



Building better lives, Sustainably.

Sustainability Report 2022-23

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About the Report

Ujjivan Small Finance Bank, also known as Ujjivan SFB, Ujjivan, or simply the Bank, has embarked on a journey towards sustainability that mirrors its unwavering commitment to Environmental, Social, and Governance (ESG) principles. This Report is not just a testimony, it's a spotlight; it's a spotlight on the Bank's ESG initiatives and a roadmap for fortifying its sustainability endeavours. Aligned with the Global Reporting Initiative (GRI) Standards, this marks the inaugural edition of the Bank's Sustainability Report.

Ujjivan Small Finance Bank, a standout among India's small finance banks is dedicated to serving the unserved and underserved segments of the population. A beacon of inclusivity, Ujjivan Small Finance Bank provides a myriad of financial services with a personalized touch to its expansive customer base, aiming to be the mass-market bank of the future.

Ujjivan Small Finance Bank, a beacon of responsibility, envisions a sustainable environment and a positive social impact. Recognizing the pivotal role of environmental, social, and governance (ESG) factors in its operations and decision-making, the Bank presents this report as a testament to transparency and accountability. It unveils a reporting framework, methodologies, and indicators, laying the foundation for future detailed reports.

This comprehensive report offers a panoramic view of the Bank's sustainability journey, celebrating achievements and setting ambitious future goals. It is not just a document; it is a narrative for stakeholders - investors, customers, employees, and

the wider public. Dive in to understand the Bank's sustainability initiatives, appreciate the progress made, and acknowledge the challenges faced. It is more than information; it's an invitation for feedback, a channel for stakeholder engagement, and a plea for understanding expectations, concerns, and priorities.

In the spirit of transparency and commitment, the Sustainability Report will be an annual spectacle, tracking Ujjivan's progress and communicating its performance to performance to stakeholders. It's not just a record; it's a culture of continuous improvement, a commitment to a sustainable future.

The data within this report encapsulates the fiscal year 2022-23, concluding on March 31, 2023, encompassing all of Ujjivan Small Finance Bank's business operations and services. Every nugget of data is meticulously curated by internal departments within the bank, ensuring accuracy, completeness, and timeliness. Each department has a unique role, contributing to the compilation and reporting of this data.

For any further information, please contact Mr. Sachin Jadhav
sachin.jadhav@ujjivan.com

Leadership Reflections



Message from the Chairman

Dear Stakeholders,

In FY 2022-23, we have focused on strengthening our leadership team, expanding business volumes, enhancing collections, elevating asset quality and integrating ESG into business operations. We not only met but exceeded expectations in all these areas. As a result, our customer outreach grew to an impressive 7.69 Mn, with an addition of 1.2 Mn in the past year alone. We achieved a remarkable year-on-year growth of 50% in total income and a staggering 133% year-on-year growth in operating profits. This robust performance enabled us to generate substantial economic value and extend our physical and portfolio presence across the nation.

As we transition from the accomplishments in the previous years, we are now embarking on our next set of objectives, viewing it as our responsibility, given our significant growth in the Indian banking sector and our ability to create positive impact. I am proud to announce that our future growth will be intertwined with a profound sense of responsibility toward our planet, our people, and the communities we serve.

This year marks a significant milestone as we unveil our inaugural strategy on sustainability, Environmental, Social, and Governance (ESG), corporate climate goals and climate risk management, in close alignment to global best practices, adherence to regulatory requirements, and meeting stakeholder expectations. Our approach to sustainability will follow the principles of a Common but Differential Responsibility based on one's capacity (CBDR principle), principle of materiality and the principle of triple bottom line. To that effect, our journey is structured around six key pillars: Sustainable Operations, Empowering Communities, Human Capital Development, Effective Governance, Customer Centricity, and Responsible Finance.

I am also proud and pleased to announce, our ESG goals and targets, set for 2030, on the 6 pillars as part of the maiden report on sustainability. The focus areas under each pillar, along with their associated goals, are disclosed in the report below and I encourage all stakeholders to read, monitor, track, and critique our progress, as we firmly believe that this transparency will help us in steering through uncharted and emerging territories and aide in accomplishing even more.

