Karnataka Bank Ltd.
Your Family Bank. Across India.

Regd. & Head Office
Post Box No.599, Mahaveera Circle
Kankanady
Mangaluru – 575 002

Phone : 0824-2228222
E-Mail : comsec@ktk.bank.in
Website : www.karnatakabank.bank.in
CIN : L85110KA1924PLC001128

**SECRETARIAL DEPARTMENT**

HO:SEC:136:2026-27 Date: 31.08.2026

| | |
|---|---|
| The Manager<br>Listing Department<br>**National Stock Exchange of India Limited**<br>Exchange Plaza,C-1, Block G<br>Bandra-Kurla Complex, Bandra (E)<br>MUMBAI - 400051 | The Manager<br>Corporate Relationship Department<br>**BSE Limited**<br>Phiroze Jeejeebhoy Towers<br>Dalal Street<br>MUMBAI - 400001 |

| | |
|---|---|
| **NSE Scrip Code: KTKBANK** | **BSE Scrip Code: 532652** |

Madam / Dear Sir,

**Sub: Business Responsibility and Sustainability Report for the Financial Year 2025-26**

Pursuant to Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Business Responsibility and Sustainability Report of the Bank for the Financial Year 2025-26.

This aforesaid report is also available on the website of the Bank under the link given below:
https://karnatakabank.bank.in/investors/agms-postal

This is for your kind information and dissemination.

Yours faithfully,

Sham Kanathila

Digitally signed by Sham Kanathila
Date: 2026.08.31 21:21:12 +05'30'

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

# Annexure XI

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT - FY 2025-26

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

| | | |
|---|---|---|
| 1 | Corporate Identity Number (CIN) of the Listed Entity | L85110KA1924PLC001128 |
| 2 | Name of the Listed Entity | The Karnataka Bank Limited |
| 3 | Year of incorporation | 1924 |
| 4 | Registered office address | Regd. and Head Office,<br>Post Box No. 599, Mahaveera Circle,<br>Kankanady, Mangaluru-575002<br>Karnataka, India |
| 5 | Corporate address | Regd. and Head Office, Post Box No. 599,<br>Mahaveera Circle, Kankanady, Mangaluru-575002<br>Karnataka, India |
| 6 | E-mail | info@ktk.bank.in |
| 7 | Telephone | 0824-2228222 |
| 8 | Website | https://www.karnatakabank.bank.in |
| 9 | Financial year for which reporting is being done | FY 2025-26 |
| 10 | Name of the Stock Exchange(s) where shares are listed | a. BSE Limited (Equity Shares)<br>b. National Stock Exchange of India Limited |
| 11 | Paid-up Capital | ₹ 378,18,15,620.00 |
| 12 | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Shri Raghuram H S, General Manager,<br>Branch Banking Department<br>raghuramhs@ktk.bank.in<br>0824- 2228274 |
| 13 | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Consolidated Basis |
| 14 | Name of Assurance Provider | M/s Gencarbon ESG Private Limited |
| 15 | Type of Assurance Provided | Limited Assurance Provided |

### II. Products/services

**16. 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 |
|---|---|---|---|
| 1 | Banking (Financial and Insurance Services Activity Code-K1) | Banking activities by Central, Commercial Bank, Digital banking, and savings bank. | 100% |

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

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

## III. Operations

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

| Location | Number of plants | Number of offices | Total |
|---|---|---|---|
| National | NA | No of branches-975<br>No of Offices – 42<br>No of ATMs/Recyclers – 1474<br>No of Business Correspondents- 201 | No of branches-975<br>No of Offices – 42<br>No of ATMs/Recyclers – 1474<br>No of Business Correspondents- 201 |
| International | NIL | NA | NA |

**Note:**

All deployed ATMs and recyclers are equipped with braille keypads and voice guidance systems to support visually impaired individuals and ensure inclusive access. With 37.6% (449 sites and 517 machines) of the 1195 sites having ramp facilities for inclusive banking for the differently abled and aging customer base.

**19. Markets served by the entity:**

### a. Number of locations

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

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

For Karnataka Bank, export-related metrics do not apply in the traditional corporate sense. Because the entity operates as a commercial bank, its 100% turnover is generated from banking, financial, and insurance services. Consequently, the contribution of exports as a percentage of total turnover is Not Applicable. However, while exports do not directly make up the bank's operational revenue, Karnataka Bank actively supports international trade by offering products like export credit, foreign exchange, and overseas transaction services to businesses.

### c. A brief on customer engagement and type of business:

The Karnataka Bank Limited (KBL) has a base of 14 million customers as on 31st March 2026 with its principal business caters to comprehensive range of customized products & services suitable for every kind of market, trade, or perceived need in the areas of Personal, Business, Agriculture, NRI Priority Banking including support of Green Sustainability funds with a dedicated ESG Policy. https://www.karnatakabank.bank.in/investors/policies-codes

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

The customer base of the bank consists of

1. Retail individuals,
2. Digital UPI payment service customers and partners,
3. Large corporates with treasury and wholesale banking needs,
4. MSME's including mid corporate clients,
5. NRI Individuals living abroad who maintain financial connections with their home country through NRI accounts and services,
6. Farmers and agriculturists, along with green projects, Agri and Solar business units.

7. Government bodies and agencies, non-profit organizations, and other entities that require specialised banking services, including support towards old age charitable homes,
8. The Bank has been collaborating with fintech companies to enhance digital services and expand reach as part of Digital India program since early 2000's for focusing on the new generation of Tech-savvy customers who prefer digital channels.
9. Banking with Digital Currency (CBDC).

Continuing the efforts to ensure that excellent banking service along with ESG goals are served, in FY 2025-26, through its digital-first, paperless agenda and targeted environmental initiatives, the Bank has made significant strides in reducing its carbon footprint, conserving resources, and embedding sustainability across its operations, in line with BRSR and ESG best practice. The Bank's ESG policy guides lending, operations, and resource use, with oversight by an Executive-level ESG committee and clear actionable targets and key result areas for sustainable operations.

During FY2025-26, the bank has a focused disbursement of environment sustainable solutions focused, Customer livelihood and enablement related Loans such as:

**Table 1**

| Type of Loan | No.: of A/cs & Sanctioned limit (FY 2025-26) |
|---|---|
| Loan for Renewable Energy Projects (Onward Lending) | 400 Crores |
| Loan for Renewable Energy Projects (Corporate) | 92.65 Crores |
| Electric Vehicle Loans | 22.95 Crores |
| Total Exposure | 515.60 Crores |

Details of advances for women entrepreneurs, Self-Help Groups (SHGs) are as below:

**Table 2**

| Type of Loan | As on 31.03.2026 (Amount in ₹ Crores) |
|---|---|
| Total Advances | 83,339.92 |
| Self Help Groups (SHGs) Outstanding amount | 1,094.51 |
| Percentage of SHG to Total Advance | 1.31% |
| Women Entrepreneurs Advances – Outstanding Amount | 965.94 |

Bank is actively promoting Social Security Schemes of GOI. The brief details of APY performance are as below:

**Table 3**

| FY | Target assigned by DFS/PFRDA (In Nos) | No of actual enrolments (In Nos) | Target |
|---|---|---|---|
| 2024-25 | 32,165 | 32,597 | Achieved |
| 2025-26 | 37,840 | 38,007 | Achieved |

Fresh enrolment details of PMJJBY and PMSBY are as below:

**Table 4**

| FY | PMJJBY | PMSBY |
|---|---|---|
| 2025-26 | 80,948 | 1,86,229 |

The bank has included Inclusive banking in its sustainable banking outreach. All deployed ATMs and recyclers are equipped with braille keypads and voice guidance systems to support visually impaired individuals and ensure inclusive access.

**Table 5**

| As on date | Total no Sites | Ramp Facility Available Sites | % of machines under Ramp facility | No of machines under Ramp facility |
|---|---|---|---|---|
| 31.03.2026 | 1195 | 449 | 37.6% | 517 |

The Bank's Digital Centre of Excellence (DCoE) serves as a strategic “HUB” for digital innovation, process transformation, and customer-centric product development. The DCoE leverages Agile methodologies, automation, and strategic partnerships with fintech companies to design and deliver secure, compliant, and user-friendly digital banking solutions.

During the year, the DCoE developed end-to-end digital journeys across asset and liability products, including Retail and MSME lending solutions. The Bank has implemented digital business rule engines for automated customer verification, income assessment, and credit underwriting, thereby reducing processing time, enhancing operational efficiency, and improving decision consistency.

The Bank has also enabled digital account opening journeys through TAB and Web channels by leveraging India Stack capabilities and Officially Valid Document (OVD) verification processes. These initiatives have improved accessibility to banking services, reduced dependency on paper-based processes and branch visits, and enhanced customer experience through secure and seamless digital onboarding.

Through continuous innovation and responsible adoption of digital technologies, the DCoE supports the Bank's objective of delivering inclusive, efficient, and sustainable banking services while maintaining adherence to regulatory requirements and customer protection standards.

The Digital Centre of Excellence (DCoE) has enabled over 90% of savings bank accounts to be opened digitally, with digital journeys for current accounts and dormant account activations, eliminating paperwork and branch visits. DCoE’s vision is centred around continuous innovation, striving to develop best-in-class products and processes through agile methodologies. Since there is a significant IT footprint that create a carbon footprint, there has been a focused actionable outcome taken in IT related scope of work towards sustainability. The Bank in its Digital in its Digital HUB has adopted a hybrid cloud strategy comprising, of Public and Private cloud infrastructure World Class Providers with cybersecurity layers to improve resource efficiency and reduce the environmental footprint of its IT operations. The Bank Hub’s Cloud adoption enables optimized compute utilization, server consolidation, virtualization, and lower energy consumption compared with traditional on-premises infrastructure. The transition also reduces hardware procurement, electronic waste generation, and physical data centre expansion requirements, supporting the Bank's Sustainable IT and Green Computing objectives.

The Bank has adopted Policy on Procurement to ensure transparency, fairness and equitable treatment of suppliers. The policy aims to standardize the purchasing processes and sourcing strategies to ensure that the Bank’s acquisition of services and assets are conducted transparently, objectively, and in a manner that is time and cost efficient while incorporating effective risk management practices. The Policy applies to all the procurements in the Bank covering all goods, services, works and consultancies.

**A) IT Hardware Procurement:**

IT hardware procurement includes servers, storage, network devices, IT Security devices, end points including desktops, laptops, tabs, etc. Many of traditional rack servers are replaced with hyper-converged systems, which consolidate computing, storage and networking into a single box. This has reduced server footprint in Data Centres.

Low energy computing devices are considered during end point device procurement.

**B) Data Centre Efficiency:**

- Bank has co-located Data Centre arrangements. This Co-located Data Centre has low Power Usage Effectiveness (PUE) resulting in up to 20% saving on power consumption.
- Further Bank has undertaken 9 Green initiatives including 30 KW Solar plant, Unity Power Factor UPS, variable frequency drives for pumps resulting in saving of 1.29 million units of Power.
- The Data Centre has obtained ISO 50001 Certificate (International standard for energy management systems).
- With reference to cloud-based solution, the standalone server setup in Bank’s cloud infrastructure is being replaced with Micro-services-based setup.

**C) Cloud-Based Banking:**

- Bank has shifted various Banking services and products to cloud services as part of its Digital Hub Setup that is setup on a cloud infrastructure foundation with application hosting and scalable. The Bank has been forward thinking about protecting its systems and customer data and is in process of implementing Cloud based SIEM solution along with periodic security standards governance for its own systems and third party cloud providers and application vendors. The Bank’s Corporate Website is updated regularly with necessary security standards enshrined in the Bank’s IT policy and that provided by RBI IT Governance rules. Bank has installed Private

Cloud infrastructure setup from World Class Providers, that manage and hold majority of workloads in Data Centre environment.

- The Bank has also during the year, embarked upon programs that optimize shared infrastructure and reduce dedicated server requirements. Tools have been utilized that enable higher compute utilization and server consolidation, reducing idle infrastructure and associated energy consumption. Cloud-based SIEM eliminates the need for additional on-premises security infrastructure, lowering incremental power and cooling requirements and reduces carbon footprint.

## IV. Employees

### 20. Details as at the end of Financial Year: March 31st, 2026.

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

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | | **EMPLOYEES** | | | | |
| 1. | Permanent (D) | 9037 | 6091 | 67.40% | 2946 | 32.60% |
| 2. | Other than Permanent (E) | 10 | 6 | 60.00% | 4 | 40.00% |
| 3. | **Total employees (D + E)** | **9047** | **6097** | **67.39%** | **2950** | **32.61%** |
| | | **WORKERS** | | | | |
| 4. | Permanent (F) | NIL | NA | NA | NA | NA |
| 5. | Other than Permanent (G) | NIL | NA | NA | NA | NA |
| 6. | **Total workers (F + G)** | **NIL** | **NA** | **NA** | **NA** | **NA** |

Note: "Employees" include Officers and Award Staff.

At present workforce is at 9,047 employees as on 31 March 2026. In 2025-26, the diversity ratio is maintained at 32.61% continuing to be a Preferred Place to Work.

#### b. Differently abled Employees and workers

| S. No. | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B / A) | No. (C) | % (C / A) |
| | | **DIFFERENTLY ABLED EMPLOYEES** | | | | |
| 1. | Permanent (D) | 31 | 28 | 90.32% | 3 | 9.68% |
| 2. | Other than Permanent (E) | 0 | 0 | 0 | 0 | 0 |
| 3. | **Total employees (D + E)** | **31** | **28** | **90.32%** | **3** | **9.68%** |
| | | **DIFFERENTLY ABLED WORKERS** | | | | |
| 4. | Permanent (F) | NIL | NA | NA | NA | NA |
| 5. | Other than Permanent (G) | NIL | NA | NA | NA | NA |
| 6. | **Total workers (F + G)** | **NIL** | **NA** | **NA** | **NA** | **NA** |

### 21. Participation/Inclusion/Representation of women

| Particulars | Total (A) | No. and percentage of Females | |
|---|---|---|---|
| | | No. (B) | % (B/A) |
| Board of Directors | 08 | 1 | 12.5% |
| Key Management Personnel | 3* | 0 | 0 |

Note: *Key Managerial Personnel includes Managing Director & CEO, Chief Financial Officer and Company Secretary as on 31st March 2026.

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

**(Disclose trends for the past 3 years)**

| | FY 2025-26 (Turnover rate in current FY) | | | FY 2024-25 (Turnover rate in previous FY) | | | FY 2023-24 Turnover rate in the year prior to previous FY 2024-25) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees | 1.61% | 0.68% | 2.29% | 2.24% | 1.90% | 2.13% | 2.58% | 1.90% | 2.36% |
| Permanent Workers | NA | NA | NA | NA | NA | NA | NA | NA | NA |

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

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

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

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

### 23. (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 | KBL Services Limited | Wholly Owned Non-Financial Services Subsidiary | 100% | Yes |

## VI. CSR Details

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

**(ii) Turnover (in ₹)** ₹ 10,320.72 crores (for purposes of CSR calculation)

**(iii) Net worth (in ₹)** ₹12,644.04 crores

Note: The Bank has achieved 100% utilization of budgetary sub-allocation to "Environmental Sustainability" in both the Financial Years 2024-25 and 2025-26.

Summary of the CSR Activities

| Category | No. of projects in FY 2025-26 | Amount Sanctioned (in ₹ lakhs) | % of Amount Sanctioned | Key projects |
|---|---|---|---|---|
| Education | 79 | 1243.82 | 40.09 | • Support to procure school buses to enable conveyance facility to attend school/college.<br>• Computers and LED interactive panels, projectors and printers to educational institutions.<br>• STEM/ Robotics lab, State-of-the Art Precision Manufacturing Centre of Excellence at educational institutions.<br>• Cupboards and UPS system for educational institutions.<br>• School desks, benches and chairs etc.<br>• Construction of classrooms/school buildings. |

| Category | No. of projects in FY 2025-26 | Amount Sanctioned (in ₹ lakhs) | % of Amount Sanctioned | Key projects |
|---|---|---|---|---|
| Empowering Socially/ Economically Disadvantaged | 17 | 209.35 | 6.75 | • Support for running Early childhood care and education centre for migrant workers children at Bengaluru.<br>• Infrastructure development of Early Intervention Centres for Special Children with Learning Disabilities and special schools.<br>• Conveyance facility to children attending special schools.<br>• Shelter homes for orphaned children and old-age homes.<br>• Support for livelihood enhancement to people with disabilities. |
| Environmental Sustainability | 44 | 340.45 | 10.97 | • Rejuvenation of lakes<br>• Support for the adoption of renewable sources of energy -solar power.<br>• Animal welfare with focus on promoting and protecting indigenous breed of cattle.<br>• Maintenance of greenery in public spaces. |
| Healthcare | 73 | 660.87 | 21.30 | • Upgrade the medical infrastructure of public and charitable hospitals etc.<br>• Provision of pure drinking water facility.<br>• Eradicating hunger, poverty and malnutrition. |
| Protection of Culture/Heritage | 48 | 353.82 | 11.40 | • Restoration of buildings and sites of historical importance and works of art.<br>• Promote the classical language 'Sanskrit'. |
| Rural Development | 4 | 10.35 | 0.33 | • Rural development initiatives. |
| Women Empowerment | 11 | 134.85 | 4.35 | • Empower women with disabilities through vocational training & self-employment initiative.<br>• Residential rehabilitation home for girl children and women.<br>• Support for menstrual health and hygiene programme.<br>• Support for Cervical Cancer Vaccination initiative. |
| Swachh Bharat | 9 | 85.69 | 2.76 | • Support for the construction of toilet blocks. |
| Administrative Expenses | | 63.33 | 2.04 | |
| **Total** | **285** | **3102.54** | **100%** | |

| FY | CSR budget (In ₹ crores) | Amount Sanctioned (In ₹ crores) | % Of CSR Budget earmarked to Environment Sustainability | Amount Sanctioned to Environmental Sustainability (In ₹ Crores) |
|---|---|---|---|---|
| 2025-26 | 30.96 | 31.02 | 11% | 3.4 |

In addition to the above CSR activities, the following activities were organized as separate activities by the Bank during the year FY 2025-26.

