Through Diksha, its financial literacy programme, 1,19,222 customers were trained. Ujjivan Small Finance Bank's success over the past years is based on its ability to understand customer needs and develop appropriate, responsive solutions. DIKSHA+ has been recognised and acknowledged as a pioneering programme by the Reserve Bank of India (RBI).

ii) Chillar Bank Programme

Primarily aimed at imparting financial literacy to the children of the micro banking customers, the Chillar Bank programme has been creating a positive impact on their parents as well by enlightening them on the benefits of saving early and making long-term investments for their future. Being fast learners, the children help their parents with the usage of various digital platforms like UPI apps, mobile banking applications and educate them on the probable digital frauds.

During the FY 2022-23, Ujjivan have educated about 40,525 parents and their children across 200+ branches through this noble initiative.

iii) Financial Literacy Programme for MSME Customers:

Partnered with Haqdarshak, the first Indian social enterprise to digitalise welfare programmes on a single platform, Ujjivan conducted financial literacy programme as a pilot run for its MSME customers in Coimbatore, Tamil Nadu and Aligarh, Uttar Pradesh. A wide range of topics were covered in the programme which includes various options available for Financing their business needs, information on the central registrations & educating them on the availability of various Govt. welfare and financing schemes. There was a total of 28 beneficiaries across 2 states/ union territories.

iv) Financial Literacy Programme beyond Ujjivan:

As a step forward, Ujjivan's flagship financial literacy programme is being extended to the beneficiaries outside Ujjivan Small Finance Bank. Curated to their needs, Ujjivan have piloted this training programme during the FY 22-23 in partnership with Marwari hospital, Anahat Clinic, Mantri society and TNS India Foundation. There was a total of 80 beneficiaries.

v) Financial Literacy Camps:

Ujjivan Small Finance Bank launched Financial Literacy Camps at 132 URC branches across 11 states under the guidance of RBI. Educational materials used under this programme was designed by RBI. Ujjivan Small Finance Bank partners with Parinaam Foundation to integrate a savings initiative where families open savings accounts and are provided access to essential banking and financial services. There were 13,252+ beneficiaries across 137 rural branches covered.

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

The bank has a mechanism within the IT team that sends SMS to customers whenever there is a system downtime.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regards 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 is majorly into providing financial services which are intangible in nature and therefore displaying product information on products is not applicable as such. However, the Bank complies with the disclosure requirements relevant for services it provides in all its communications. Details of the Bank's services offered are disclosed through various media of communications such as branches, ATMs, net banking, website, brochures, mobile banking, social media etc. for information of the customers and other stakeholders. The bank communicates with its customers in 11 languages through different touchpoints like branches, ATMs and brochures. The "Hello Ujjivan" mobile application provides information to customers in 9 different regional languages of India.

Yes, the bank carries out, customer satisfaction surveys and other customer research based on the business need.

Currently, the bank is conducting an independent customer satisfaction survey through an external agency that covers 6 major products and services offered by the bank. This survey covers the entire entity. Further, the bank also conducts customer satisfaction survey internally through customer calling who has visited the branch and raised a query.

5. Provide the following information relating to data breaches:

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

The bank did not encounter any instances of data breaches during the last 6 years. The bank has various mechanisms such as Privacy Policy to provide protection from such instances.

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

Nil