In another milestone this year, we have taken significant steps to address climate induced financial risks. In a bid to set the 'tone at the top', the Bank has enhanced the charter of its Risk Management Committee of the Board (RMCB) to have an oversight on sustainability, ESG, corporate climate goals and climate risk management. Recognizing the potential impact of climate change on its credit portfolio

and business operations, the Board has deemed it appropriate to classify climate induced financial risks as a material risk in its ICAAP. The Bank has initiated capacity building internally and has adopted a research-based approach which will eventually culminate into policy advocacy. Considerable progress has been made in understanding the exposure to climate induced physical risks such as floods, cyclones, droughts, and heatwaves. These initial findings will be analyzed further for developing detailed mitigation plans over short, medium and long term horizons, On the transition risks, the Bank is increasingly exploring suitable guard rails in its lending/investment strategy to address the same. The Bank is also cognizant of the opportunities entailing environmental risk adaptation and mitigation. Going forward, these opportunities will be analysed for leveraging the same as part of business strategy.

Our Governance structure is designed to support our ESG strategy and mitigate associated risks, with objectives that include defining strategic direction, managing stakeholders effectively, and fostering a culture of sustainability. This structure aims to facilitate the strategic execution of sustainable practices while providing robust oversight to ensure compliance, track progress on internal goals and targets and add a meaningful impact in environmental conservation, social responsibility, and ethical governance.

We are proud to continue our efforts in our ongoing commitment to societal well-being through our CSR endeavors. Our flagship initiative, Chote Kadam, has positively impacted

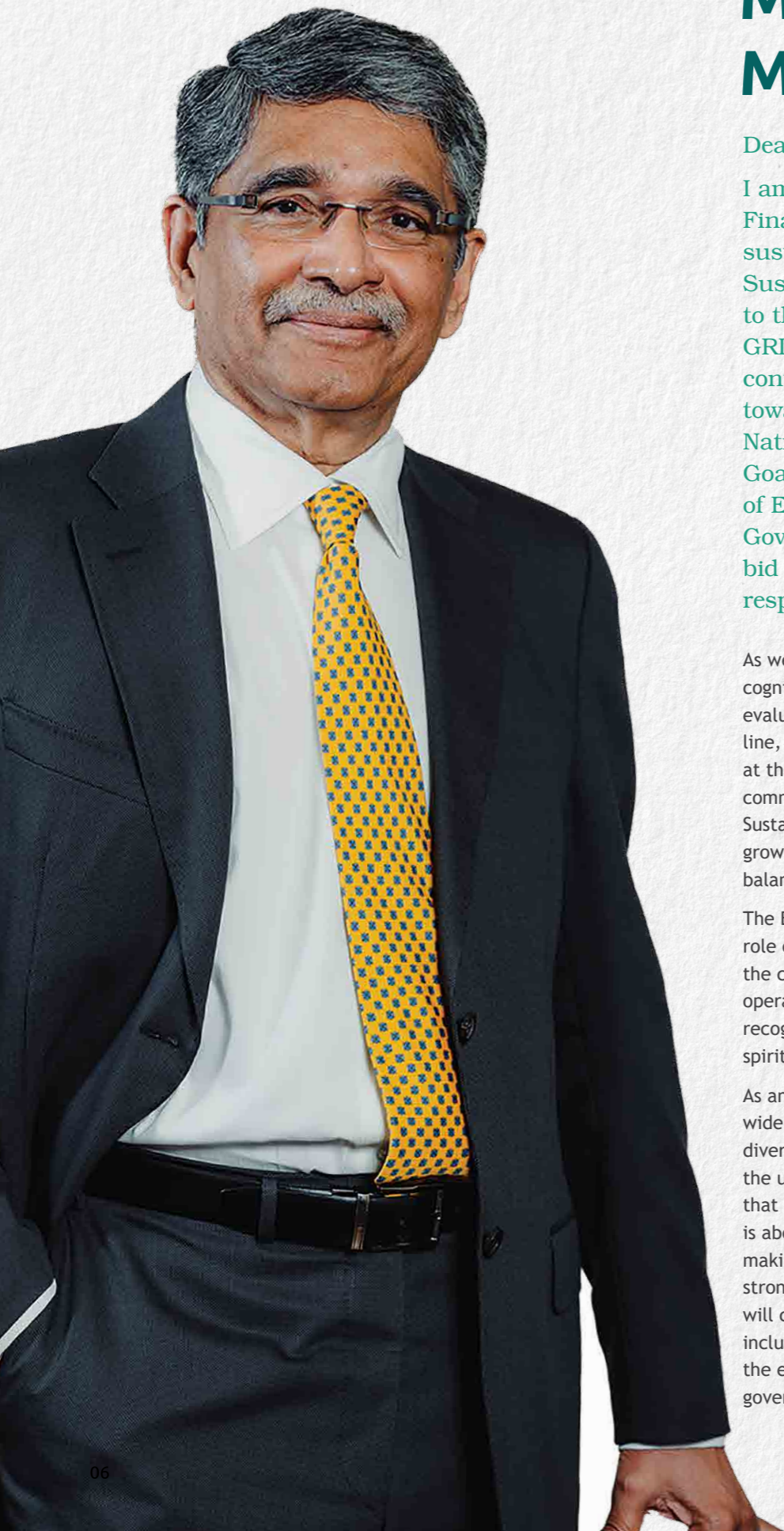
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over 31,58,590 individuals since its inception, setting the tone for our other multifaceted initiatives across vital sectors such as Livelihood Development, Healthcare, Education, Disaster Relief, and Aid programs. We continue to foster a robust corporate culture centered around CSR, integrating social values with our business objectives. All of us at USFB are honored to be a part of an organization that believes success is intertwined with the welfare of the society, and it is with this belief that we will continue to impact every individual we have the opportunity to serve.