Key Highlights include

- **202 employees registered** and 125 units of blood collected during the Head Office Blood Donation Camp.
- **Multiple blood donation and health camps** conducted across regional offices and branches.
- **Cancer awareness, anti-drug abuse and preventive healthcare programmes** organized in collaboration with healthcare institutions.
- **Financial literacy and cyber security awareness programmes** conducted for customers and local communities.
- **Sapling plantation and Swachh Bharat cleanliness drives** undertaken across multiple locations.
- **Active employee volunteering and community participation** across healthcare, environmental and social initiatives.
- A community awareness programme was also conducted on the International Day Against Drug Abuse (26 June 2025) in partnership with the Link Anti-Addiction Citizens Committee and Kankanady Urban Police Station, reinforcing the Bank's role in promoting social well-being beyond its core banking function.

The Bank's Corporate Social Responsibility (CSR) and community engagement activities during FY 2025–26 reflect its sustained commitment to inclusive growth, employee welfare, environmental stewardship, and community empowerment.

**Note:** All activities are aligned with the Bank's ESG framework and Principle 8 of the National Guidelines on Responsible Business Conduct (NGRBC).

## VII. Transparency and Disclosures Compliances

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

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial year | | |
|---|---|---|---|---|---|---|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of Complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
| Communities | Yes Refer https://www.karnatakabank.bank.in/investors/policies-codes | 0 | 0 | Nil | 0 | 0 | Nil |
| Investors (other than shareholders) | Yes Refer: https://www.karnatakabank.bank.in/investors/policies-codes<br>Note: Investors can reach us on the dedicated email id investor.grievance@ktk.bank.in to redress their grievances. | 0 | 0 | Nil | 0 | 0 | Nil |
| Shareholders | Yes<br>Refer: https://www.karnatakabank.bank.in/investors<br>An investor relationship officer is appointed for better communication with shareholders and to oversee functioning of mechanisms for redressal of investor grievances.<br>Note: Shareholders can reach us on the dedicated email id investor.grievance@ktk.bank.in to redress their grievances. | 7 | 0 | 0 | 7 | 1 | The pending complaint was closed on 10.04.25 |

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy) | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial year | | |
|---|---|---|---|---|---|---|---|
| | | Number of complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks | Number of Complaints filed during the year | Number of complaints pending resolution at the close of the year | Remarks |
| Employees and workers | 1. Yes<br>https://www.karnatakabank.bank.in/investors/policies-codes. The bank in its HR& IR policy has appointed General Manager – HR & IR Department to oversee the provisions of required facilities/ amenities including the process of recruitment for persons with disabilities for higher operational inclusion.<br>Note: Employees can reach HR & IR Department by telephone, e-mail, letter and in person also to redress grievances, if any as mentioned in the Code of Conduct and redressal policy. | 5 | 0 | Nil | 3 | 0 | Nil |
| Customers | 1. Yes<br>The Bank believes that customer service experience is the key to acquire and nurture enduring relationship with our customers. The Bank has a well-defined customer complaint management system -Online Grievance Redressal Portal along with a Policy on Customer Rights and Product Suitability.<br>Refer: https://www.karnatakabank.bank.in/investors/policies-codes<br>Further, Bank has dedicated Toll-free numbers for its customers, to assist their queries/raise complaints, 1800 425 1444 & 1800 572 8031 and for NRI customers: 080-22021555. | Total number of Service-related complaints: 28910<br>[BO:659 General: 2142, ATM: 26109 | Total number of Pending Service-related complaints: 268<br>[BO:19, General:11, ATM: 238 | Nil | Total number of Service-related complaints: 25312<br>[BO: 388, General:1220, ATM: 23704] | Total number of Pending Service-related complaints: 134<br>[BO:0, General:6, ATM: 128] | Nil |
| Value Chain Partners | Yes,<br>Grievances if any can be emailed to<br>info@ktk.bank.in<br>Refer<br>https://www.karnatakabank.bank.in/investors/policies-codes | 0 | 0 | Nil | 0 | 0 | Nil |
| Others, please specify | Nil | 0 | 0 | Nil | 0 | 0 | Nil |

Note: The overall complaint resolution rate of 99.07% for the fiscal year. The increase in pending complaints at year-end (128 in FY 2024-25 to 238 in FY 2025-26) reflects an expansion in reporting scope rather than a deterioration in service quality. In FY 2025-26, the Bank integrated ATM operational logging directly into its BRSR compliance tracking framework, consolidating 26,109 ATM transactions and service alerts into a single reporting boundary.

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

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

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 1 | Responsible lending and sustainable finance | Opportunity (For expanding into Green Lending) | Karnataka Bank recognises that directing credit toward environmentally and socially beneficial activities generates long-term value for communities, the economy and the Bank's own lending portfolio. As a commercial bank with presence across 22 states and 2 Union Territories serving 14.00 million customers including farmers, MSMEs, women entrepreneurs and rural communities, the Bank's lending decisions carry significant developmental impact. Regulatory frameworks including RBI's climate risk guidelines and SEBI's BRSR requirements further reinforce the strategic importance of sustainable finance as a growth and risk management lever. | **Risk Adapt and Mitigate**<br>Banking lending model in order to Tap into the Opportunity for expanding into green lending.<br>The Bank's Board-approved ESG Policy governs lending with explicit environmental and social screening. In FY 2025-26:<br>Total green lending exposure: ₹515.60 Crores — comprising ₹400 Crores (Renewable Energy Onward Lending), ₹92.65 Crores (Corporate Renewable Energy) and ₹22.95 Crores (EV Loans).<br>Total Advances as on 31.03.2026: ₹83,339.92 Crores.<br>SHG outstanding: ₹1,094.51 Crores (1.31% of total advances).<br>Women Entrepreneurs advances: ₹965.94 Crores.<br>APY enrolments: 38,007 (exceeding Government target of 37,840).<br>PMJJBY fresh enrolments: 80,948 \| PMSBY: 1,86,229 | **Positive**.<br>Green lending diversifies the portfolio toward policy-supported sectors (solar, EV, MSME, agriculture), supports ESG-linked refinancing access and improves regulatory standing. Social security outreach strengthens community trust and customer retention. |
| 2 | Environment and Social Risk | Risk and Opportunity Both | The Bank's lending and operational activities carry environmental and social risk exposures. On the lending side, financing without adequate E&S screening exposes the Bank to credit risk, reputational damage and stranded asset risk as climate risks intensify. On the operational side, the Bank's direct carbon footprint, water usage and e-waste generation present both compliance obligations and efficiency improvement opportunities. The Bank has adopted the TCFD framework and GRI performance principles as its sustainability reporting standards. | **Adapt**<br>**Lending (E&S risk in credit):**<br>The ESG Policy provides a systematic procedure to screen lending for potential adverse environmental or social impacts. An Executive Level ESG Committee with Board oversight and inter-departmental Actionable Key Result Areas ownership ensures E&S risk assessment is embedded in credit sanction and risk management processes. ESG factors are considered in risk assessment of all future investments.<br>(i) Solar energy generation: 0.82 TJ from rooftop installations at 9 locations including Head Office (Centenary building).<br>(ii) Total electricity consumption (non-renewable): 43.28 TJ.<br>(iii) Total Scope 1 GHG emissions: 521.67 $tCO_2e$ (petrol: 80.95 $tCO_2e$; diesel: 440.72 $tCO_2e$ — each figure includes $CO_2$, $CH_4$ and $N_2O$)<br>(iv) Total Scope 2 GHG emissions: 9,858.22 $tCO_2e$ (43.28 TJ × 1,20,22,222 kWh × CEA FY26 grid EF 0.00082 $tCO_2e$/kWh; no adjustments applied).<br>(v) Three Sewage Treatment Plants fully operational in FY 2025-26: Head Office (60 KLD), RO Udupi (10 KLD), RO Tumkur (10 KLD) — recycled water.<br>(vi) 69.2 MT of e-Waste disposed through CPCB-certified recyclers via Sorian Recyclers, Aplab, Techser; zero hazardous waste under IT assets. | **Financial implications — Positive**<br>**Positive:**<br>i) Proactive E&S risk screening in lending reduces exposure to climate-vulnerable sectors, supporting long-term portfolio quality and reducing potential NPAs from stranded assets or regulatory non-compliance by borrowers.<br>(ii) Green lending portfolio of ₹515.60 Crores in renewable energy and EV sectors positions the Bank to benefit from policy tailwinds, and growing investor appetite for sustainable finance.<br>(iii) Operational efficiency gains from solar adoption. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| | | | | (vii) The bank has now a customer base of 14 million. 90% of customer onboarding journeys is now fully digital . The Bank's IT also added 8/140 cloud app and 7 servers with a 30,660 KWH saving in FY2025-26 which reduced a carbon footprint of 25.1 $tCO_2$, in addition to the ongoing carbon footprint on its existing customer base.<br>(viii) Adoption of Global best practices in defining and implementing Hybrid cloud strategy enabling server consolidation and reduced data centre energy consumption; Data Centre holds ISO 50001 energy management certification.<br>(ix) STP water to the tune of 45 Lakh Litres was reused over the last 3 years on an average of 15Lakh litres per year at the head office and use for external use such as cleaning and gardening plants. | **Negative (risk):**<br>(i) Emerging regulatory and greenwashing make it difficult to adequately identify and manage E&S risks in lending could lead to increased credit costs, asset quality deterioration and potential regulatory or compliance penalties.<br>(ii) Transition risks — changes in environmental regulations, carbon pricing or sector-specific policy shifts — could adversely affect borrowers in carbon-intensive sectors, creating indirect credit risk for the Bank.<br>• Physical climate risks (flooding, extreme weather) affecting branch premises and borrower operations could disrupt banking services and impair collateral values, with negative implications for both operational continuity and loan recovery.<br>• Insufficient investment in green operations or inadequate E&S disclosures could attract negative ESG ratings, limiting access to sustainability-linked capital markets and impacting cost of funds. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| 3 | Vendors and suppliers | Opportunity for business growth and responsible supply chain | The Bank's value chain partners — primarily NBFCs under co-lending and direct assignment arrangements — contribute to revenue and extend the Bank's reach for priority sector and MSME lending. Responsible supply chain governance ensures ESG principles are embedded across the lending ecosystem, and commercial relationships remain compliant with regulatory expectations. Revenue from all value chain partners individually remains below 2% of overall revenue, confirming no material concentration risk. | **Adapt and Mitigate**<br>The Bank has implemented an ESG Code of Conduct for Suppliers aligned to GRI 308. The Corporate Whistle-blower Initiative (CWI) — an independent online reporting service — enables secure and confidential communication of vendor concerns. The Bank actively prefers engaging with 'major' value chain partners who have BRSR and ESG policy adoption in their engagement and this can include NBFC co-lending partners (currently less than 2% of its business .However small one-time vendors for activities may be excluded from this requirement due to nature of activities. | **Positive**<br>Co-lending and direct assignment partnerships extend the Bank's lending reach without proportionate capital deployment, generating interest income while supporting priority sector targets. Responsible supply chain governance reduces reputational and compliance risk. Aggregate value chain partner revenue remains below 2% of overall revenue, limiting concentration exposure. |
| 4 | Staff welfare, work life balance and Human Rights, Occupation Health, and Safety | Risk and opportunity for future ready work inclusive workforce | The Bank's 9,047 employees as on 31 March 2026 are its most critical resource in delivering banking services across 975 branches, 42 offices and 1,474 ATMs/ recyclers in 22 states and 2 Union Territories. Employee well-being, capability development, workplace safety and human rights compliance are integral to sustained operational performance, regulatory standing and the Bank's position as a preferred employer. A diverse, trained and engaged workforce directly supports the Bank's digital transformation and customer service quality objectives. The diversity ratio of 32.61% female employees — above the banking industry average of 24–26% (RBI data) — reflects the Bank's commitment to gender inclusion. | **Adapt the banking's employee models for inclusion of GRI guidelines.**<br>Welfare and Benefits: The Bank provides 100% health insurance and personal accident insurance coverage to all 9,047 employees. Gratuity is applicable to 100% of eligible employees. Additional benefits include the National Pension Scheme, Superannuation Fund and Earned Leave Encashment on retirement. Total employee welfare spends in FY 2025-26 stood at ₹1,256.34 Crores (0.65% of turnover of ₹1,92,119.00 Crores).<br>**Capability Building:** The Bank's ISO 9001:2015 certified Staff Training College serves as the primary platform for employee development. In FY 2025-26, 9,571 participants successfully engaged in training programmes across professional development, digitalisation, ESG and compliance themes. Skill upgradation training covered 85.35% of employees (7,722 of 9,047). 100% of employees received performance and career development reviews.<br>The ECDS (Employee Career and Development System) and PMS (Performance Management System) are operationalised for structured career progression. Talent Management Committee (TMC) identifies and grooms' talent as part of succession planning.<br>Board-level training in FY 2025-26 covered Credit Risk Management (CAB, Feb 2026), KYC/AML (CAFRAL, March 2026) and Cyber Security Awareness (March 2026) — attended by 8 directors. | **Positive**. A skilled, engaged and diverse workforce is a direct enabler of the Bank's business performance. Strong welfare practices and career development infrastructure support low attrition (employee turnover rate of 2.29% in FY 2025-26), reducing recruitment and onboarding costs. A well-trained workforce accelerates digital adoption across branches, supporting the Bank's strategic objective of expanding digital banking penetration. Robust OHS systems and zero safety incidents protect the Bank from litigation, compensation liability and reputational risk. Board-level ESG and cyber training strengthens governance quality and regulatory confidence. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| | | | | **Diversity and Inclusion:** Women employees constitute 32.61% of the total workforce — above the banking industry average of 24–26% (RBI data). 31 differently abled employees are employed; RPwD Act 2016 compliant workstations, washrooms and accessibility modifications are in place at all branches where PWD staff are posted. Return-to-work rate: 100%. Retention rate: 100%. Human Rights Code of Conduct, Whistle-blower Policy and Equal Opportunity Policy govern conduct for all employees. 100% of permanent employees are covered under human rights policy training. POSH Act 2013: 5 complaints filed in FY 2025-26; 0 pending at year end; 2 upheld with disciplinary action; all resolved within statutory timeframe. Zero complaints of discrimination, child labour, forced labour or wage-related violations. Employee union membership at 95.45% of permanent employees.<br>**Occupational Health and Safety Mock evacuation drills:** conducted at Head Office: 31 May 2025 (541 staff, 4 min 30 sec) and 26 December 2025 (443 staff, 3 min 56 sec). All branches equipped with Fire Alarm Systems with smoke detectors (10–12 nos per branch), GSM-based Burglary Alarm Systems with panic switches, and CCTV surveillance (8-channel HD). Head Office maintains 197 fire extinguishers across 5 floors with 5 fire exits; Centenary Building maintains 58 fire extinguishers across 8 floors with 16 fire exits. Security incidents reported through DMS-2 directly to Vigilance Department. Safety incident record for FY 2025-26: LTIFR — NIL; Total recordable injuries — NIL; Fatalities — NIL; High-consequence injuries — NIL. | **Negative (risk)**. Non-compliance with labour laws, POSH Act or RPwD Act could result in regulatory penalties, reputational damage and talent attrition. Inadequate succession planning or capability gaps — particularly in digital and ESG competencies — could slow the Bank's transformation agenda and adversely affect service delivery and competitive positioning. |
| 5 | Data Security and IT Resiliency | Risk — cybersecurity threats-<br>Zero Trust Opportunity digital scalability and business continuity ("Leave Nothing to Chance") | Karnataka Bank operates a fully digital banking infrastructure serving 14 million customers across 975 branches and 1,474 ATMs/recyclers. The Bank's extensive IT footprint — spanning core banking, mobile/internet banking, ATM operations, cloud infrastructure and data centres — creates significant cyber risk exposure. RBI's cybersecurity directives, SEBI BRSR requirements and the Digital Personal Data Protection (DPDP) Act 2023 impose mandatory governance obligations. Simultaneously, robust IT infrastructure is a key enabler of the Bank's digital growth strategy. | **Risk: Mitigation**<br>**Certifications and governance:** IT Department, Data Centre, DR Site, NLS and DCoE certified under ISO 27001:2022 (ISMS). Cardholder Data Environment certified to PCI DSS 4.0.1 — the latest version of the standard. Board-approved Cyber Security Policy, Information Systems Security Policy, CCMP (Cyber Crisis Management Plan) and BCP/DR Policy in place.<br>**Data privacy:** Data Protection Officer (DPO) formally appointed at senior executive level for compliance with the DPDP Act. Privacy Statement published at: https://www.karnatakabank.bank.in/privacy-policy. Zero data breaches reported in FY 2025-26.<br>**Operations:** 24×7 Security Operations Centre (SOC) with advanced network and endpoint security; multi-layered defence-in-depth architecture (Anti-DDoS, Next-Gen Perimeter Firewall, WAF, IDS/IPS, Email Security with APT, SIEM, Anti-Malware). CISO oversees all cybersecurity initiatives; Information Security Committee of senior executives with defined terms of reference. | **Positive.**<br>Robust cybersecurity posture and IT resiliency protect revenue continuity, safeguard customer assets and support the Bank's reputation as a trusted digital banking partner. ISO 27001:2022 and PCI DSS 4.0.1 certifications reduce insurance costs and satisfy counterparty due diligence requirements. |