Reflecting on our sustainability journey this year, encompassing ESG aspects within our business has been enlightening. We understand where we stand currently, we recognize the positive impact we can make on the planet and its people, and we acknowledge the long journey ahead. With this perspective, I extend a warm welcome to you all to the inaugural Sustainability Report of Ujjivan Small Finance Bank—a starting point for a larger journey that we are eager to share with you.

Sincerely,

B. A. Prabhakar
Chairman, Ujjivan Small Finance Bank



Message from MD & CEO

Dear Stakeholders,

I am pleased to present Ujjivan Small Finance Bank's journey towards sustainability in our first ever Sustainability Report in alignment to the internationally accepted GRI standards. This report and its contents demonstrate our dedication towards furthering the United Nations Sustainable Development Goals (UN-SDGs) through adoption of Environmental, Social, and Governance (ESG) principles in a bid to constantly achieve more as a responsible business.

As we embark on this journey, we take cognizance that business growth must be evaluated on the principles of triple bottom line, in that economic profits shall not come at the cost of the planet, the well-being of its communities, or the welfare of our employees. Sustainability must go hand in hand with business growth, and it is our commitment to strike this balance.

The BFSI sector, particularly banks, play a crucial role of a torchbearer in promoting and furthering the cause of sustainability through its core operations. We at Ujjivan Small Finance Bank recognize this role and embrace it in letter and spirit.

As an aspiring mass-market bank, we offer a wide range of inclusive financial services to our diverse customer base particularly focused on the unserved and underserved. We understand that sustainability goes beyond business; it is about creating a sustainable environment, making a positive social impact, and upholding strong governance principles. Our strategic focus will continue to pivot around promoting financial inclusion, empowering communities, conserving the environment, and implementing strong governance for a sustainable growth.

Stakeholder Engagement and Materiality

Engaging with our stakeholders is crucial to our holistic approach to ESG integration. We actively collaborate with clients, employees, investors, regulators, and local communities to understand their expectations, preferences, and concerns. We have also undertaken a materiality assessment to understand key topics of material concern within our SBUs and for our stakeholders. These insights guide in driving our strategy, shape our products and services, and expand on the scope of our Corporate Social Responsibility initiatives.

Driving Positive Environmental and Social Impact

Considering recent developments that highlight the need for sustainable business practices, we are now actively reviewing and integrating UN SDGs and ESG principles into our business operations to drive positive environmental and social change in society. As one of India's newest entrants to the Banking industry, the Bank has since inception integrated Responsible Banking as one of its key differentiators. This Credo has already seen considerable traction in the space of financial inclusion and economic justice. While much of the Bank's core business operations (i.e., lending) is skewed towards meeting and enhancing social goals and justice today, it is imperative that we also make our small contribution in the areas of environment management and climate change adaptation/mitigation. To that effect, the Bank welcomes India's commitment to Panchamrit for climate action and also adopts the mantra of LIFE- Lifestyle for Environment to combat climate change. We have analyzed climate change and its associated risks on our portfolio performance and business operations (outside

in) and are actively working and deliberating on ways to reduce our carbon footprint, as well as ensuring responsible and efficient resource utilization and management (inside out). This includes adopting renewable energy, energy-efficient operations, responsible water use, and responsible waste management.

Sustainable Banking Practices

Our sustainability framework is structured around six major pillars, each with ambitious goals that will guide our efforts over the next decade. These pillars encompass sustainable operations, empowering communities, human capital development, effective governance, customer centricity, and responsible finance. These pillars collectively reflect our commitment to responsible banking practices that contribute to a more resilient financial system and support the transition to a sustainable and inclusive economy.