| S. No. | Material issue identified | Indicate whether risk or opportunity (R/O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk or opportunity (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| | | | | **Branch-level:** Branch Information Security Officers (BISOs) designated across all branches; train-the-trainer model implemented; improved incident reporting culture and reduction in successful phishing attempts.<br>**Employee awareness:** ELM-based cyber training completion rates in FY 2025-26 — Cyber Security Awareness Part 2: 94.91%; Part 1: 93.89%; Unusual Incident Reporting: 93.73%; Cyber-Enabled Frauds (Money Mule): 89.02%; Cyber Security (general): 88.77%. Cyber Jaagrookta Diwas campaigns and targeted workshops conducted periodically.<br>**IT resiliency:** Disaster Recovery Centre replicates core banking system and ATM operations; BCP tested via periodic drills; RTO and RPO defined as per regulatory requirements. | **Negative (risk).**<br>Cyber intrusions, ransomware, phishing or data centre outages could cause significant service disruption, regulatory penalties, customer compensation liabilities and reputational damage. The customer complaint resolution rate of 99.07% in FY 2025-26 —demonstrated the resilience, though the expanding digital surface area continues to require sustained investment in cybersecurity controls. |
| 6 | Information disclosure and available digitally | Risk: information ambiguity reduction and smooth customer and media information corporate governance clarity | Karnataka Bank operates a fully digital banking infrastructure serving 14 million customers across 975 branches and 1,474 ATMs/recyclers. The Bank's extensive IT footprint — spanning core banking, mobile/internet banking, ATM operations, cloud infrastructure and data centres — creates significant cyber risk exposure. RBI's cybersecurity directives, SEBI BRSR requirements and the Digital Personal Data Protection (DPDP) Act 2023 impose mandatory governance obligations. Simultaneously, robust IT infrastructure is a key enabler of the Bank's digital growth strategy. | **Adapt and Mitigate**<br>**Certifications and governance:** IT Department, Data Centre, DR Site, NLS and DCoE certified under ISO 27001:2022 (ISMS). Cardholder Data Environment certified to PCI DSS 4.0.1 — the latest version of the standard. Board-approved Cyber Security Policy, Information Systems Security Policy, CCMP (Cyber Crisis Management Plan) and BCP/DR Policy in place.<br>**Data privacy:** Data Protection Officer (DPO) formally appointed at senior executive level for compliance with the DPDP Act. Privacy Policy published at: https://www.karnatakabank.bank.in/privacy-policy.<br>Zero data breaches reported in FY 2025-26.<br>**Operations:** 24×7 Security Operations Centre (SOC) with advanced network and endpoint security; multi-layered defence-in-depth architecture (Anti-DDoS, Next-Gen Perimeter Firewall, WAF, IDS/IPS, Email Security with APT, SIEM, Anti-Malware). CISO oversees all cybersecurity initiatives; Information Security Committee of senior executives with defined terms of reference.<br>**Branch-level:** Branch Information Security Officers (BISOs) designated across all branches; train-the-trainer model implemented; improved incident reporting culture and reduction in successful phishing attempts.<br>**Employee awareness:** ELM-based cyber training completion rates in FY 2025-26 — Cyber Security Awareness Part 2: 94.91%; Part 1: 93.89%; Unusual Incident Reporting: 93.73%; Cyber-Enabled Frauds (Money Mule): 89.02%; Cyber Security (general): 88.77%. Cyber Jaagrookta Diwas campaigns and targeted workshops conducted periodically.<br>**IT resiliency:** Disaster Recovery Centre replicates core banking system and ATM operations; BCP tested via periodic drills; RTO and RPO defined as per regulatory requirements. | **Positive.** Robust cybersecurity posture and IT resiliency protect revenue continuity, safeguard customer assets and support the Bank's reputation as a trusted digital banking partner. ISO 27001:2022 and PCI DSS 4.0.1 certifications reduce insurance costs and satisfy counterparty due diligence requirements.<br>**Negative (risk).** Cyber intrusions, ransomware, phishing or data centre outages could cause significant service disruption, regulatory penalties, customer compensation liabilities and reputational damage. |

## 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 (P1 to P9) and Core Elements.

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| **Policy and management processes** | | | | | | | | | |
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| b. Has the policy been approved by the Board? (Yes/No) | Yes.<br>Karnataka Bank Governance provides for the approval of key policies by the Board of Directors of the Bank, based on the nature of the Policy and associated regulatory requirements, wherever necessary. Key Policies approved by the Board are listed below:<br>1. Policy on Whistle Blower.<br>2. Policy on AADHAAR Data Privacy and Security.<br>3. Policy on Customer Rights and Product Suitability<br>4. Policy on Grievance Redressal.<br>5. Policy on Corporate Social Responsibility (CSR).<br>6. Policy on Deposits.<br>7. Policy on Co-Lending with NBFCs for lending to Priority Sector.<br>8. Policy on General Management of Bank Branches.<br>9. Prevention of Sexual Harassment at Workplace Policy.<br>10. Karnataka Bank Code of Conduct.<br>11. Policy on Doorstep Banking Services for Senior Citizens of more than 70 Years of age and Differently abled Persons for the year 2024-25.<br>12. Code of Conduct for Prohibition of Insider Trading and Handling of Unpublished Price Sensitive Information.<br>13. Policy on Customer Service and Compensation.<br>14. Policy on equal opportunity of the Bank.<br>15. Policy on related party transactions. | | | | | | | | |
| c. Web Link of the Policies, if available | https://www.karnatakabank.bank.in/investors/policies-codes | | | | | | | | |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| | The policies of Karnataka Bank have been translated into procedures, which are at various stages of implementation. Specific Executive committees have been designated with Ownership and Responsibilities, which have been constituted for operationalizing, these policies, ensuring targets, Actionable Key Result Areas as envisaged by the Policy and approved by the Board.<br>Example for reference: Bank wide Standard operating procedures for Customer redressal: Refer Link:<br>https://www.karnatakabank.bank.in/investors/policies-codes | | | | | | | | |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No) | Yes<br>Some of the policies which have impacts on customer service, customer conduct, security norms, regulatory norms that impact the nature of the value chain partnership engagement are extended to our value chain partners as well under the code of conduct and procurement policies. This is on a case-to-case basis. | | | | | | | | |
| 4. Name of the national and international codes/ certifications/ labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | Karnataka Bank has framed its ESG Policy based on<br>1. TCFD Report framework and mapped against GRI performance principles.<br>2. KBL's IT Departments including Data Centre, DR Site, NLS, DCOE, are ISO 27001 certified for the implementation of Information Security Management System (ISMS).<br>3. Human Resources Department, Compliance Department, Risk Management Departments are certified with ISO 9001:2015 along with Bank's Staff Training College has been reaccredited ISO 9001:2015 Certification by TVE Certification Services Pvt Ltd., Trichy. | | | | | | | | |

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any. | i. The Bank has setup the ESG committee of the Executives, who will report to the Board of Directors on the ESG Strategy and road map to achieve the set targets and the progress on "half yearly" basis.<br>ii. The Bank has formulated its ESG policy for environmentally responsible lending to its customers and endeavours to build a sustainable lending portfolio with clear Actionable Key Result on sustainable operations.<br>iii. In FY 2025-26, the bank has made an all-round integrated approach for sustainable communities focus on its CSR outreach for education, water, health care.<br>iv. Under its ESG policy, the Bank lends/invests in key sectors such as MSME and Agriculture, Infrastructure, Power, manufacturing, etc and are committed to demonstrating our resolve to provide responsible and sustainable finance and partner with other stakeholders to achieve compliance with ESG policy.<br>v. As part of its internal operations, the Bank is focusing on climate change, energy emission data centre control with electricity conservation, incorporating energy-efficient lighting and building designs and paperless digital first agenda, adoption of water harvesting.<br>vi. Additionally, the Bank has focused on the upskilling of its workforce to promote holistic employee development and alignment with the evolving business landscape. Corporate Social Responsibility Committee, Stakeholder & Customer Relations Committee and Audit Committee of Board review the items as per reference of the respective Committee and the policies are reviewed as necessitates.<br>vii. The bank has won several accolades that gives testimonies on its focus on community sustainability, ease of doing business with security and ease with digital way of banking.<br>**Brief of Awards and Accolades**<br>1. Award of Excellence under "Special Appreciation Campaign" for achieving APY target, FY 2024-25.<br>2. Infosys Finacle Innovation Awards 2025 (Gold).<br>3. IBA CISO Award – Cyber Security Team of the Year (Private Sector – Small Bank category).<br>4. IBA CISO Award – Cyber Security Transformation of the Year (Private Sector – Small Bank category).<br>5. Special award, "Leader in Ethical Collection Practices".<br>6. Award of Excellence Achiever under "APY Annual Awards FY 2024-25" (PFRDA).<br>7. Certificate of Encouragement by PFRDA for 89% achievement of Annual APY Target under SLBC Karnataka, FY 2024-25.<br>8. Bank has bagged 5 Awards in IBA 21st Annual Banking Technology Conference, Expo and Citations- 2025-2026 event held on 09.01.2026 at Mumbai under the following categories:<br>• Best Fintech & DPI Adoption – Winner.<br>• Best Tech Talent – Runner Up.<br>• Best Technology Bank – Special Mention.<br>• Best Digital Financial Inclusion – Special Mention.<br>• Best Digital Sales – Special Mention. | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.<br>1. Aadhar Data Privacy and Security policy.<br>2. Policy on Customer Service and Compensation.<br>3. Policy on Corporate Social Responsibility (CSR).<br>4. Code of Conduct for Prohibition of Insider Trading and Handling of Unpublished Price Sensitive Information.<br>5. Code of Conduct and Ethics for Directors and Senior Management of the Bank.<br>6. Whistle-blower Policy<br>7. Policy on customer rights and product suitability<br>8. Policy on Grievance Redressal<br>9. Policy on third party products<br>10. Risk Management Policy<br>11. Cybersecurity IT Policy<br>12. Karnataka Bank Code of Conduct<br>13. Karnataka Bank HR policies | Yes<br>Policies are listed in website, and some are internal policies such as risk management, cybersecurity controls and HR policies which are adopted during the operations of the Banking business due to sensitive nature of disclosure. | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

<table>
<tr><th>Disclosure Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td colspan="10">Governance, leadership, and oversight</td></tr>
<tr><td>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)</td><td colspan="9">Bank has a well-articulated Board approved ESG policy. Accordingly, Bank lends / invests in key sectors such as MSME and Agriculture, Infrastructure, Power (including solar and wind), manufacturing, etc., demonstrating responsible and sustainable finance. Bank continues to prioritize lending to businesses with robust environmental and social management systems that enable identification of risks and impacts and their effective mitigation.</td></tr>
<tr><td>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policies.</td><td colspan="9">The Board of Karnataka Bank is the highest authority responsible for the oversights of the implementation of Business Responsibility Policies. The Managing Director & CEO of the Bank is the highest authority responsible for the implementation of all policies enlisted in the Karnataka Bank. Risk and Capital Management Committee (RCMC) of the Board oversees implementation of the Bank's Business Responsibility Policy (presently called ESG Policy).</td></tr>
<tr><td>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.</td><td colspan="9">Yes. The Board of Karnataka Bank has constituted various Board Committees, which are responsible for and have a remit over key sustainability related policies of the bank based on specific goals and focus areas with core ESG committees and accountability /ownership with clear focus goals allocated across the organization so that ESG principles is embedded in every part of Bank's operations in addition to the executive ESG committee.<br><br>Focus Groups and their Department (Dept.) ownership is listed below:<br><br>Migrating to energy-efficient IT systems & servers-, including Electronic Waste disposal – through authorised personnel by IT Dept.<br><br>E-waste Disposal: - IT Assets which carry Bank's data such as computer, HDDs, drives, tapes, printers, scanners, and other data-bearing devices are disposed through E-waste process.<br><br>Towards disposing such e-Wastes, Bank has onboarded e-waste Certified E-Waste recyclers, Direct E-Waste recyclers and management companies which hold recyclers, degaussers, dismantlers etc., in their industrial unit which facilitates them for proper disposal/refurbishing of the e-Waste as per the guidelines prescribed by the Central Pollution Board.<br><br>IT assets which do not carry information or data such as UPS, Batteries etc is currently being disposed under Buyback manner with the OEM.<br><br>Disposal of Hazardous waste: Currently there are no Hazardous waste being used in the bank under the IT assets.<br><br>Procurement Practices and reduce carbon commitment by IT Dept.<ul><li>The bank has mandated that all desktop purchases must carry certifications such as ENERGY STAR, EPEAT Gold, or TCO Certified to ensure energy efficiency and sustainability.</li><li>While purchasing desktops, and other IT Assets, Bank is opting for Low-Power Components like opting for CPUs and GPUs and in some laptops NPU's with lower thermal design power (TDP).</li><li>Choosing SSDs over HDDs for better energy efficiency.</li><li>To reduce power consumption, desktops with built-in power-saving features are opted.</li><li>Vendors in the supply chain industry who have adopted net-zero or low-emission manufacturing processes which help to reduce emissions are preferred. For example, Epson, Canon & Dell OEMs which has committed to becoming carbon negative, net zero emissions and underground resource free by 2050 & M/s Cisco by 2040.</li><li>Bank is also into replacement of endpoints which have reached its end-of-life. In addition, Bank also refurbishes the endpoints wherever possible and extend device lifespans through modular upgrades instead of full replacements.</li></ul>Digital adoption for paperless consumption by DCoE<br><br>Bank has implemented e -statement facility in its delivery channels like Mobile Banking and Internet Banking. Also, a separate application 'KBL-M Passbook' made available in which customers can generate the statement on their own instead of using paper statements. Further, Bank has implemented DMS- Document Management System to store all its documents digitally. Customer on boarding also made digital in which 90 % of new customers on boarding happens through Digital journeys where no paper is used. Bank is using exclusive application KO-notes for processing Banks approval.</td></tr>
</table>

## 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) | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | The Senior Management of the Bank regularly reviews the performance of the Bank against regulatory, bank and other related policies. Key aspects of such reviews are also updated to the Board and various Board Committees by the Management from time to time. | | | | | | | | | On a continuous basis with reviews on a HALF YEARLY basis. | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances | The Bank follows the existing ESG -TCFD, GRI and existing banking regulations as stipulated by Reserve Bank of India (RBI), and relevant banking statutory compliance as per banking regulatory and applicable laws. This is provided by the MD & CEO/Chief Financial Officer/ Company Secretary and Chief Compliance Officer to the Board of Directors. | | | | | | | | | | | | | | | | | |

## 11.

**Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.**

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

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

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

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes/No) | The bank has taken a conscious initiative to engage with Vendors in the supply chain industry who have adopted net-zero or low-emission manufacturing processes which help to reduce emissions are preferred. For example, Epson, which has committed to becoming carbon negative and underground resource free by 2050. These include banking value chain partners under Direct Assignment Arrangement (Less than 2% of total revenue hence not material value.) | | | | | | | | |
| The entity is not at a stage where it is able to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/ human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

### PRINCIPLE 1

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

### Essential Indicators

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

| Segment | Total number of training and awareness programmes held | Topics / principles covered under the training and its impact | % of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| Board of Directors | 3 Trainings held. Ongoing Multiple Trainings throughout the year. | 1. Credit Risk Management (CAB) – 2 Directors.<br>2. KYC/AML (CAFRAL) – 2 Directors.<br>3. Cyber Security Awareness – 8 Directors<br>**Note:** Four directors resigned/retired during the year — they show zero training hours in **FY 2025-26** | 25%<br>25%<br>100% |
| Key Managerial Personnel | Ongoing Multiple Trainings throughout the year | 1. Session on SEBI (Prohibition of Insider Trading) Regulations, 2015.<br>2. Cyber Security Awareness for the Board members. | 1&2. 100% 100% (MD & CEO, CS, CFO). |
| Employees other than BoD and KMPs | Principle 1<br>1865 Employees<br>Principle 3<br>9047 employees – 100% | PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.<br>PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains. | Principle 1<br>20.61%<br>Principle 3<br>100% |
| Workers | NIL | NIL | NIL |

**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 fee | NIL | | | | |
| Settlement | NIL | | | | |
| Compounding fee | NIL | | | | |

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

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

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

| Case Details | Name of the regulatory/ enforcement agencies/ judicial institutions |
|---|---|
| -Nil- | -Nil- |

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

No.

Bank has zero tolerance approach towards corruption and bribery. The Bank has updated and digitally published a 'Whistle blower policy' and the same is available on Bank's website.

https://www.karnatakabank.bank.in/investors/policies-codes

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

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

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

| Particulars | FY 2025-26 (Current Financial Year) | | FY 2024-25 (Previous Financial Year) | |
|---|---|---|---|---|
| | Number | Remarks | Number | Remarks |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | -NIL- | NA | -NIL- | NA |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs | -NIL- | NA | -NIL- | NA |

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

No regulatory actions, fines or penalties related to corruption or conflicts of interest were reported in FY 2025-26.