Community Development and CSR

In our ongoing commitment to community development and corporate social responsibility (CSR), we are expanding our efforts to make an even greater impact on the communities we serve. Besides our focus on the infrastructure projects executed through our flagship community development program, "Chote Kadam," we are focusing on livelihood enhancement, and disaster relief but also working on enhancing the quality of service delivery in educational institutions, healthcare facilities, and in providing safe drinking water and sanitation solutions. We are proud to have positively impacted the lives of over 4.9 Million beneficiaries till date from vulnerable and marginalized groups, and we will continue to strive for even more significant contributions.

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Transparency and Accountability

Our first ever Sustainability Report is dedicated to our sustainability values, goals, and initiatives which stand testament to our commitment to transparency and accountability. By openly sharing our sustainability initiatives and progress, we invite scrutiny and feedback from our stakeholders. This report serves as a means to motivate us to do more in the future and continuously improve our practices.

In conclusion, sustainability is not just a goal for us; it is an ongoing journey that we are fully committed to. While we acknowledge that we are at a nascent stage in this journey, we emphasize that this will be a constant and continued effort that the Bank is well-equipped for and eagerly anticipates. By integrating ESG principles into our financial operations, we aim to contribute in our humble and small way, in furthering the global efforts on meeting the UN SDG goals, while also creating long-term value for our business.

Thank you for your continued support and trust in Ujjivan Small Finance Bank.

Sincerely,

Ittira Davis
 (MD & CEO), Ujjivan Small Finance Bank

'India's commitment to 'Panchamrit'



Message from Chief Risk Officer

Dear Stakeholders,

I am writing to emphasize the pivotal role of risk management in our commitment to environmental, social, and governance (ESG) principles at Ujjivan Small Finance Bank, as part of our formal sustainability report.

At Ujjivan Small Finance Bank, we highly value integrating ESG factors into our daily operations and decision-making processes. To ensure the seamless integration and vigilant monitoring of ESG principles, we have implemented a robust sustainability governance structure comprising of Board of Directors, Risk Management Committee of the Board, Enterprise Risk Management Committee & Implementation team. This structure serves as the backbone of our ESG initiatives as well as its subsequent internal controls, enabling us to effectively manage risks associated with ESG.

In order to maintain and enhance the effectiveness of the governance structure, Ujjivan Small Finance Bank has outlined specific targets and objectives pertaining to governance. By 2030, we aim to ensure that our commitment to governance goes beyond mere compliance, aiming for a governance structure that exceeds regulatory requirements. Additionally, we are dedicated to achieving Zero Data Security Breaches in the realm of Data Privacy & Cyber Security. In the

domain of Ethics & Compliance, we aspire to maintain a spotless record with Zero penalties/fines. Furthermore, our focus on Risk Transformation is evident in our goal to reach a transformative stage in the risk maturity ladder. These targets for 2030 underscore our proactive approach to addressing key challenges and ensuring the highest standards of governance across all facets of our operations.

In recognition of the escalating challenges posed by climate change, we have extended our risk management charter to encompass climate risk and ESG risks. We are aware that climate-induced physical risks are on the rise, as evidenced by the historical impact of natural disasters on financial portfolios. To address this, we have developed and continuously improved an assessment framework to manage these risks effectively. We are also preparing to share climate-related financial information in alignment with TCFD requirements, allowing us to communicate the impacts of climate change on our business strategy and performance indicators.

Our commitment to risk management extends to several critical initiatives such as vigilantly overseeing ESG compliance requirements, fraud prevention, and potential threats to monetary transactions. We are also in the process of developing a framework that seamlessly integrates ESG aspects into our credit and lending business, aligning our lending decisions with sustainability objectives. As such, we have set ambitious targets to further solidify our commitment to sustainable finance. In the realm of Green Finance, we are actively exploring opportunities specific to the MSME sector and Electric Vehicle (EV) financing, aiming to contribute to environmental sustainability. Simultaneously, our commitment to Inclusive Finance involves expanding our reach and impact, ensuring that our financial services positively influence a broader segment of society.

To cover for Social risks, we are in the process of conducting due diligence to identify and evaluate human rights issues across our business activities and incorporating

By 2030, we aim to ensure that our commitment to governance goes beyond mere compliance, aiming for a governance structure that exceeds regulatory requirements.

risk management criteria in the HR review process for all employees. In terms of safety, we target zero accidents in all of USFB's office locations by 2030.