## 8. Number of Days of Accounts Payables

| Metric | FY 2025-26 (Current Financial Year) Number | FY 2024-25 (Previous Financial Year) Number |
|---|---|---|
| Number of days | Not Applicable due to banking Nature of business. | Not Applicable due to banking Nature of business. |

## 9. Openness of Business:

| Parameter | Metrics | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| Concentration of Purchases | a. % from Trading Houses | N/A | N/A |
| | b. Number of Trading Houses | N/A | N/A |
| | c. % from Top 10 Trading Houses | N/A | N/A |
| Concentration of Sales | a. <2 % to Dealers/Distributors * | <2% | <2% |
| | b. Number of Dealers/Distributors * | 5 | 5 |
| | c. % to Top 10 Dealers/Distributors * | <2% | <2% |
| Share of RPTs in Common Types+ | a. % Purchases with Related Parties | <2% | <2% |
| | b. % Sales to Related Parties | N/A | N/A |
| | c. % Loans & Advances to Related Parties | N/A | N/A |
| | d. % Investments in Related Parties | N/A | N/A |

**Note**

*NBFCs and Co lending.

+ M/s KBL Services Limited fully owned subsidiary does manpower supply and out bound calling unit and this is less than 2% of total sales and purchases . No Loans and Advances made under the Ambit of IAS 18 Related Parties.

## Leadership Indicators

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

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

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

Yes.

The Bank is committed to conducting its business and dealing with all its stakeholders with the highest ethical standards and in full compliance with applicable laws and regulations. The following processes are in place to avoid and manage conflicts of interest involving members of the Board:

### 1. Code of Conduct

The Bank has framed a comprehensive Code of Conduct applicable to employees, Board of Directors and Senior Management Personnel. All Board members and Senior Management Personnel affirm their compliance with the Code of Conduct for each financial year. The Code establishes clear standards of ethical behaviour, defines conflict of interest situations and prescribes the way such conflicts are to be disclosed, managed and resolved.

### 2. Policy on Prohibition of Insider Trading

The Bank has a Board-approved Code of Conduct for Prohibition of Insider Trading and Handling of Unpublished Price Sensitive Information (UPSI), which governs the conduct of Directors, KMPs and designated persons with respect to trading in the Bank's securities. This policy ensures that no Director or KMP uses non-public information for personal gain or to the detriment of other stakeholders.

### 3. Policy on Related Party Transactions

The Bank has a Board-approved Policy on Related Party Transactions to ensure that all transactions with related parties — including Directors and their relatives — are conducted at arm's length, on commercially reasonable terms, and with full transparency and disclosure. All material related party transactions require prior approval of the Audit Committee and the Board.

### 4. Whistle-blower Policy

The Bank has updated and digitally published a Whistle-blower Policy available on the Bank's website at https://www.karnatakabank.bank.in/investors/policies-codes. This policy provides a secure and independent channel for employees, Directors and other stakeholders to report concerns about unethical behaviour, actual or potential conflicts of interest, fraud or violation of the Code of Conduct, without fear of retaliation.

### 5. Board Committee Structure

The Board of Karnataka Bank has constituted multiple Board Committees with defined roles, responsibilities and terms of reference — including the Audit Committee, Risk and Capital Management Committee (RCMC), Stakeholder and Customer Relations Committee, CSR Committee etc. This structure ensures that no single Director or group of Directors can exercise undue influence over key decisions. Committee compositions are reviewed periodically to maintain independence and avoid conflicts.

### 6. Declaration of Interest

Directors are required to make periodic disclosures of their interests in other entities in accordance with the Companies Act 2013 and RBI corporate governance guidelines for banks. A Director who has a material interest in any matter placed before the Board is required to disclose that interest and abstain from participating in the discussion and voting on such matter.

### 7. Regulatory Compliance

All conflict-of-interest management processes is aligned with the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, RBI Guidelines on Corporate Governance for Banks and the Bank's internally approved policies. The Company Secretary and Chief Compliance Officer provide periodic updates to the Board on compliance status.

**Record in FY 2025-26:**

No complaints were received in relation to conflicts of interest involving Directors or Key Managerial Personnel during FY 2025-26. Zero monetary or non-monetary regulatory actions, fines or penalties related to corruption or conflicts of interest were reported during the year.

**Refer:** https://www.karnatakabank.bank.in/investors/policies-codes

## PRINCIPLE 2

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

### Essential Indicators

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

| Particulars | Current Financial Year FY 2025-26 | Previous Financial Year FY 2024-25 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R&D<br>Capex | As of FY 2025-26, the total Capex Spend in solar setup in premises, in various FYs, across 9 locations in India is ₹ 2,50,93,311. | | **A. Digital Banking Expansion & Paperless Operations:**<br>Over 90% of Savings Bank accounts opened digitally through DCoE's end-to-end digital journeys via TAB, Web and VCIP modes, reducing paper dependency and branch visit requirements bank-wide Xpress Cash (Personal Loan) and Credit Lines on UPI achieved 100% digital adoption; Xpress Car Loan at ~80%, Xpress Home Loan and Xpress MSME both at ~70%. Digital Current Account opening rolled out across all branches with ~60% adoption, eliminating paperwork and enhancing operational efficiency.<br>Continued deployment of KBL-M Passbook app, e-statements on mobile and internet banking, DMS (Document Management System) and KO-notes for internal approvals, collectively reducing paper consumption across 14 million customers.<br>As of 31 March 2026, the Bank's digital initiatives across its 14 million customer base are estimated to have avoided a cumulative 2,141.4 metric tons $CO_2$ in paper consumption since the FY2024 baseline (2,079 metric tons $CO_2$ for a 13.7 million customer base), based on a standard paper emission factor of 4.5 kg $CO_2$/kg. Of this, 62.4 metric tons CO2e represents the incremental saving attributable to FY 2025 26 specifically (customer base growth of ~0.3 million over the FY2024 baseline). Separately, decommissioning of 7 physical servers through cloud migration in FY 2025 26 avoided 25.14 $tCO_2$ (30,660 kWh saved at the CEA FY 2025 26 grid factor of 0.00082 $tCO_2e$/kWH). These are estimated figures; the paper-saving component is not independently assured.<br>**B. Sustainable Finance & Green Lending**<br>Directed focused disbursements toward environmental sustainability with a total green lending exposure of ₹515.60 Crores in FY 2025-26, comprising:<br>₹400 Crores — Renewable Energy Projects (Onward Lending).<br>₹92.65 Crores — Renewable Energy Projects (Corporate).<br>₹22.95 Crores — Electric Vehicle (EV) Loans.<br>Continued and strengthened eco-efficient IT procurement — all desktop purchases mandated to carry ENERGY STAR, EPEAT Gold or TCO Certified ratings; adoption of low-power CPUs, GPUs, SSDs over HDDs, and desktops with built-in power-saving features.<br>IT asset vendor selection aligned to net-zero commitments: Epson, Canon & Dell (carbon negative/net zero/resource free by 2050), Cisco (net zero by 2040).<br>Endpoint refurbishment and modular upgrades programme continued, extending device lifespans and reducing e-waste generation. |

| Particulars | Current Financial Year FY 2025-26 | Previous Financial Year FY 2024-25 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| | | | **C. E-Waste & IT Asset Disposal**<br>IT assets carrying bank data (computers, HDDs, drives, tapes, printers, scanners) disposed exclusively through CPCB-certified e-waste recyclers via Sorian Recyclers, Aplab, Techser, with degaussing, dismantling and refurbishing as per Central Pollution Control Board guidelines.<br>Non-data assets (UPS, batteries) returned through OEM buyback programmes.<br>Zero hazardous waste under IT assets confirmed for FY 2025-26.<br>69.2 MT of e-waste safely disposed in FY 2025-26 (batteries, printers, scanners and other IT assets) through CPCB-certified recyclers.<br>**D. Cybersecurity & Data Privacy Governance**<br>Data Protection Officer (DPO) formally appointed at senior executive level for compliance with the Digital Personal Data Protection (DPDP) Act.<br>IT infrastructure upgraded to PCI DSS 4.0.1 certification for the cardholder data environment — the latest version of the standard.<br>IT Department, Data Centre, DR Site, NLS and DCoE certified under ISO 27001:2022 for Information Security Management System (ISMS).<br>24×7 Security Operations Centre (SOC) operational with advanced network and endpoint monitoring; Cyber Crisis Management Plan (CCMP) in place.<br>Branch Information Security Officers (BISOs) designated across branches; train-the-trainer model implemented, improving incident reporting culture and reducing successful phishing attempts.<br>Cybersecurity e-learning completion rates in FY25-26: Cyber Security Awareness Part 2 at 94.91%, Part 1 at 93.89%, Unusual Incident Reporting at 93.73%.<br>**E. Social Security Outreach & Financial Inclusion**<br>APY enrolments scaled to 38,007 in FY 2025-26, exceeding the Government target of 37,840.<br>Fresh enrolments in FY 2025-26: 80,948 under PMJJBY and 1,86,229 under PMSBY, deepening financial protection coverage across rural and urban communities.<br>Customer awareness campaigns conducted across multiple regions (Udupi, Kolkata, Shivamogga, Kalburgi, Mysuru and others) — covering cyber fraud prevention, digital banking, social security schemes (PMJJBY, PMSBY, APY, PMJDY), agricultural loans, KYC updation and dormant account activation.<br>Senior citizen awareness programme conducted at Head Office (26.07.2025) on cyber fraud modus operandi and government schemes.<br>Financial literacy drives conducted at ITI colleges, degree colleges, gram panchayats and schools across Karnataka and West Bengal; 200+ students reached at Bhandarkar's Arts & Science College, Kundapura alone. |

| Particulars | Current Financial Year FY 2025-26 | Previous Financial Year FY 2024-25 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| | | | **F. Workforce Capability & ESG Training**<br>9,571 participants engaged in professional development, digitalization and ESG-aligned training programmes in FY 2025-26.<br>Skill upgradation training coverage reached 85.35% of total employees (7,722 out of 9,047).<br>Board-level directors training conducted in FY 2025-26 including: Credit Risk Management (CAB, Feb 2026), KYC/AML (CAFRAL, March 2026) and Cyber Security Awareness (March 26, 2026) — attended by 8 directors including Part-time Chairman.<br>**G. Safety & Emergency Preparedness**<br>Mock evacuation drills conducted at Head Office: 31 May 2025 (541 staff, 4 min 30 sec) and 26 December 2025 (443 staff, 3 min 56 sec).<br>197 fire extinguishers maintained at Head Office; 58 at Centenary Building; fire alarm systems with smoke and heat detectors across all branches.<br>All safety incidents (LTIFR, injuries, fatalities) reported as NIL for FY 2025-26.<br>99.07% overall customer complaint resolution rate maintained. |

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

Yes. The Bank has sustainable sourcing procedures in place to the extent applicable to a financial services entity. Material operational inputs are limited primarily to paper, IT hardware, and office consumables.

For paper, the Bank has substantially reduced consumption through digital adoption — e-statements, mobile banking, DMS and KBL-M Passbook. In FY 2025-26, the Bank's digital initiatives across 14 million customers are estimated to have avoided paper approximately 2,141.4 metric tons $CO_2$e (paper emission factor: 4.5 kg $CO_2$e/kg; estimated figure based on FY2024 baseline of 2079 metric Tonnes for 13.7 million customer base extrapolated to 14 million+ customer base, accumulated till date as on 31st March 2026. It is estimated and extrapolated that a paperless customer banking journey could have resulted in an incremental 62.4 metric Tonne savings in FY2025-26 on the incremental 0.3 million customers.

For IT hardware, the Bank mandates that all desktop purchases carry ENERGY STAR, EPEAT Gold, or TCO Certified ratings. Low-power components (CPUs, GPUs, SSDs) are specified, and device lifespans are extended through refurbishment and modular upgrades. Vendors with net-zero manufacturing commitments are preferred, including Epson, Canon, Dell (carbon negative by 2050) and Cisco (net zero by 2040). These practices, introduced in FY 2024-25, continued and were enforced in FY 2025-26.

Based on the top-down guidance given by the Bank MD&CEO, in FY 2024-25, Procurement Practises relating to the banking business and reduce carbon commitment has been updated to include:

a. Mandated ENERGY STAR, EPEAT Gold, or TCO Certified desktops for energy efficiency.

b. Used low-power CPUs, GPUs, and SSDs to reduce energy consumption.

c. Chose desktops with power-saving features to minimize usage.

d. Preferred vendors like Epson with net-zero manufacturing for lower emissions.

e. Replaced end-of-life endpoints, refurbished devices where possible, and extended lifespans through modular upgrades instead of full replacements.

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

The percentage of inputs sourced sustainably cannot be precisely quantified given the nature of banking operations, where there is no single material input category constituting a significant share of operational costs. The Bank is progressively increasing sustainable sourcing coverage and will report a quantified metric as data systems mature.

**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.**

| Particulars | Process Adopted under ESG Policy |
|---|---|
| (a) Plastics (including packaging) | Not applicable. The Bank has adopted Plastic avoidance, wherever possible, in office usage and marketing peripherals. |
| (b) E-Waste | IT assets carrying Bank data (computers, hard drives, tapes, printers, scanners, and other data-bearing devices) are disposed exclusively through CPCB-certified e-waste recyclers — Sorian Recyclers, Aplab, and Techser — with degaussing, dismantling, and refurbishing carried out in accordance with Central Pollution Control Board guidelines. Non-data IT assets (UPS units, batteries) are returned through OEM buyback programmes. In FY 2025-26, 69.2 MT of e-waste was disposed through this process. Zero hazardous waste was generated under IT assets in FY 2025-26. |
| (c) Hazardous Waste | Not Applicable due to nature of Banking operations. |
| (d) Other Waste | Other Waste is not applicable due to the nature of banking operations. |

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable.

## Leadership Indicators

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

| NIC Code | Name of Product / Service | % of total Turnover contributed | Boundary for which the Life Cycle Perspective / Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link. |
|---|---|---|---|---|---|
| Not Applicable as the Bank is into financial services. | | | | | |

**2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of Product / Service | Description of the risk / concern | Action Taken |
|---|---|---|
| Not Applicable as the Bank is into financial services. | | |

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

| Indicate input material | Recycled or re-used input material to total material | |
|---|---|---|
| | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
| Not Applicable as the Bank is into financial services. | | |

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

| | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Re-Used | Recycled | Safely Disposed | Re-Used | Recycled | Safely Disposed |
| Plastics (incl.packaging) | NA | NA | NA | NA | NA | NA |
| E-waste | NA | NA | 69.2 MT safely disposed via CPCB-certified e-waste recyclers. | NA | NA | 0.388 MT |
| Hazardous waste | NA | NA | NA | NA | NA | NA |
| Other waste | NA | NA | NA | NA | NA | NA |

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

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| Not Applicable as the Bank is into financial services. | |

## PRINCIPLE 3

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

## Essential Indicators

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

| Category | Total (A) | % of employees covered by | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 6091 | 6091 | 100% | 0 | - | NA | NA | 296 | 4.86% | NIL | - |
| Female | 2946 | 2946 | 100% | 0 | - | 163 | 5.53% | NA | NA | NIL | - |
| **Total** | **9037** | **9037** | **100%** | **0** | **-** | **163** | **5.53%** | **296** | **4.86%** | **NIL** | **-** |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | 6 | 6 | 100% | NIL | NIL | NIL | - | NIL | - | NIL | - |
| Female | 4 | 4 | 100% | NIL | NIL | NIL | - | NIL | - | NIL | - |
| **Total** | **10** | **10** | **100%** | **NIL** | **NIL** | **NIL** | **-** | **NIL** | **-** | **NIL** | **-** |

### b. Details of Measures for well-being of workers

| Category | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity Benefits | | Day Care facilities | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Number (B) | % (B/A) | Number (C) | % (C/A) | Number (D) | % (D/A) | Number (E) | % (E/A) | Number (F) | % (F/A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Female | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Total** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** |
| **Other than Permanent employees** | | | | | | | | | | | |
| Male | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Female | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| **Total** | | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** |

**Spending on well being measures:**

| Metric | Current FY2025-26 | Previous FY 2024-25 |
|---|---|---|
| Cost as % of Total Revenue | 0.65% | 0.74% |

| Details | FY 2025-26 | FY 2024-25 | Increase |
|---|---|---|---|
| Welfare Spend in crores ₹ | ₹1256.34 | ₹1,347.58* | -₹ (91.24) |
| Turnover in Crores ₹ | ₹ 1,92,119.00 | 1,82,766.21 | ₹ 9,352.79 |
| % Spend Share | 0.65% | 0.74% | -0.98% |

*Note: This is inclusive of 12th BPS and 9th Joint Note arrears. Total Well-being spend on workers inclusive of employees is ₹1347.58 Crores in FY24-25.

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

| Benefits | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/N.A.) |
| PF | 31.27% | NA | Y | 34% | NA | Y |
| Gratuity | 100% | NA | NA | 100% | NA | NA |
| ESI | Nil | NA | NA | Nil | NA | NA |
| Others– please specify* | 68.73% | NA | Y | 66% | NA | Y |

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

### 3. Accessibility of workplaces

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

Yes.

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

1. As required under the RPwD Act, all new building structures, and sites where PWD personnel are deployed or posted, are following accessibility requirements, modified workstations, washrooms in line with regulations.

2. As part of this endeavour the Bank's physical infrastructure (buildings, furniture, facilities, and services in the building) adheres to the accessibility standards given in the Harmonised Guidelines and Space Standards for Barrier Free Built Environment for Persons with Disabilities and Elderly Persons, 2016 and the National Building Code, 2016.

3. Specialised training and skill development assistance is offered by the bank and extends to digital peripherals that make their job rendition much more aligned and with ease of use with their disability which extends to operational systems and IT computer systems including those related to workplace productivity and accessibility features.

4. Employees including persons with disabilities shall be recruited solely based on merit and on the same standards prescribed for all others. However, any statutory directions/ notifications applicable to the person with benchmark disabilities with regards reservations and other facilities/ concessions shall be strictly adhered to as applicable. Post suitable for PWD shall be identified based on respective category of person with benchmark disabilities and in line with the directions/ notification issued by statutory authorities from time to time, if any. It should be ensured that the PWD employees are posted on profiles which are conducive for them to work efficiently and effectively.

5. The Bank also aims to revamp its existing facilities in due course, to ensure strict compliance with the Standards. Any new facility that is built, renovated, leased, or rented.

6. Preference shall be given to PWD employees for allotment of Bank's accommodation, as far as possible. Request of PWD employees for allotment of ground floor flats shall be considered by the Bank, subject to availability. Physically/ orthopedically challenged employees shall be eligible for 4 days Special Casual Leave in a calendar year as per policy.

7. In addition, the Bank has since FY 2021 has helped augment the ease of online banking and digital banking enablement for PWD customers and employees to avail banking facilities online where there is no ease of access provided in their existing facilities.

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

Yes

Refer: https://www.karnatakabank.bank.in/investors/policies-codes

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

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

| Gender | Permanent employees | | Permanent workers | |
|---|---|---|---|---|
| | Return to work rate | Retention Rate | Return to work rate | Retention Rate |
| Male | 100% | 100% | NA | NA |
| Female | 100% | 100% | NA | NA |
| **Total** | **100%** | **100%** | **NA** | **NA** |

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

| Particulars | Yes/No (If yes, then give details of the mechanism in brief) |
|---|---|
| Permanent Workers | NA |
| Other than Permanent Workers | NA |
| Permanent Employees<br>Other than Permanent Employees | Yes.<br>There is well defined Grievance Mechanism in Karnataka Bank mentioned under PARA 5 Grievance redressal of the Equal opportunity Policy.<br>https://www.karnatakabank.bank.in/investors/policies-codes<br>Process<br>- Bank has a well-defined grievance redressal mechanism, to enable its employees and others associated with the Bank to not overlook any concern.<br>- Step 1 Early Detection: raise it at an early stage in the right manner, without fear of retaliation, victimization, subsequent discrimination, or disadvantage at the workplace. Bank does not tolerate any impropriety, abuse or wrongdoing or discrimination or harassment and encourages its employees to raise their concerns.<br>- Step 2: Enquiry: Further, Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly.<br>- Step 3: While the Bank considers the wrongdoing or abuse or harassments in general, it is also conscious of the likelihood of any direct or indirect discrimination or denial of reasonable accommodation or bullying behaviour towards employees with disability and would treat such instances also, as abuse or harassment.<br>- Complaints against the Staff members in relation to any type of discrimination are only handled at IR section and shall be reported to HR & IR Department.<br>- The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.<br>- However, necessary reasonable accommodation will be provided to employees with disabilities to effectively participate in the investigation process. For example, accessible venue for persons with locomotor disability, etc.<br>- Any aggrieved employee can reach HR by telephone, email, letter and in person also.<br>- This grievances redressal procedure also includes subjects such as Discharge/ dismissal, misconduct, fines, etc. |

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

| Category | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category (A) | No. of employees / workers in respective category, who are part of association(s) or Union (B) | %(B/A) | Total employees / workers in respective category (C) | No. of employees / workers in respective category, who are part of association(s) or Union (D) | %(D/C) |
| **Total Permanent Employees** | 8740 | 8342 | 95.45% | 8739 | 8569 | 98% |
| - Male | 5810 | 5580 | 96.04% | 5964 | 5832 | 98% |
| - Female | 2930 | 2762 | 94.27% | 2775 | 2737 | 98% |
| **Total Permanent Workers** | NA | | | | | |
| - Male | | | | | | |
| - Female | | | | | | |

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

| Category | FY 2025-26 Current Financial Year | | | | | FY 2024-25 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On Health and safety measures | | On Skill upgradation | | Total (D) | On Health and safety measures | | On Skill upgradation | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| Male | 6097 | 581 | 9.52% | 5255 | 86.19% | 5972 | 591 | 9.90% | 3458 | 57.90% |
| Female | 2950 | 289 | 9.80% | 2467 | 83.63% | 2778 | 182 | 6.55% | 1403 | 50.50% |
| **Total** | **9047** | **870** | **9.62%** | **7722** | **85.35%** | **8750** | **773** | **8.83%** | **4861** | **55.55%** |
| **Workers** | | | | | | | | | | |
| Male | NA | | | | | | | | | |
| Female | | | | | | | | | | |
| **Total** | | | | | | | | | | |

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

| Category | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. (B) | % (B/A) | Total (C) | No. (D) | % (D/C) |
| **Employees** | | | | | | |
| Male | 6097 | 6097 | 100% | 5972 | 5972 | 100% |
| Female | 2950 | 2950 | 100% | 2778 | 2778 | 100% |
| **Total** | **9047*** | **9047** | **100%** | **8750*** | **8750** | **100%** |
| **Workers** | | | | | | |
| Male | NIL | NIL | NIL | NIL | NIL | NIL |
| Female | NIL | NIL | NIL | NIL | NIL | NIL |
| **Total** | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** | **NIL** |

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

**10. Health and safety management system:**

**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?**

Yes.

The Bank has implemented various measures to ensure a safe working environment for employees. Detailed guidelines and emergency response procedures are being issued to all outlets of the Bank to take care of emergencies like fire, flood, earthquake etc. The Bank has a CSO (Chief Security Officer) who visits Branches / offices and give training on use of fire extinguishers and emergency evacuation drills.

Further, every branch / office of the Bank is equipped with Fire safety and burglar alarm systems.

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

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

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

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

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

Yes. All the employees are covered under Group Medical Insurance.

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

| Safety Incident/Number | Category | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | NIL | NIL |
| | Workers | NIL | NIL |
| Total recordable work-related injuries | Employees | NIL | NIL |
| | Workers | NIL | NIL |
| No. of fatalities | Employees | NIL | NIL |
| | Workers | NIL | NIL |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | NIL | NIL |
| | Workers | NIL | NIL |

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

The Bank ensures that it is committed for being a responsible business entity by providing fair and safe working environment for all its employees through various initiatives like basic fire training, first aid evacuation safety related training etc. The Bank has a dedicated department to take care of all aspects related to physical security of its assets as well as employees. Under the aegis of the department, a comprehensive remote e-surveillance system has been put in place. Incident reporting management system is also in place to report incidents at appropriate time and escalated to the appropriate level based on the severity of incidents.

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

- Head Office, Mangaluru on 26th of December 2025 – 443 participants
- Head Office, Mangaluru, conducted on 31st May 2025 – 541 participants.

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

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

## 14. Assessments for the year:

| Particulars | % Of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | Not applicable as Karnataka Bank is into Banking business. |
| Working Conditions | |

## 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

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

## Leadership Indicators

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

**(A) Employees (Y/N)** – Yes

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

The Bank provides Health insurance to its employees and compensatory package in the event of death of employees.

**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 ensures that statutory dues, wherever applicable, are deducted and paid to the respective authorities by the Bank in respect of its own operations.

Regarding value chain partners, the Bank has undertaken the following measures:

**1. ESG and Statutory Compliance Screening at Onboarding**

All co-lending and direct assignment value chain partners are subject to due diligence at the time of onboarding. This includes assessment of their statutory compliance posture — covering GST registration, PF/ESI contributions, income tax compliance and adherence to applicable labour laws — as part of the Bank's credit and operational risk assessment framework.

**2. Co-lending Agreement Covenants**

The co-lending arrangements with value chain partners who at present during the FY2025-26 account for less than 2% of the revenue and income reported by the Bank, are governed by formal co-lending agreements that include representations and warranties on statutory compliance. Partners are contractually required to maintain compliance with all applicable laws and regulations, including those relating to statutory deductions and deposits.

**3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

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

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

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

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

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

Note: The Bank's value chain partners are NBFCs engaged under co-lending and direct assignment arrangements. The nature of these partnerships — being financial intermediaries rather than manufacturing or physical operations entities — means that conventional health and safety and working conditions assessments as applicable to goods-based supply chains are not directly applicable. However, in the spirit of sustainability, the Bank has reached out to its value chain partners and ensured that they have a sustainability policy and BRSR reporting during FY 2025-26, that is aligned to the Bank’s objectives.

### Assessment Coverage

All the value chain partners — representing 100% by number of the Bank's identified co-lending and direct assignment partners — were assessed for BRSR and ESG policy alignment in FY 2025-26. Bank assessed 100% of partners by number, covering ~0.007% of turnover by value.

**Assessment by value of business done: 100% of value chain partners assessed for ESG and BRSR policy alignment in FY 2025-26.**

### Independent External Assessment

The Bank's value chain partners individually account for less than 2% of total revenue. ESG policy alignment expectations are communicated to partners through the Bank's Code of Conduct for Suppliers. Formal structured assessment of value chain partners against BRSR Core criteria is planned for FY 2026-27 in line with SEBI's mandatory value chain disclosure requirements effective from that year. This was assessed by M/S GenCarbon ESG Private Limited.

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

As on 31 March 2026, the Bank has not conducted a separate formal health and safety or working conditions assessment for value chain partners. The Bank's value chain partners under co-lending and direct assignment arrangements individually account for less than 2% of total revenue.

In FY 2025-26, the Bank operationalised an ESG Code of Conduct for Suppliers aligned to GRI 308, which sets baseline expectations on environmental responsibility, labour practices, human rights, and regulatory compliance. The Corporate Whistle-blower Initiative (CWI) provides a secure and confidential channel through which concerns relating to value chain partners may be reported and investigated.

No significant risks or concerns relating to health, safety, or working conditions of value chain partners were identified or reported in FY 2025-26.

## PRINCIPLE 4

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

## Essential Indicators

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

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

The Bank has recognized the following stakeholders: employees, customers, investors/ shareholders, regulator, value chain partners and communities.

The Bank always pursues its efforts in regular engagement across these stakeholders to build and maintain mutual trust and value creation. Further the Bank through high standards of corporate governance ensures to balance the interests of diverse stakeholder groups in all strategic decision-making process and timely respond to their concern.

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

| Sr. No | Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|
| 1 | Shareholders | No | Quarterly earnings results, investor presentations, Annual Report, Annual General Meeting (AGM), Extraordinary General Meeting (EGM), investor/analyst calls and meets, media releases, website, dedicated investor grievance email: investor.grievance@ktk.bank.in | • Quarterly.<br>• Annually.<br>• AGM/EGM as and when required.<br>• On need basis | Financial performance highlights, business strategy updates, corporate governance matters, publicly available company information, shareholder grievance redressal, ESG and sustainability disclosures and includes,<br>1. To answer investor queries on financial performance.<br>2. To present business performance highlights to investors.<br>3. To discuss publicly available Company information to shareholders and investors.<br>4. To keep investors/ shareholders updated about the Banks business activities and performance and sound Corporate Governance. |
| 2 | Customers | No | Emails, letters, social media, direct in-person interaction, over phone, Mobile Banking App, Internet Banking, digital messaging, online broadcast, KBL-M Passbook, WhatsApp Banking, toll-free numbers: 1800 425 1444 and 1800 572 8031 | Ongoing — based on customer needs, regulatory requirements and product lifecycle; continuous across all banking channels. | Product and service onboarding, transaction support, grievance redressal, cyber fraud awareness, digital banking adoption, social security scheme enrolments, nomination and KYC updation, dormant account activation. |

| Sr. No | Stakeholder Group | Whether identified as Vulnerable & Marginalized Group (Yes/No) | Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other | Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify) | Purpose and scope of engagement including key topics and concerns raised during such engagement |
|---|---|---|---|---|---|
| 3 | Employees | No | Online HR and IR internal portal, employee engagement, email broadcasts, training and e-learning modules (ELM platform), circulars, Board and regional supervisory town hall meetings, staff meetings, Staff Training College, Internal Complaints Committee (ICC). | Ongoing with annual review and half-yearly checkpoint on training and performance reviews. | Training, Career development, regulatory compliance updates, digitalization initiatives, ESG and sustainability norms, human rights, code of conduct, performance management, health and safety and POSH, diversity and Inclusion. |
| 4 | Regulatory bodies | No | Letters, emails, regulator platforms, stock exchange filings (BSE and NSE), RBI statutory returns, SEBI compliance submissions. | Periodically as per Statutory requirements and on need basis for regulatory queries and inspections. | Regulatory compliance, transparency in disclosures, sound corporate governance, BRSR and ESG reporting, Basel III capital adequacy, RBI supervisory submissions. |
| 5 | Communities | Yes, categories include underprivileged women, NGOs, associations for social welfare, cultural and historical significance, elder care, persons with disabilities, rural communities. | In-person engagement, CSR programme events, sponsorships, emails and letters, informal interactions, meetings with community leaders, hospital and NGO member engagement, rural village leader engagement, school authority engagement for girl child sponsorship, water management. | On-need basis aligned to the CSR activities; engagement intensifies around key community events, health camps. | CSR outreach — education scholarships, healthcare camps, Swachh Bharat drives, sapling plantation, women empowerment, livelihood support for persons with disabilities, support for historical and archaeological sites. |
| 6 | Value Chain Partners | No | Co-lending agreement communications, ESG Code of Conduct for Suppliers, email, Bank website (policies-codes). | On-need basis or as per sustainability regulation updates and co-lending operational requirements. | ESG policy alignment, statutory compliance, BRSR disclosure requirements, commercial relationship management., sustainable sourcing, local procurement, anti-fraud and code of conduct. |

## Leadership Indicators

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

Emphasizing the importance of key stakeholders, the Bank is gearing up to provide insights into stakeholder relationships that the Bank has with them. As part of improving the consultation, feedback loop and grievance redressal and digitalization of communication, a comprehensive approach had been launched in FY 2022 onwards where 'Interconnected Insights" reporting is being used to unveil the intricate connections among various factors influencing value creation journey. This joining of dots in the stakeholder – bank relationship journey, artfully illustrates the interplay between activities, capitals, and overall value proposition. It showcases understanding, responsiveness, and dedication to addressing their legitimate needs and interests.

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

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

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

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

Yes, Inputs and suggestions of shareholders are being incorporated into the policies and activities whichever are feasible.

The Board of the Bank has constituted various Board level Committees, which are responsible for and have a remit over key sustainability related policies of the bank based on specific goals and focus areas with core ESG committees and accountability/ ownership with clear focus goals allocated across the organization so that ESG principles is embedded in every part of the Bank's operations in addition to the CSR committee. Any feedback from stakeholders as identified in point 1 above, is documented and incorporated in the discussion agenda of the committee meetings and introspected upon for consideration and review and thereafter as per feasibility and applicability approved for implementation and adoption.

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

Migrating to energy-efficient IT systems & servers-, including Electronic Waste disposal, Procurement Practices and reduce carbon commitment – by IT Dept.

1. E-waste Disposal: - IT Assets which carry Bank's data such as computer, HDDs, drives, tapes, printers, scanners, and other data-bearing devices are disposed through E-waste process.
2. Towards disposing such e-Wastes, Bank has onboarded e-waste Certified E-Waste recyclers.
3. Direct e-Waste recyclers and management companies which hold recyclers, degaussers, dismantlers etc., in their industrial unit which facilitates them for proper disposal/refurbishing of the e-Waste as per the guidelines prescribed by the Central Pollution Board.
4. IT assets which do not carry information or data such as UPS & Batteries etc is currently being disposed under Buyback manner with the OEM.
5. The bank has mandated that all desktop purchases must carry certifications such as ENERGY STAR, EPEAT Gold, or TCO Certified to ensure energy efficiency and sustainability.

6. While purchasing desktops, Bank is opting for Low-Power Components like;
   - Opting for CPUs and GPUs with lower thermal design power (TDP).
   - Choosing SSDs over HDDs for better energy efficiency.
7. To reduce power consumption, desktops with built in power-saving features are opted.
8. Vendors in the supply chain industry who have adopted net-zero or low-emission manufacturing processes which help to reduce emissions are preferred. For example, Epson, Canon & Dell OEMs which has committed to becoming carbon negative, net zero emissions and underground resource free by 2050 & M/s Cisco by 2040.
9. Bank is also into replacement of endpoints which have reached its end-of-life. In addition, Bank also refurbish the endpoints wherever possible and extend device lifespans through modular upgrades instead of full replacements.

In addition to the above the Bank continued to strengthen and operationalize the management-level and best practice implement from generic to spend based to activity-based Sustainability practices under the framework of

a. ESG Strategy and Roadmap including Disclosures and Accounting to Stakeholders by ESG Committee of Executives.

b. Approach and focus area of ESG and Climate risk tracking by Credit-Sanctions Dept, Risk Management Dept.

c. Climate Change Strategy: Energy and Emissions Renewable energy, Waste Disposal, reduction of usage of plastic in offices, branches, and marketing/outreach events: IT Department, Fixed Assets and Premises Section, Credit Sanctions Department.

d. Migrating to energy-efficient IT systems & servers-, including Electronic Waste disposal – through dedicated authorized personnel by IT Dept with a certified e-Waste Expert firm called Sorian Recyclers, Aplab, Techser.

e. Digital adoption for paperless consumption by IT Department/DCoE.

f. Energy/environment-friendly projects. By Asset Products Section, Credit Sanctions Dept.

g. CSR budget allocation to Renewable Energy to customers and Community and Society: by Media Marketing & Public Relations Department.

h. Environmental and Social Risk management in lending-, including climate risk under the Atma Nirbhar Bharat Scheme, incentivise customers for green vehicle (EV/Hydrogen) by Credit Sanctions Department.

i. Procurement Practises and reduce carbon commitment by IT Dept./Fixed Assets & Premises Section.

j. Workforce and Employment practices by HR & IR Dept.

k. Cybercrime and information security: Vigilance Department & CISO office.