To promote a culture that values and places high attention to risk management and mitigation, we also provide regular training programs for employees, stakeholders, as well as our non-executive directors, covering various critical aspects.

Our overarching goal is to protect the interests of our valued customers and investors, while also making a positive contribution to society and the environment. We recognize that responsible banking, coupled with robust risk management, is pivotal to achieving these objectives.

Sincerely,

Mr. Arunava Banerjee
(Chief Risk Officer), Ujjivan Small Finance Bank



Message from Head – Admin, Infra & Social Services

Dear Stakeholders,

In a time where businesses must couple economic growth with positive environmental and social value, I would like to take up the opportunity and responsibility to share with you our initiatives towards this feat.

Considering the importance of transparency and accountability, we now monitor key aspects of sustainability, such as energy consumption, GHG emissions, water consumption, diversity indicators, and health and safety indicators among others. While this enhances our disclosures to our trusted stakeholders, it also empowers us to make informed decisions, reduce environmental impact, promote inclusivity, and prioritize the well-being of both our workforce and the planet.

In the realm of environmental initiatives, efforts to optimize resource usage are ongoing, including energy and water conservation, recycling materials, and waste minimization. Our commitment to renewable energy and efficiency is evident through our exploration of options like rooftop solar panels, for which we are conducting feasibility studies. Installation of energy-efficient lighting systems across all our offices to further conserve energy.

In alignment with our environment initiatives, we have set ambitious targets for 2030, including a 20% reduction in power consumption to enhance our energy efficiency. Moreover, we are dedicated to ensuring that 10% of the total office area (Ujjivan offices) achieves 'Green Building' certification, emphasizing our commitment to environmentally friendly practices in our infrastructure development. Subsequently, we have diligently tracked and successfully reduced our greenhouse gas emissions intensity (per rupee of turnover) from 3.97 to 2.28.

Waste reduction remains our core focus, with the adoption of digitalization across our internal processes and banking services to minimize paper consumption. Additionally, our waste management practices adhere to eco-friendly disposal methods, ensuring compliance with all hazardous waste regulations.

In the spirit of Digital transformation, which is a key area of attention for us, we aim to bring 1 crore customers into our digital banking space and achieve digital transactions (volume) of 1000 Mn by 2030.

Turning our attention to Human Capital management, we strive to be an equal opportunity employer. Our diverse workforce demonstrates this commitment. We have achieved 50% gender diversity in the Board Independent Directors, and currently maintain 19% overall women diversity in the workforce. However, we have set ourselves a target to achieve gender diversity up to 30% by 2030. We also employ 22 differently-abled individuals, and provide a safe and inclusive work environment for all to develop and thrive in. Throughout our workforce, employee health and safety, career development, and human rights protection are areas within which we leave no stone unturned. As such, to underscore this value, we target to achieve 34 hours of yearly training per employee by 2030.

In terms of social impact, our Chote Kadam project continues to expand its reach, encompassing more lives and

In the spirit of Digital transformation, which is a key area of attention for us, we aim to bring 10 Mn customers into our digital banking space and achieve digital transactions (volume) of 1000 Mn by 2030.

aspirational districts. Impact assessments are on the horizon, covering thematic areas such as livelihood, education, health, and environment.

Looking ahead, we plan to take inventory of Scope 3 emissions and implement actions to further reduce our carbon footprint.

In our pursuit of transparency in ESG disclosures and steadfast efforts to champion ESG principles within our operations, we aspire to achieve excellence by aiming for the top quartile on the S&P Global Corporate Sustainability Assessment (DJSI) in the years to come. This commitment reflects our dedication to benchmarking ourselves against global sustainability standards and continually improving our practices as a sustainable and responsible banking organization.

As we continue on this sustainability journey, your support and partnership are invaluable. Together, we are striving for a better and more sustainable future.

Sincerely,

Mr. Premkumar
(Head - Admin, Infra & Social Services),
Ujjivan Small Finance Bank

About Ujjivan Small Finance Bank

Ujjivan Small Finance Bank (Ujjivan SFB) stands as a prominent player among the nation's small finance banks, devoted to catering to underserved segments through financial and digital inclusion.



Positioned as a mass-market bank, Ujjivan Small Finance Bank upholds a steadfast commitment to delivering personalized financial services, evolving into a comprehensive hub for a diverse customer base. The bank strategically employs technology to amplify its outreach and elevate customer experiences, emphasizing a personalized touch.