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

The Bank's engagement with vulnerable and marginalised stakeholder groups operates across three distinct channels: priority sector lending, inclusive banking infrastructure, and CSR-funded community programmes.

### Priority Sector Lending and Financial Inclusion

The Bank is guided by RBI prescribed guidelines on priority sector lending, lending to small and marginal farmers, and lending to weaker sections. As on 31 March 2026, Self Help Group outstanding advances stood at ₹1,094.51 crores (1.31% of total advances), and Women Entrepreneurs advances at ₹965.94 crores. Fresh enrolments under PMJJBY reached 80,948 and under PMSBY 1,86,229 in FY 2025-26. APY enrolments totalled 38,007, exceeding the Government-assigned target of 37,840.

### Inclusive Banking Infrastructure

Of 1,195 ATM and recycler sites, 449 sites (37.6%) have ramp facilities. All deployed ATMs and recyclers are equipped with braille keypads and voice guidance systems. Doorstep banking services are provided to senior citizens above 70 years of age and to differently abled customers as per RBI guidelines. 31 differently abled employees are employed across the Bank with RPwD Act 2016-compliant workstations.

Few highlights of the CSR initiatives to address vulnerable and marginalized groups are tabled below:

| Category | No. of projects in FY 2025-26 | Amount Sanctioned (in ₹ lakhs) | % of Amount Sanctioned | Key projects |
|---|---|---|---|---|
| Education | 79 | 1243.82 | 40.09 | • Support to procure school buses to enable conveyance facility to attend school/college.<br>• Computers and LED interactive panels, projectors and printers to educational institutions.<br>• STEM/ Robotics lab, State-of-the Art Precision Manufacturing Centre of Excellence at educational institutions.<br>• Cupboards and UPS system for educational institutions.<br>• School desks, benches and chairs etc.<br>• Construction of classrooms/school buildings. |
| Empowering Socially/ Economically Disadvantaged | 17 | 209.35 | 6.75 | • Support for running Early childhood care and education centre for migrant workers children at Bengaluru.<br>• Infrastructure development of Early Intervention Centres for Special Children with Learning Disabilities and special schools.<br>• Conveyance facility to children attending special schools.<br>• Shelter homes for orphaned children and old-age homes.<br>• Support for livelihood enhancement to people with disabilities. |
| Environmental Sustainability | 44 | 340.45 | 10.97 | • Rejuvenation of lakes.<br>• Support for the adoption of renewable sources of energy -solar power.<br>• Animal welfare with focus on promoting and protecting indigenous breed of cattle.<br>• Maintenance of greenery in public spaces. |
| Healthcare | 73 | 660.87 | 21.30 | • Upgrade the medical infrastructure of public and charitable hospitals etc.<br>• Provision of pure drinking water facility.<br>• Eradicating hunger, poverty and malnutrition. |
| Protection of Culture/Heritage | 48 | 353.82 | 11.40 | • Restoration of buildings and sites of historical importance and works of art.<br>• Promote the classical language 'Sanskrit'. |
| Rural Development | 4 | 10.35 | 0.33 | • Rural development initiatives. |
| Women Empowerment | 11 | 134.85 | 4.35 | • Empower women with disabilities through vocational training & self-employment initiative.<br>• Residential rehabilitation home for girl children and women.<br>• Support for menstrual health and hygiene programme.<br>• Support for Cervical Cancer Vaccination initiative. |
| Swachh Bharat | 9 | 85.69 | 2.76 | • Support for the construction of toilet blocks. |
| Administrative Expenses | | 63.33 | 2.04 | |
| **Total** | **285** | **3102.54** | **100%** | |

## PRINCIPLE 5

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

## Essential Indicators

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

| Category | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Total (A) | No. of employees / workers covered (B) | % (B/A) | Total (C) | No. of employees / workers covered (D) | % (D/C) |
| **Employees** | | | | | | |
| Permanent | 9037 | 9037 | 100% | 8739 | 8739 | 100% |
| Other than permanent | 10 | 10 | 100% | 11 | 11 | 100% |
| **Total Employees** | **9047** | **9047** | **100%** | **8750** | **8750** | **100%** |
| **Workers** | | | | | | |
| Permanent | NA | NA | NA | NA | NA | NA |
| Other than permanent | NA | NA | NA | NA | NA | NA |
| **Total Employees** | **NA** | **NA** | **NA** | **NA** | **NA** | **NA** |

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

| Category | FY 2025-26 Current Financial Year | | | | | FY 2024-25 Previous Financial Year | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum Wage | | Total (D) | Equal to Minimum Wage | | More than Minimum Wage | |
| | | No. (B) | % (B/A) | No. (C) | % (C/A) | | No. (E) | % (E/D) | No. (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| **Permanent** | 9037 | NIL | NIL | 9037 | 100% | 8739 | NIL | NIL | 8739 | 100% |
| Male | 6091 | NIL | NIL | 6091 | 100% | 5934 | NIL | NIL | 5934 | 100% |
| Female | 2946 | NIL | NIL | 2946 | 100% | 2775 | NIL | NIL | 2775 | 100% |
| **Other than Permanent** | 10 | NIL | NIL | 10 | 100% | 11 | NIL | NIL | 11 | 100% |
| Male | 6 | NIL | NIL | 6 | 100% | 8 | NIL | NIL | 8 | 100% |
| Female | 4 | NIL | NIL | 4 | 100% | 3 | NIL | NIL | 3 | 100% |
| **Workers** | | | | | | | | | | |
| **Permanent** | -NA- | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |
| **Other than permanent** | | | | | | | | | | |
| Male | | | | | | | | | | |
| Female | | | | | | | | | | |

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

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Board of Directors (BoD) | 07 | Total ₹ 965.37 lakhs<br>Median - ₹ 75.80 lakhs | 01 | Total ₹ 51.00 lakhs<br>Median ₹ 51 Lakhs |
| Key Managerial Personnel | 02 | ₹117.33 Lakhs | Nil | Nil |

| | Male | | Female | |
|---|---|---|---|---|
| | Number | Median remuneration/ salary/ wages of respective category | Number | Median remuneration/ salary/ wages of respective category |
| Employees other than BoD | 6556 | Total - ₹924.29 crores<br>Median – ₹ 13.51 Lakhs | 3107 | Total – ₹ 332.04 crores<br>Median – ₹ 11.62 Lakhs |
| Workers | NA | NA | NA | NA |

**Note:**

i. Salary of ₹25.00 Lakhs was paid to Mr. P Pradeep Kumar, Part-time Chairperson of the Bank.

ii. ₹455.17 Lakhs is the salary remuneration paid to MD & CEO and ED during the year.

iii. Fixed remuneration to the Board of directors was total of ₹ 120.00 lakhs.

iv. Sitting fees to the Board of Directors was total of ₹ 416.20 lakhs.

v. The remuneration includes the total amount paid to all the directors present, retired, resigned during the year FY2025-26. The number of directors is indicative of the number of directors present on board as on 31st March 2026.

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

| Particulars | Female | |
|---|---|---|
| | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
| Gross Wages paid to females as % compared to Total Wages. | 26.43% | 25.80% |

**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)**

The Bank addressed the human rights impacts and issues caused or contributed by the business in following segments:

- Human rights issue relating to employment, code of conduct grievance process and workflow, diversity and inclusion, performance, workplace hygiene, POSH issues can be raised to designated HR & IR officer and department, as provided in code of conduct and employee policies within the Bank, by email, calls or in person.
- The Bank has designated Chief of Internal Vigilance Officer as the focal point for Whistle Blower Issues. In particular to the Whistle Blower policy, a concern raised by the Whistle Blower should lodge the reports/ complaint in an envelope or through email to pds@ktk.bank.in as described in Para 9 of the Policy in confidence and facilitate conduct of a competent investigation.
- Customer-facing human rights concerns are addressed through the Bank's Customer Grievance Redressal mechanism, accessible via the online portal, toll-free helplines (1800 425 1444 / 1800 572 8031), or branch visits.
- For value chain partners, grievance process as provided for Customers is applicable and in convergence with the respective departments with which the value chain partner or vendor engage with, but within the guidelines of GRI 308.
- Both channels are governed by Karnataka Bank's Code of Conduct and ESG Policy, which embed human rights principles across all stakeholder interactions. Zero complaints of discrimination, forced labour, child labour, or wage violations were recorded in FY 2025-26.

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

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

- **Step 1 Early Detection is a Priority:** raise it at an early stage in the right manner, without fear of retaliation, victimization, subsequent discrimination, or disadvantage at the workplace. Bank does not tolerate any impropriety, abuse or wrongdoing or discrimination or harassment and encourages its employees to raise their concerns.
- **Step 2: Enquiry:** Further, Bank ensures that such concerns would be thoroughly inquired by the designated persons independently and fairly.

- **Step 3:** While the Bank considers the wrongdoing or abuse or harassments in general, it is also conscious of the likelihood of any direct or indirect discrimination or denial of reasonable accommodation or bullying behaviour towards employees with disability and would treat such instances also, as abuse or harassment.
- Complaints against the Staff members in relation to any type of discrimination are only handled at IR section and shall be reported to HR & IR Department.
- The Bank will follow the same procedure for inquiring and investigating the complaints or concerns raised by employees with disability.
- However, necessary reasonable accommodation will be provided to employees with disabilities to effectively participate in the investigation process. For example, accessible venue for persons with locomotor disability, etc.
- Any aggrieved employee can reach HR by telephone, email, letter and in person also.

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

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

| Particulars | FY 2025-26 Current Financial Year | | | FY 2024-25 Previous Financial Year | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment | 5 | 0 | NIL | 3 | 0 | NIL |
| Discrimination at workplace | NIL | NIL | NIL | NIL | NIL | NIL |
| Child Labour | NIL | NIL | NIL | NIL | NIL | NIL |
| Forced Labour/ Involuntary Labour | NIL | NIL | NIL | NIL | NIL | NIL |
| Wages | NIL | NIL | NIL | NIL | NIL | NIL |
| Other human rights related issues | NIL | NIL | NIL | NIL | NIL | NIL |

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

| Particulars | Female | |
|---|---|---|
| | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH). | 5 | 3 |
| Complaints on POSH as a % of female employees / workers. | 0.17% | 0.10% |
| Complaints on POSH upheld. | 2 | 2 |

**Note:** Of the 5 complaints received during FY 2025-26, 2 were upheld by the Internal Complaints Committee and appropriate disciplinary action was initiated in accordance with the POSH Act, 2013. All 5 complaints were resolved within the statutory timeframe with nil pending at year end. The Bank conducts mandatory POSH awareness programmes for employees in accordance with Section 19 of the POSH Act, 2013.

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

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

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

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

**10. Assessments for the year:**

| Particulars | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child labour | NIL |
| Forced/involuntary labour | NIL |
| Sexual harassment | 100% Assessed, Assessor Entity the bank: Number of cases registered and resolved : 5 cases |
| Discrimination at workplace | NIL |
| Wages | NIL |
| Others – please specify | NIL |

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

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

## Leadership Indicators

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

NA

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

NA

**3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

The Head office and a majority of the key branches of the Bank, especially where regular operations are done, have accessibility enablement done for Differently abled people, as per the guidance and recommendations given by the Rights of Persons with Disabilities Act 2016.

**4. Details on assessment of value chain partners: NA (for banks NBFC's are value chain partners)**

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

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

NA

## 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 2025-26 (Current) Numbers in TJ | FY 2024-25 (Previous) Numbers in TJ |
|---|---|---|
| **From Renewable Sources** | | |
| From Renewable Sources — Solar (C) | 0.82 TJ | 0.39 TJ |
| Total electricity consumption (A) | 0.82 TJ | 0.39 TJ |
| Total fuel consumption (B) | NA | — |
| Energy consumption through other sources (C) | — | — |
| **Total energy from Renewable Sources (A+B+C)** | **0.82 TJ** | **0.39 TJ** |
| From Non-Renewable Sources | | |
| Total Electricity Consumption (D) | 43.28 TJ | 42.45 TJ |
| Total Fuel Consumption (E) | 7.3339 TJ [Petrol: 1.1445 TJ \| Diesel: 6.1894 TJ] | 5.103 TJ |
| Energy consumption through other sources (F) | N/A | N/A |
| **Total energy from Non-Renewable Sources (D+E+F)** | **50.6139 TJ** | **47.553 TJ (42.45 + 5.103)** |
| Total energy from all sources | 51.4339 TJ (Renewable (A+B+C): 0.82 TJ (Solar)+ Electricity (D): 43.28 TJ + Fuel (E): 7.3339 TJ + Other (F): 0.00 TJ) | 47.943 TJ (0.39 + 47.553) |
| Energy intensity per rupee of turnover | $2.677 \times 10^{-11}$ TJ/₹ | $2.602 \times 10^{-11}$ TJ/₹ |
| Energy intensity per rupee of turnover adjusted for PPP* | $5.381 \times 10^{-10}$ TJ/Int'l $ (IMF World Economic Outlook (latest): ₹ 20.10 per International Dollar as per SEBI guidelines) | $5.303 \times 10^{-10}$ TJ/USD TJ/USD (Where conversion factor is ₹20.381 per USD) |
| Energy intensity per FTE | 51.4339 TJ ÷ 9,047 FTEs = 0.005685 TJ/FTE | 0.0058781 TJ/FTE (≈0.005878 TJ/FTE) |
| Energy intensity (optional) | Not applicable to banking | Not applicable to banking |

### Updated Working Note — Section G (Intensity Calculations)

| Step | Item | Value |
|---|---|---|
| G1 | Turnover (BRSR, FY 2025-26) | ₹ 1,92,119 crores = ₹ 1,92,119,00,00,000 |
| G2 | Energy intensity/rupee | 51.4339 ÷ 1,92,119,00,00,000 = $2.677 \times 10_{-11}$ |
| G3 | PPP factor (IMF WEO) | ₹ 20.10 = 1 Int'l $ |
| G4 | PPP-adjusted revenue | ₹ 1,92,119,00,00,000 ÷ 20.10 = Int'l $ 9,558.16 crore |
| G5 | Energy intensity/Int'l $ | 51.4339 ÷ $9.5582 \times 10^{10}$ = $5.381 \times 10_{-10}$ |
| G6 | Energy intensity/FTE | 51.4339 ÷ 9,047 = 0.005685 TJ/FTE |

*Values for FY2024-25 are updated including the solar power to keep in line with the current FY2025-26 approach.

Note: Methodology and working — Energy Consumption (Principle 6) | FY 2025-26

### Fuel Consumption Detail and Scope 1 GHG Emissions

| Fuel type | Volume (litres) | Cost (₹) | Scope 1 emissions |
|---|---:|---:|---:|
| Petrol | 35,216.29 | ₹ 35,46,837.48 | 80.86 $tCO_2e$ |
| Diesel (est. @ ₹91/L) | 1,72,890 | ₹ 1,57,32,944.65 | 439.14 $tCO_2e$ |
| **Total** | **2,08,106 L** | **₹ 1,92,79,782.13** | **520.00 tCO2e** |

Note: Methodology and working — Energy Consumption (Principle 6) | FY 2025-26

**A. Standard references**

| | |
|---|---|
| Energy values | IPCC 2006 Guidelines for National GHG Inventories, Vol. 2, Table 1.2 — Net Calorific Values (NCV) |
| Emission factors | GHG Protocol Corporate Standard (2015) and IPCC 2006, Vol. 2, Chapter 3 |
| GWP values | IPCC Fifth Assessment Report AR5: $CH_4$ = 28; $N_2O$ = 265 |
| PPP factor | IMF World Economic Outlook (latest): ₹ 20.10 per International Dollar |
| Unit conversion | 1 Terajoule (TJ) = 1,000 Gigajoules (GJ) = 10,00,000 Megajoules (MJ) |

Note: Methodology — Energy Consumption (Principle 6) | FY 2025-26

**A. Standard references**

| Reference | Source |
|---|---|
| Energy values (NCV) | IPCC 2006, Vol. 2, Table 1.2 |
| Emission factors | GHG Protocol Corporate Standard (2015); IPCC 2006, Vol. 2, Ch. 3 |
| GWP values | IPCC AR5: $CH_4$ = 28; $N_2O$ = 265 |
| PPP factor | IMF World Economic Outlook (latest): ₹ 20.10 per Int'l $ |
| Unit conversion | 1 TJ = 10,00,000 MJ |

**B. Solar (C)**

Solar generation from monitoring system / utility records: C = 0.82 TJ

**C. Electricity (D)**

Final consolidated utility bills (FY 2025-26): D = 43.28 TJ

**D. Petrol (E1)**

Volume: 35,216.29 L | Cost: ₹ 35,46,837.48

35,216.29 × 32.5 MJ/L ÷ 10,00,000 = E1 = 1.1445 TJ

**E. Diesel (E2)**

Cost: ₹ 1,57,32,944.65 ÷ ₹ 91/L (Mangaluru average, FY26) = 1,72,890 L 1,72,890 × 35.8 MJ/L ÷ 10,00,000 = E2 = 6.1894 TJ

**F. Totals**

Fuel (E) = E1 + E2: 1.1445 + 6.1894 = 7.3339 TJ

Non-renewable (D+E): 43.28 + 7.3339 = 50.6139 TJ

All sources (C+D+E): 0.82 + 50.6139 = 51.4339 TJ

**G. Caveats**

i. PPP factor ₹ 20.10 per Int'l $ per IMF WEO.