Driven by a dedication to responsible banking, Ujjivan actively channels investments into sustainable social impact initiatives, focusing on community development and financial literacy efforts. Since its inception in 2005 as Ujjivan Financial Services Limited (UFSL), initially operating as an NBFC, the institution sought to provide comprehensive financial services to the 'economically active poor' overlooked by traditional financial institutions. Following the acquisition of an RBI license, UFSL birthed Ujjivan Small Finance Bank, commencing banking operations on February 1, 2017.

Acknowledged as a 'scheduled bank' under the RBI Act, Ujjivan made waves with its oversubscribed 2019 IPO, lauded as one of the banking and financial sector's most exceptional in the past

four years. Serving a diverse clientele, including senior citizens, minors, MSME customers, corporate entities, government entities, visually impaired customers, handicapped customers, and the underserved or unsophisticated, Ujjivan Small Finance Bank boasts a Pan-India presence. The bank reaches a staggering 7.69 Mn customers through 629+ banking touchpoints spanning 271 districts, 25 states, and Union Territories.

Ujjivan Small Finance Bank's commitment to accessibility is evident through its array of alternative channels and a robust digital footprint, comprising internet banking, mobile applications, tablet-based origination, and phone banking. This ensures 24x7 access to its full range of services, exemplifying the bank's dedication to convenience and inclusivity.



Mission

To provide financial services to unserved and underserved customers as a responsible mass market bank, focused on building a sustainable tomorrow.

Ujjivan Small Finance Bank has the scale, capability, and the commitment to emerge as a best-in-class institution with deeply embedded values and culture, which shape its actions.



Values

- Customer's choice of institution
- Integrity in all dealings
- Provide responsible finance
- Fair with suppliers and service partners
- Professionalism and teamwork
- Respected in the community
- Compliance with laws, regulations, and code of conduct
- Best place to work

Ujjivan's oversubscribed 2019 IPO was considered one of the best in the past four years in the banking and financial sector

2005

USFL began operations as an NBFC with the goal of providing a complete range of financial services to the “economically active poor”

2013

UFSL was granted NBFC MFI status by the RBI

2014

UFSL became the largest Micro-Finance institution spread over 24 states and 273 districts across India

2015

RBI issued in-principle approval to UFSL to establish a small finance bank

2004

Ujjivan Financial Services Private Limited (UFSL) was incorporated. The MoA and AoA of the Company were put in place and the initial board was formed

2017

- › Ujjivan Small Finance Bank commenced operations on February 1, 2017 pursuant to transfer of business undertaking of UFSL to Ujjivan Small Finance Bank
- › Inclusion of Bank in the second schedule of the RBI Act
- › Introduced bio-metric authentication facilities in ATMs

2019

- › In a short period, it became one of the leading SFBs in India in terms of deposits, advances, branch count and geographical reach
- › Introduced affordable housing loans, turning homeownership dreams into reality
- › Demonstrated by a successful IPO

2020

Expanded the network to 575 banking branches, with the customer base grew to over 5.4 Mn

2023

- › Launched ‘Hello Ujjivan’, a voice, visual and vernacular feature to provide banking services to Micro Banking and Rural customers with limited reading and writing abilities
- › Presence across 25 states and UTs
- › Serving 7.6 Mn+ customers
- › Operating with 629 banking outlets, 184 banking outlets in Unbanked Rural Centres and 517 ATMs

2022

Ujjivan Small Finance Bank recorded the highest growth in deposits and loan portfolio

Journey of Ujjivan

Boasting a widespread presence across India, the Bank has adeptly positioned itself as the ultimate go-to hub for an extensive array of financial services and tailored customer offerings. At the heart of this seamless service delivery, is the pivotal role played by its digital platform. Ujjivan Small Finance Bank has solidified its footprint through the following network:

629

Banking Outlets

25

states and UTs served

07

Business Correspondents

517

ATMs

35

qualifying URC branches situated in tier 3-6 locations in NE states and LWE districts

161

Qualifying URC Branches

Highlights of Financial Performance



Key financial highlights of Ujjivan Small Finance Bank:

7.69 Mn

Customer outreach

1.21 Mn

New customer added

475.4 Mn

total income

↑ 50% YoY growth

14,850 Mn

Pre Provision Operating Profit

↑ 133% YoY growth

11,000 Mn

PAT

₹ 5.88

Earnings per share

Economic Value Generated, Distributed and Retained

Particulars	FY 2020-21	FY 2021-22	FY 2022-23
1) Economic Value Generated			
a) Revenue (INR Million)	31,169	31726.86	47541.86
Total	31,169	31726.86	47541.86
2) Economic Value Distributed			
a) Operating costs	3021.2	6771.16	5791.56
b) Employee wages and benefits	7487.81	8125.99	9202.54
c) Payment to providers of capital	0	0.00	1685.94
d) Payments to government by country	1736.42	23.95	3019.24
e) Community Investments	55.34	42.71	7.26
Total	12300.77	14963.81	19706.54
3) Economic Value Retained	18868.09	16763.05	27835.32