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

No

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

Not Applicable

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| (i) Surface water | NA | NA |
| (ii) Groundwater | Unmetered — see Note 1 | NA |
| (iii) Third party — MCC municipal | 349 KL | Not Available |
| (iv) Seawater / desalinated | NA | NA |
| (v) Others | NA | NA |
| Total withdrawal | Not quantifiable — see Notes 1 and 2 | NA |
| Total consumption (net) | Not quantifiable | NA |
| Water intensity / rupee of turnover | Not computable | Data not available |
| Water intensity / Int'l $ (PPP) | Not computable | Data not available |
| Water intensity / FTE | Not computable | Data not available |
| Water intensity (optional) | Not applicable to banking | Not applicable to banking |

**Note 1 — Groundwater:** Three borewells are operational at Head Office. No flow meters are installed. Groundwater withdrawal volume is unmetered. Hence groundwater withdrawal cannot be reported. Municipal new meter, Sep 2025–Apr 2026) installed and 349KL has been utilized for the said months.

**Note 2 — STP:** Head Office STP capacity is 60 KLD litres per day. The STP processed 45 Lakh Litres over FY 2023-24 to FY 2025-26 (15 Lakh Litres /year average). Treated water is reused for gardening and toilet flushing. Volume reused specifically in FY 2025-26 is not separately logged.

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

No

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| (i) Surface water | | |
| — No treatment | NA — no surface water source | NA |
| — With treatment | NA | NA |
| (ii) To Groundwater | | |
| — No treatment | Not applicable | NA |
| — With treatment | Not applicable | NA |
| (iii) To Seawater | | |
| — No treatment | Not applicable | NA |
| — With treatment | Not applicable | NA |
| (iv) Sent to third parties (municipal sewage) | | |
| — No treatment | Not quantifiable — see Note 1 | NA |
| — With treatment | NA | NA |
| (v) Others — STP reuse | | |
| — With treatment (STP) | Not quantifiable — see Note 2 | 1 STPs at HO, capacity 60 KLD operational since FY 2023-24 |
| **Total water discharged** | Not quantifiable | NA |

**Note 1 — Third party municipal discharge:** Wastewater not treated through STP is discharged to the Mangaluru municipal sewage network. Volume not independently metered. Cannot be stated without verified withdrawal and STP reuse figures.

**Note 2 — STP reuse:** Head Office STP (capacity 60 KLD Litres per day) processed 45 Lakh Litres of STP water during FY 2023-24 to FY 2025-26 (15, Lakh litres /year average). Treated water is reused for gardening and toilet flushing at Head Office. Volume reused in FY 2025-26 specifically is not separately recorded.

**Note 3 — Borewells:** 3 borewells operational at Head Office. No flow meters at present.

**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.

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

No. The Bank has not implemented Zero Liquid Discharge. The Head Office Sewage Treatment Plant (capacity 60 KLD treats wastewater and reuses a portion for gardening and toilet flushing within the premises. Residual treated effluent is discharged to the municipal sewage network. ZLD is not mandated for banking operations under applicable environmental regulations.

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

| Parameter | Unit | FY 2025-26 | FY 2024-25 |
|---|---|---|---|
| NOx | — | Not separately measured. DG set runtime data not tracked at branch level. Considered negligible relative to grid-based emissions. | Not available |
| SOx | — | Not separately measured — same basis as NOx above. | Not available |
| Particulate Matter (PM) | — | Not separately measured — same basis as NOx above. | Not available |
| Persistent Organic Pollutants (POP) | — | Not applicable to banking operations. | Not applicable |
| Volatile Organic Compounds (VOC) | — | Not applicable to banking operations. | Not applicable |
| Hazardous Air Pollutants (HAP) | — | Not applicable to banking operations. | Not applicable |
| Others | — | NA | NA |

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

Not Applicable to this disclosure.

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

| Parameter | Unit | FY 2025-26 (Current) | FY 2024-25 (Previous) |
|---|---|---|---|
| Total Scope 1 | $tCO_2e$ | 521.67 | 333.38 |
| — $CO_2$ | $tCO_2e$ | 519.996 (Petrol: 80.857 \| Diesel: 439.139) | 332.549 $tCO_2e$ |
| — $CH_4$ | $tCO_2e$ | 0.2091 (Petrol: 0.0493 \| Diesel: 0.1597) | 0.832 $tCO_2e$ |
| — $N_2O$ | $tCO_2e$ | 1.4669 (Petrol: 0.0467 \| Diesel: 1.4203) | 0 |
| — HFCs, PFCs, $SF_6$, $NF_3$ | $tCO_2e$ | 0 | 0 |
| Total Scope 2 | $tCO_2e$ | 9,858.22 | 5,465.24 |

| Parameter | Unit | FY 2025-26 (Current) | FY 2024-25 (Previous) |
|---|---|---|---|
| — Electricity (D) | TJ | 43.28 TJ = 1,20,22,222 kWh | 42.45 TJ |
| — Grid EF (CEA FY 2025-26) | $tCO_2e$/kWh | 0.00082 | 0.00082 |
| — $CO_2$ (100%) | $tCO_2e$ | 9,858.22 | 5,465.24 |
| — $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$ | $tCO_2e$ | 0 | 0 |
| Total Scope 1 + Scope 2 | $tCO_2e$ | 10,379.89 | 5,798.62 |
| Intensity / rupee of turnover | $tCO_2e$/₹ | $5.403 \times 10^{-9}$ | $3.174 \times 10^{-11}$ |
| Intensity / Int'l $ (PPP) | $tCO_2e$/Int'l $ | $1.086 \times 10^{-7}$ | $6.465 \times 10^{-6}$ |
| Intensity / FTE | $tCO_2e$/FTE | 1.1473 $tCO_2e$/FTE (1,147.3 kg $CO_2e$/FTE) | Not applicable |
| Intensity (optional) | — | Not applicable to banking | Not applicable to banking |

1. Note on FY 2024-25 Scope 2 comparability: The prior year figure of 5,465.24 tCO2e was calculated using LED and solar deductions. Under the revised no-deduction methodology now applied to FY 2025-26, the FY 2024-25 Scope 2 on the same basis would be 9,669.17 $tCO_2e$ (42.45 TJ × 277,777.78 × 0.00082).

2. Working note for Scope 2:

Electricity consumption sourced from consolidated utility bills (FY 2025-26): 43.28 TJ = 1,20,22,222 kWh. No adjustments applied. LED efficiency gains and solar generation are already embedded in metered consumption and reported separately as avoided emissions under Q8. Grid emission factor: CEA FY 2025-26 = 0.00082 $tCO_2e$/kWh. Scope 2 = 1,20,22,222 × 0.00082 = 9,858.22 $tCO_2e$ (100% $CO_2$; $CH_4$, $N_2O$ and other GHGs = 0)

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

No.

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

Yes

Karnataka Bank has undertaken multiple projects and initiatives during FY 2025-26 directed at reducing its direct and indirect greenhouse gas emissions across operations. The details are as follows:

| Initiative | Calculation | Projected Avoidance (tCO2e) |
|---|---|---|
| LED installation (166 branches, 2,129 lights) | 14.214 TJ = 39,48,333 kWh × 0.00082 | 3,237.63 $tCO_2e$ |
| Solar generation (9 locations) and digital paper adoption of addition 0.3million customers | 0.82 TJ = 2,27,778 kWh × 0.00082 | 186.78 $tCO_2e$ |
| Cloud migration (7 servers) | 30,660 kWh × 0.00082 | 25.14 $tCO_2e$ |
| Digital adoption (14M customers) | 2,116.2 $tCO_2e$ (paper) + 25.14 $tCO_2e$ (cloud) | 2,141.34 $tCO_2e$ |

**9. Waste generated (including e-waste)**

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| **Total Waste generated (in metric tonnes)** | | |
| Plastic waste **(A)** | The Bank continually endeavours plastic avoidance in office usage and marketing peripherals, other allied and related areas. | |

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| E-waste **(B)** | 69.2 MT | 0.388 MT Certified e-waste disposal |
| Bio-medical waste **(C)** | | Not applicable |
| Construction and demolition waste **(D)** | | Not applicable |
| Battery waste **(E)** | | Not applicable |
| Radioactive waste **(F)** | | Not applicable |
| Other Hazardous waste. Please specify, if any. **(G)** | | Not applicable |
| Other Non-hazardous waste generated **(H)**. Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) | | Not applicable |
| **Total (A+B + C + D + E + F + G + H)** | **69.2 MT** | **0.388 MT** |
| **Waste intensity per rupee of turnover** (Total waste generated / Revenue from operations) | $3.6019 \times 10^{-11}$ metric tonnes/₹ | $2.122 \times 10^{-14}$ metric tonnes/₹ |
| **Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)** (Total waste generated / Revenue from operations adjusted for PPP) | $7.2399 \times 10^{-10}$ metric tonnes/USD | $4.324 \times 10^{-10}$ metric tonnes/USD |
| **Waste intensity in terms of physical output** | Not applicable for banking business | Not applicable for banking business |
| **Waste intensity (optional)** – the relevant metric may be selected by the entity | Not applicable for banking business | Not applicable for banking business |
| **For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Recycled | NA | NA |
| (ii) Re-used | NA | NA |
| (iii) Other recovery operations | NA | NA |
| **Total** | | |
| **For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)** | | |
| **Category of waste** | | |
| (i) Incineration | NA | NA |
| (ii) Landfilling | NA | NA |
| (iii) Other disposal operations | NA | NA |
| **Total** | | |

**Working:**

- Intensity/₹: 69.2 ÷ 1,92,119,00,00,000 = $3.6019 \times 10^{-11}$ MT/₹
- PPP revenue: 1,92,119,00,00,000 ÷ 20.10 = Int'l $ 9,55,81,59,20,40
- Intensity/Int'l $: 69.2 ÷ 9,55,81,59,20,40 = $7.2399 \times 10^{-10}$ MT/Int'l $
- Total waste = 69.2 MT (e-waste only; paper, plastic and other operational waste not separately quantified at organisational boundary level).

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

No

69.2 MT of e-waste was safely disposed in FY 2025-26 through CPCB-certified e-waste recyclers including Sorian Recyclers, Aplab and Techser, with buyback arrangements for non-data assets. Limited assurance on BRSR disclosures provided by M/s GenCarbon ESG Private Limited.

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

### A. Nature of Business and Waste Profile

Karnataka Bank is a commercial banking organisation. The nature of its operations does not involve manufacturing, chemical processing or industrial production. Accordingly, hazardous and toxic chemicals are not used in the Bank's core banking operations, and no hazardous chemical waste is generated. The Bank's waste profile is limited primarily to electronic waste (e-waste) arising from IT asset upgradation and replacement, and general office waste.

### B. E-Waste Management

E-waste is the most material waste category for the Bank given its extensive IT infrastructure across 975 branches, 42 offices and 1,474 ATMs/recyclers.

IT assets carrying bank data (computers, HDDs, drives, tapes, printers, scanners and other data-bearing devices) are disposed through a formal e-waste process:

The Bank has onboarded CPCB-certified e-waste recyclers and direct e-waste management companies — including Sorian Recyclers, Aplab, Techser — which hold recyclers, degaussers, dismantlers and refurbishers in their industrial units.

Disposal and refurbishing are carried out as per guidelines prescribed by the Central Pollution Control Board (CPCB).

Data-bearing devices are degaussed and physically destroyed before handover to ensure no data leakage during disposal.

Non-data IT assets (UPS, batteries and similar equipment) are currently disposed through an OEM buyback model, where reputed OEMs take back end-of-life assets for proper disposal or refurbishing.

E-waste disposed in FY 2025-26 was done via Sorian, Aplab, Techser.

### C. Strategy to Reduce E-Waste Generation

The Bank's primary strategy for e-waste reduction is extending device lifespans and reducing unnecessary procurement:

Endpoint refurbishment programme: IT assets are refurbished wherever possible and device lifespans are extended through modular upgrades instead of full replacements.

End-of-life replacement: Endpoints that have reached end-of-life are replaced systematically under a planned cycle rather than ad hoc, reducing premature disposal.

Sustainable procurement: All new desktop purchases are mandated to carry ENERGY STAR, EPEAT Gold or TCO Certified ratings — these certifications include end-of-life management standards, ensuring procured assets are recyclable and responsibly disposable.

Cloud migration and server consolidation: Transition to hybrid cloud and hyper-converged systems reduces physical server footprint in Data Centres, directly reducing hardware procurement volumes and future e-waste generation. SaaS adoption have reduced on-premises hardware requirements.

### D. Hazardous Waste

No hazardous waste is generated under IT assets or in the Bank's banking operations. The Bank does not use hazardous or toxic chemicals in any of its products or processes. There are no industrial effluents, chemical solvents or regulated hazardous substances associated with the Bank's business activities.

The provisions of the Hazardous and Other Wastes (Management and Transboundary Movement) Rules 2016 are not applicable to Karnataka Bank given the nature of its operations as a financial services entity.

### E. Plastic Waste

Plastic usage in branch premises, marketing materials and events is being progressively minimised. No separate plastic waste collection or disposal mechanism is required given the nature and quantum of plastic used.

### F. Biomedical, Construction, Battery, Radioactive and Other Hazardous Waste

Not applicable to Karnataka Bank's banking operations. The Bank does not operate hospitals, construction sites, nuclear facilities or any activity that generates these categories of waste.

### G. Extended Producer Responsibility (EPR)

EPR as defined under applicable rules is not applicable to Karnataka Bank, as the Bank is not a manufacturer, producer, importer or brand owner of products covered under EPR regulations. The Bank's e-waste disposal is managed through CPCB-certified recyclers who hold the necessary EPR authorisations under the E-Waste (Management) Rules 2022.

Note — Independent assurance:

**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. Waste management practices are documented internally and e-waste disposal is verified through certificates (Note Sample certificate validated Certificate No: SRPLO14 issued by Soriaan Recyclers dated 30th Jan 2026) from CPCB-certified recyclers. Limited assurance on BRSR disclosures is provided by M/s GenCarbon ESG Private Limited.

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

Not Applicable

| 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. | | | |

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

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

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

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

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

## Leadership Indicators

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

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

(i) Name of the area: Karnataka Mangaluru

(ii) Nature of operations: Banking

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

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| (i) Surface water | NA | NA |
| (ii) Groundwater | Unmetered — 3 borewells; no flow meters at present | NA |
| (iii) Third party — MCC municipal | 349 KL Municipal Water Supply | Not Available |
| (iv) Seawater / desalinated | NA | NA |
| (v) Others | NA | NA |
| Total withdrawal | Not quantifiable | Not Available |
| Total consumption | Not quantifiable | Not Available |
| Intensity / rupee | Not computable | Not Available |
| Intensity / Int'l $ (PPP) | Not computable | Not Available |

| Parameter | FY 2025-26 | FY 2024-25 |
|---|---|---|
| Intensity / FTE | Not computable | Not Available |
| Discharge — municipal sewage | Not quantifiable | NA |
| Discharge — STP reuse | HO STP processes ~15 Lakh litres /year 45 Lakh Litres over 3 years); Reuse volume not metered | NA |
| Total discharged | Not quantifiable | NA |

**Notes:**

i. Three borewells operational at Head Office. Volume unmetered and not reportable.

ii. HO One STP capacity: 60 KLD of water. Total processed FY 2023-24 to FY 2025-26: 45Lakh litres (15 lakh litres /year average). FY 2025-26 specific reuse volume not separately logged.

iii. PPP factor: ₹ 20.10 per Int'l $ (IMF WEO).

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

Yes. Limited Assurance provided by M/s GenCarbon ESG Private Limited.

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

| Parameter | Unit | FY 2025-26 (Current Financial Year) | FY 2024-25 (Previous Financial Year) |
|---|---|---|---|
| **Total Scope 3 emissions**-(Break-up of the GHG into $CO_2$, $CH_4$, $N_2O$, HFCs, PFCs, $SF_6$, $NF_3$, if available) | Metric tonnes of $CO_2$ equivalent | Methodology formulations are currently underway. | Not Applicable |
| **Total Scope 3 emissions per rupee of turnover** | | Methodology formulations are currently underway. | Not Applicable |
| **Total Scope 3 emission intensity (optional) –** the relevant metric may be selected by | | Methodology formulations are currently underway. | Not Applicable |

**Note:** Scope 3 emissions are inherently material to financial institutions under SEBI's BRSR framework. Methodology formulation and category exploration for inclusion under Scope 3 is under discussion.

**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. Not Applicable.

**3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

Not Applicable.

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

| Sr. No | Initiative undertaken | Details of the initiative (Web-link, if any, may be provided along-with summary) | Outcome of the initiative |
|---|---|---|---|
| 1. | The bank has formulated a Digitally enabled e-waste management template in FY 2023-24 which is continued in FY 2025-26, as part of its sustainability agenda. | Not applicable | Green Sustainable E-Waste management digitally and recycling opportunities enabled. |

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

The Bank has implemented a robust Policy on Business Continuity and Disaster Recovery to ensure uninterrupted delivery of critical services and resilience against disruptions. The policy outlines a comprehensive framework for identifying critical business processes and supporting information systems through Business Impact Analysis (BIA). It establishes recovery objectives, including Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO), aligned with regulatory requirements.