Financial assistance received from Government

Particulars	FY 2020-21	FY 2021-22	FY 2022-23	Remarks
Subsidies	186.579	91.36	5.2	2020-21 interest subvention 2021-22 CLSS subsidy & int. subvention 2022-23 ECLGS scheme

Collaborations & Associations

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

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

Awards & Recognitions



Best Transaction Fraud Monitoring and Decisioning at Synnex Fraud Risk Management Summit & Award 2023



CISO of the year at Quantic 3rd Annual BFSI Technology Excellence Awards 2022



Best Security Initiative Banking at Quantic 3rd Annual BFSI Technology Excellence Awards 2022

- Received Special Prize - Best Fintech Collaboration in Payment and Small Finance Bank Category at the 18th IBA Technology Conference, Expo, and Awards 2022.
- Received Best IT - Risk Management in the Payment and Small Finance Bank Category at the 18th IBA Technology Conference, Expo, and Awards 2022.
- Received Special Prize - Best AI&ML Adoption in payment and Small Finance Bank category Bank at 18th IBA Technology Conference, Expo & Awards 2022



Awarded for Best Project Implementation at the IBSi Global FinTech Innovation Awards 2022



Best Customer Engagement Strategy Banking at Quantic CX Excellence Awards 2022



Cybersecurity Innovation of the Year (Banking) at Quantic Technology Excellence Awards 2022 (Bangalore Edition)



Best Initiative for Threat Management-Bank at Quantic Cyber Security Excellence Awards 2022



Most Impactful Project at the IBSi Global FinTech Innovation Awards 2022



“Best Project Implementation & Most Impactful Project” at the IBSi Global FinTech Innovation Awards 2022



Awarded in ‘Innovation in Consumer Tech’ category at the 13th edition of the Aegis Graham Bell Award for the Hello Ujjivan Mobile Banking Application

- CISO of the year Banking at Krypton BFSI Leadership Awards 2022
- Best Cyber Security Initiative- Banking at Krypton BFSI Leadership Awards 2022



Unique Credit Product for MSMEs’ Category at FICCI MSME Ecosystem Awards



Gold at the Cannes Lions International Festival of Creativity in the Creative Commerce category for the “Shagun ka Lifafa” initiative

- Bronze - Non-Traditional - Direct Marketing for Ujjivan Small Finance Bank titled “Shagun Ka Lifafa” at the London International Awards 2022
- Silver - Non-Traditional: Creativity in Commerce for Ujjivan Small Finance Bank, titled “Shagun Ka Lifafa,” at the London International Awards 2022



Strategic Focus

"At Ujjivan Small Finance Bank, we don't just bank; we build bridges of financial inclusion, empower communities, and champion environmental stewardship – it's a journey where success is measured in impact, not just digits on a balance sheet."

Ujjivan Small Finance Bank is on a mission to ignite financial inclusion, reaching out to the often-overlooked segments of our society - those with low-income backgrounds, women, rural populations, and marginalized communities. This isn't just about banking; it is about building bridges. The Bank doesn't stop at financial transactions; it invests in literacy training and capacity-building programs, empowering customers to navigate the financial landscape confidently.

For Ujjivan Small Finance Bank, success isn't just measured in digits on a balance sheet; it's about weaving a positive social fabric. The Bank wears technology and innovation like a superhero cape, leveraging them to extend its reach and enhance efficiency, especially in the farthest corners of the country.

Risk is a reality, and Ujjivan Small Finance Bank faces it head-on with a robust risk management framework. The Bank doesn't just identify risks; it engineers strategies to mitigate them, safeguarding the sustainability of operations and the interests of customers and investors alike.

Ujjivan Small Finance Bank is levelling up by weaving ESG principles into its business DNA, aiming for a triple bottom line - financial gains and positive social and environmental impacts. Climate risks? Analysed. Governance structure? Defined. The Bank is even cooking up green products and services, a testament to its commitment to sustainable operations.

Ujjivan Small Finance Bank is revamping reporting methodologies to give stakeholders a crystal-clear view of its ESG performance. And speaking of stakeholders, the Bank is tightening its connections, ensuring that its strategies resonate with their expectations. It's not just about banking; it's about partnership and shared values.