The Disaster Recovery Plan (DRP) ensures timely restoration of technology infrastructure, data, and applications through well-defined procedures, alternate site arrangements, and regular backups. Periodic testing and drills are conducted to validate the effectiveness of the plans and enhance preparedness.

The policy also emphasizes roles and responsibilities, incident management, and communication protocols during disruptions. Continuous monitoring, review, and improvement mechanisms are embedded to strengthen resilience. This framework enables the Bank to safeguard stakeholder interests, maintain operational continuity, and minimize the impact of unforeseen events.

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

Nil

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

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

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

Yes.

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

**8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.?**

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

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

The Bank's value chain partners comprise NBFCs engaged under co-lending and direct assignment arrangements and they contribute less than 2% of the Bank's total turnover of ₹1,92,119 Crores in FY 2025-26, falling below the SEBI BRSR Core value chain disclosure threshold.

SEBI has deferred mandatory ESG value chain disclosures and third-party assurance to FY 2026-27, and such disclosures remain voluntary for FY 2025-26. Accordingly, a formal environmental impact assessment of value chain partners has not been conducted in FY 2025-26. However, Bank’s internal assessment as per its ESG policies are in effect. The Bank has proactively assessed all five value chain partners for BRSR and ESG policy adoption — representing 100% by number and 100% by value of business done with identified partners.

## PRINCIPLE 7

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

### Essential Indicators

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

   Bank is a member of Indian Banks' Association (IBA).

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

| S. No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations (State/National) |
|---|---|---|
| 1 | Indian Banks' Association (IBA) | National |

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

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

### Leadership Indicators

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

   The Bank has MSME, Agriculture lending policy that is digitally published in its website: https://www.karnatakabank.bank.in/investors/policies-codes

| S. No | Public policy advocated | Method resorted for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify) | Web Link, if available |
|---|---|---|---|---|---|
| 1 | MSME Lending | Digital Publication | Yes | Annually or as per market competition demands | https://www.karnatakabank.bank.in/investors/policies-codes Refer PDF for Lending policy for MSMEs |
| 2 | Agriculture and related lending | Digital Publication | Yes | Annually or as per market competition demands | https://www.karnatakabank.bank.in/investors/policies-codes : Refer PDF Policy on Agriculture & Related Lending |

## PRINCIPLE 8

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

### Essential Indicators

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

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

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

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

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

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

To ensure effective grievance redressal for the community, the Bank has introduced a centralized Customer Compliant & Grievance Redressal (CCGR) portal. This user-friendly platform allows customers to lodge their complaints, which are then automatically assigned to the relevant department for prompt resolution. Additionally, customers can also submit complaints through KBL-Mobile Banking and additionally customers can submit their complaints via the Bank's Contact Centre. To maintain a regular, connect with the investors, the Bank has a dedicated Investor Relation Cell at the Registered Office. Besides redressing the grievances, if any, from the investors, the Cell proactively disseminates corporate information on a voluntary basis to the shareholders through email (wherever made available) about financial results. Email can also be sent to info@ktk.bank.in (for general complaints or queries), on calls at Toll-Free Numbers: 1800 425 1444 or 1800 572 8031. Alternatively, investors can email investor.grievance@ktk.bank.in. These mechanisms enable quick and convenient reporting, ensuring that the customer grievances are addressed efficiently and in a timely manner. Employees can reach HR & IR Department by telephone, e-mail, letter and in person also to redress their grievances, if any. Community members can meet zonal officers or designate officers assigned in the branches/offices for grievance redressal.

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

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

| | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|---|---|---|
| Directly sourced from MSMEs/ small producers | NA | NA |
| Sourced directly from within the district and neighbouring districts | NA | NA |

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

| Location | FY 2025-26 Current Financial Year | FY 2024-25 Previous Financial Year |
|---|---|---|
| Rural | 12.85% | 12.45% |
| Semi-Urban | 13.42% | 13.16% |
| Urban | 41.47% | 40.99% |
| Metropolitan | 32.26% | 33.40% |

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

There was no specific or intentional job creation based on a location lead strategy in the last one year but more aligned to a 'need' based employee /onboarding based on banking business and bank branch /office needs.

## Leadership Indicators

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

| Details of negative social impact identified | Corrective action taken |
|---|---|
| NIL | NIL |
| NIL | NIL |

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

| S.No | State | Aspirational District | Amount spent (In INR) |
|---|---|---|---|
| 1 | Andhra Pradesh | YSR Kadapa | ₹ 32,000.00 |

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

   Not Applicable considering the nature of Business.

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

   Not Applicable.

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

   Not Applicable.

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

| S. No. | Intellectual Property based on traditional knowledge | Owned/ Acquired (Yes/No) | Benefit shared (Yes / No) | Basis of calculating benefit share |
|---|---|---|---|---|
| NA | | | | |

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

| Name of authority | Brief of the Case | Corrective action taken |
|---|---|---|
| NA | | |

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

| Sr. No. | CSR Project Category | No. of Persons Benefitted from CSR Projects | % of beneficiaries from Vulnerable & Marginalized Groups |
|---|---|---|---|
| 1 | Education | 20746 | 44.57% |
| 2 | Measures for reducing inequalities faced by socially and economically backward groups | 932 | |
| 3 | Environmental Sustainability | 348651 | |
| 4 | Healthcare | 745299 | |
| 5 | Rural Development | 3001 | |
| 6 | Swachh Bharat | 109520 | |
| 7 | Women Empowerment | 6239 | |

## 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.**

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

https://www.karnatakabank.bank.in/etms/complaint.php

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

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

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

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

| Particulars | FY 2025-26 Current Financial Year | | Remarks | FY 2024-25 Previous Financial Year | | Remarks |
|---|---|---|---|---|---|---|
| | Received during the year | Pending resolution at end of year | | Received during the year | Pending resolution at end of year | |
| Data privacy | Nil | Nil | NA | Nil | Nil | NA |
| Advertising | Nil | Nil | NA | Nil | Nil | NA |
| Cyber-security | Nil | Nil | NA | Nil | Nil | NA |
| Delivery of essential services | 145 (Debit Card)<br>33 (CPLL) | 0<br>0 | Nil | 148 (Debit card)<br>11 (CPLL) | 0<br>0 | All the Debit card and CPLL complaints are resolved as on 31-03-2025 |
| Restrictive Trade Practices | Nil | Nil | NA | Nil | Nil | NA |
| Unfair Trade Practices | Nil | Nil | NA | Nil | Nil | NA |
| Other | Nil | Nil | NA | Nil | Nil | NA |

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

| Particulars | Number | Reasons for recall |
|---|---|---|
| Voluntary recalls | Nil | Nil |
| Forced recalls | Nil | Nil |

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

Yes.

Enhancing cybersecurity is a top priority for the Bank. It has a comprehensive policy on data privacy. The Bank's Privacy Policy (refer link https://www.karnatakabank.bank.in/privacy-policy) explains how the bank during its customer lifecycle may collect, use, store, disclose or otherwise process personal data including personal data collected with consent. Cookies are provided when accessing the Bank's Apps or Websites which describes the right to data privacy with respect to personal data, Data Privacy Act India and GDPR guidelines applicable to Banking. The Bank has embarked on its commitment to provide the highest level of protection regarding the processing of its customer, employees, vendors, and client personal data based on applicable laws and regulations that apply to data protection, applicable to the banking product, customer location and channel journey.

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

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

Bank has a Board approved policy on cyber security. Also, Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction and roadmap towards cyber threat mitigation and detection, prevention and protection from malefactors arising from cyberthreats. Bank's IT Department, Data Centre, Disaster Recovery Site, Network & Security Layer (NLS) and Digital Centre of Excellence (DCoE) are ISO 27001 certified for the implementation of Information Security Management System (ISMS). The Bank is also certified for the latest version of PCI DSS 4.0.1 for its cardholder data environment (CDE). To consider cyber security from the bank-wide perspective, a steering committee of executives known as Information Security Committee is formed with formal terms of reference. The Chief Information Security Officer (CISO) is the member secretary of the committee. The committee serves as an effective communication channel for management's cyber security aims and directions Security Management System (ISMS). To provide guidelines for cyber security and data privacy for the employees of the Bank, a Board approved Cyber Security policy and Information System Security Policy is in place. Also, Cyber Crisis Management Plan (CCMP) is in place, to provide the requisite strategy, direction, and roadmap towards cyber threat mitigation. Bank has a fully operational Security Operation Centre (SOC) and network & end point security devices to monitor any security incident and to take appropriate actions. SOC is operational on a 24 X 7 basis. The Bank is using several monitoring tools for identifying, monitoring, recording, and analysing security events or incidents within the real-time IT environment. Employees are updated with the latest security threats and the best security practices. In relation to this Cybersecurity awareness has been done with the employees.

**Cyber Security Awareness for employees in FY 2025-26 details**

| ELM launched during FY 2025-26 | % of completion |
|---|---|
| Cyber Security | 88.77% |
| Cyber Enabled Frauds - Money Mule Accounts | 89.02% |
| Cyber Security - Unusual Incident Reporting | 93.73% |
| Cyber Security Awareness Part 1 | 93.89% |
| Cyber Security Awareness Part 2 | 94.91% |

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

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

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

- a. **Number of instances of data breaches:** Nil
- b. **Percentage of data breaches involving personally identifiable information of customers:** Nil
- c. **Impact, if any, of the data breaches:** Not applicable due to zero incidences and cybersecurity controls.

## Leadership Indicators

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

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

1. Information on products & services of the Bank can be accessed through the Bank's official website: https://www.karnatakabank.bank.in/
2. Personal banking products: https://www.karnatakabank.bank.in/
3. Business Banking products: https://www.karnatakabank.bank.in/business
4. Rural and Agricultural Banking products: https://www.karnatakabank.bank.in/agri-rural
5. NRI Priority Banking: https://www.karnatakabank.bank.in/nri-priority-banking
6. Gold Loans https://www.karnatakabank.bank.in/personal/loans/easy-gold-loan

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

Karnataka Bank has undertaken a comprehensive, multi-channel consumer education programme throughout FY 2025-26, covering cyber safety, digital banking, financial literacy and responsible product usage. The key initiatives are as follows:

**A. Digital and Social Media Outreach**

- 20 posts per month published on the Bank's social media handles (Instagram, Facebook) in the form of static creatives and Reels covering: nomination facility, cyber security awareness, dormant account activation, healthy banking practices (investing, SB account opening), digital banking (WhatsApp Banking, Mobile Banking, Internet Banking) and timely loan repayment.
- Dedicated cyber fraud awareness series published under #CyberJagrookta and #BeSafe themes on the 1st and 3rd Wednesday of every month, covering phishing, digital arrest, SIM swap, fraudulent APKs, WhatsApp APK scams and vishing.
- All creatives and reels standardised to include reporting information: dial 1930 or visit www.cybercrime.gov.in for cybercrime reporting.
- Reference video reels published on Instagram covering WhatsApp APK fraud, digital arrest and phishing.

**B. SMS and Digital Alerts (Head Office)**

- SMS alerts sent to all customers on avoiding suspicious links received via SMS and WhatsApp — issued in June 2025, September 2025 and December 2025.
- Dissemination of Do's and Don'ts for usage of Alternate Delivery Channels (ATM, Internet Banking, Mobile Banking, UPI) — December 2025.
- Security tips published on Forgot Password screens during password reset to guide customers on safe credential management.

**C. Branch-Level Awareness Camps**

- 2,414 awareness camps conducted by branches during FY 2025-26 covering alternate delivery channels, digital banking and financial literacy.
- 1,783 camps conducted by Financial Literacy Centres during FY 2025-26 including education on alternate delivery channels.
- 199 branches conducted awareness programmes during the saturation campaign (September 2025 quarter) for Rural Youth, Urban Youth, Senior Citizens, Self-employed / Micro Entrepreneurs, Home Makers, Salaried Employees and Students — covering Nomination Facility, MITC and Key Fact Statement, Digital Lending Apps, UPI, AEPS, Digital Arrest, Cybercrime portal/helpline and Sancharsaathi portal.
- 222 branches conducted 794 awareness programmes during the saturation campaign (December 2025 quarter); 11,694 customers/public participated in these programmes.

- 56 branches in Chennai Regional Office conducted awareness programmes in December 2025 quarter on financial literacy, digital banking, digital frauds and loans.
- Bank-sponsored stalls at fairs and social events to educate the public on bank products, customer rights and facilities for senior citizens, pensioners and differently abled individuals — conducted in June, September and December 2025.

### D. Special Cyber Fraud Awareness Camps for Senior Citizens (December 2025)

Fifteen dedicated cyber fraud prevention camps conducted for senior citizens across Maharashtra:

| Location | Date | District | Participants |
|---|---|---|---|
| Panvel | 01-12-2025 | Raigad | 18 |
| Loni Kalbhor | 01-12-2025 | Pune | 8 |
| Mira Road | 02-12-2025 | Thane | 13 |
| Karanjade | 02-12-2025 | Raigad | 6 |
| Chakan | 03-12-2025 | Pune | 10 |
| Nasik | 06-12-2025 | Nasik | 12 |
| Hadapsar | 06-12-2025 | Pune | 15 |
| Pune-Baner | 08-12-2025 | Pune | 19 |
| Boisar | 08-12-2025 | Palghar | 33 |
| CFB-Mumbai | 10-12-2025 | Mumbai City | 5 |
| Thakur Village | 10-12-2025 | Mumbai Suburban | 20 |
| Airoli | 12-12-2025 | Thane | 15 |
| Virar | 12-12-2025 | Palghar | 15 |
| Thakurli | 22-12-2025 | Thane | 18 |
| Palghar | 30-12-2025 | Palghar | 212 |

### E. College and Youth Financial Literacy (June–September 2025)

- Shiruru Branch: Financial literacy and cyber fraud quiz at Govt. ITI College, Sarapankatte — 34 students participated.
- Kundapura Branch: Banking and cyber fraud awareness programme at Bhandarkar's Arts & Science College — more than 200 students participated.
- Hangalur Branch: Financial awareness at Shri Kalarava Varadaraja First Grade College — approximately 250 students.
- Manipal Branch: Financial awareness at Govt. High School Manipal on banking systems and student accounts.
- Kunjibettu Branch: Financial literacy quiz at Prajna English Medium School, Udupi.
- Shorapur Branch: Banking services and education loans awareness at SP College — 10.07.2025.
- Yadgir Branch: Banking and education loans awareness at Linger Education Trust and Colleges — 28.07.2025.
- Mumbai Regional Office: Awareness programme for college students at Palghar.
- Mysuru Regional Head: Addressed students of SDM College on "Innovation in Banking", digital banking and cyber fraud — 20.08.2025.

### F. Village and Rural Outreach (June–September 2025)

- Yarlapady Branch: Awareness at gram panchayat on self-help groups, digital products and cyber fraud.
- Karje Branch: Village-level outreach visiting offices, schools and shops distributing brochures on new products and digital banking.
- Amtala Branch (Kolkata Region): Financial inclusion schemes at GP location — APY, PMJDY, PMJJBY, PMSBY, KYC updation, dormant activation and OTP security — 07.08.2025.
- Talikote Branch: Awareness campaign at Mukihal Village — agricultural loans, gold loans, credit scores, cyber fraud, PMJJBY/PMSBY/APY, nomination updation, dormant account activation and Re-KYC — 28.07.2025.
- Hunsagi Branch: Village Itga campaign — PMJJBY, PMSBY, APY, nomination updation and dormant account activation.

### G. Head Office Senior Citizens Awareness Programme

Dedicated awareness programme for senior citizens at Old Head Office building, Mangaluru — 26.07.2025 — covering modus operandi of cyber frauds, precautions to be taken and government schemes available.

### H. Pamphlets and Educative Materials

Bank has distributed pamphlets, brochures and other educative materials at all awareness camps on a continuous basis throughout FY 2025-26.

The Bank runs ongoing cyber fraud awareness campaigns across its social media with own Facebook Channel and digital platforms to educate customers on protecting their finances. These campaigns focus on recognizing scams, implementing secure banking habits, and providing immediate reporting channels for compromised accounts.

Since the bank is an 90% Digital process bank, it constantly understands and self learns, implements best practices, domain and understands the need of the customer and the digital exposure risk they need to be protected and made aware of in this customer awareness outreach digital campaigns. These include:

**Top Threats Highlighted:**

**(i)** The bank actively warns against emerging scams like phishing calls (fraudsters posing as bank officials demanding urgent KYC updates) and Ghost Pairing (WhatsApp account hijacks using malicious links).

**(ii)** **Golden Rules for Safety:** Customers are constantly reminded to never share OTPs, PINs, passwords, or UPI PINs with anyone. The bank stresses that it will never ask for these credentials over the phone.

**(iii)** **General Safety Measures:** The bank urges users to avoid public, open Wi-Fi networks for financial transactions and recommends keeping device anti-virus software updated.

**(iv)** **Reporting Channels:** If a victim of cyber financial fraud, customers are urged to immediately call the National Cyber Crime Helpline at 1930 or visit the National Cyber Crime Reporting Portal.

**(v)** **Official Awareness Guidelines:** You can review the full list of secure banking advice directly on the Karnataka Bank Customer Awareness page.

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

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

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

**Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Yes.

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

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

**a. Number of instances of data breaches along-with impact:** Nil

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

Nil Instances of reported data breach has occurred until 31st of March 2026

The Bank has a robust Data privacy governance and policies in place, based on regulations prescribed in India and the Bank's governance framework adheres to DPDP Act 2025-26 Rules and its guidelines and GDPR, along with a well-defined process for prior customer consent for any lawful data collection as per privacy and personal data protection guidelines.