In a nutshell, Ujjivan Small Finance Bank isn't just a bank; it's a force for financial inclusion, community empowerment, environmental stewardship, and governance excellence. Buckle up for a journey where growth isn't just about numbers; it's about making a lasting impact.

Other crucial recognitions obtained by Ujjivan Small Finance Bank are as follows:



100%
collection efficiency

7.7 Mn
Customer outreach

1.21 Mn
new customers added

200
top listed profitable companies in India

6,900
Leads generated per month (phone banking)

Stakeholder Engagement & Materiality Assessment

Stakeholders play a pivotal role in the process of value creation for a bank. It is imperative to actively involve and connect with various stakeholders, such as clients, employees, investors, regulators, and local communities, to adopt a comprehensive approach to integrating environmental, social, and governance (ESG) considerations. This engagement is vital for fostering a well-rounded perspective and ensuring effective ESG integration.







Stakeholder Engagement

In the spirit of collaboration and inclusivity, Ujjivan Small Finance Bank maintains an ongoing dialogue with a diverse array of stakeholders, ensuring a pulse on their expectations, preferences, and concerns. These invaluable insights serve as the bedrock for shaping the bank's strategies, refining products and services, and steering corporate social responsibility initiatives.

Our engagement with stakeholders isn't a mere formality; it's a dynamic interplay conducted through both formal and informal channels of communication. To address grievances and tackle various matters, we've established a dedicated

Stakeholders Relationship Committee, aligning with the mandates of Section 178 of the Companies Act 2013 and Regulation 20 of SEBI Listing Regulations. This committee, led by an Independent Director, convenes annually to delve into the intricacies of stakeholder engagement, ensuring a comprehensive understanding of their needs. Refer the table below for a snapshot of key stakeholders identified by Ujjivan Small Finance Bank, the diverse mechanisms employed for engagement, and the overarching purpose and scope that fuels these meaningful interactions. It's not just about stakeholders; it's about building lasting connections.



Stakeholder Group	Mode of engagement	Frequency of engagement	Purpose and scope of engagement
 Employees	Internal meetings	Continuous	<ul style="list-style-type: none"> Promote open communication
	Performance review and appraisals	Annual	<ul style="list-style-type: none"> Engagement for ESG initiatives
	Training and skill enhancement programs	Continuous	<ul style="list-style-type: none"> Professional growth and development
	Feedback and suggestions	Real-time/Continuous	<ul style="list-style-type: none"> Facilitate dialogue and address concerns
	Forums and events to engage with leadership team	Continuous	<ul style="list-style-type: none"> Sharing of information and updates about ongoing activities
	Townhall meetings	Continuous	<ul style="list-style-type: none"> Updates on policies and achievements of the banks
	Flagship branch representative meetings	Continuous	<ul style="list-style-type: none"> Focus on employee wellbeing, health & safety
	Email and notice board	Continuous	
 Investors	Investor support center	Continuous	<ul style="list-style-type: none"> Enhance investor experience
	Annual public disclosures	Annual	<ul style="list-style-type: none"> Transparency and communication
	Investor meet/calls	Annual/Need-basis	<ul style="list-style-type: none"> Sustainability communication
	Email, Phone Contacts	Quarterly	<ul style="list-style-type: none"> Understanding investors perspective with current market requirements
	Message service through SMS and WhatsApp	Continuous	<ul style="list-style-type: none"> Responsible business practices
 Customers	Financial literacy programs/camps	Continuous	<ul style="list-style-type: none"> Engagement through new schemes, loans, transactions
	Workshops & campaigns	Quarterly/Half-yearly	<ul style="list-style-type: none"> Understand customer needs
	Advertisements in regional languages	Continuous	<ul style="list-style-type: none"> Provide meaningful banking solutions
	Customer satisfaction survey & grievance redressal mechanism	Continuous	<ul style="list-style-type: none"> Address customer concerns effectively
	Thematic and festive campaigns for festival celebrations	Continuous	<ul style="list-style-type: none"> Enhance customer experience
 Suppliers	Email, SMS, website	Continuous	
	Supplier contracts/ agreements	Continuous	<ul style="list-style-type: none"> To maintain efficient and sustainable supply chain
	Payments and invoicing	Continuous	<ul style="list-style-type: none"> Raise awareness with respect to ESG aspects
	Supplier assessment	Annual	<ul style="list-style-type: none"> Smooth flow of goods and services to support operations
 Communities	Email, SMS	Quarterly	
	Community campaigns	Continuous	<ul style="list-style-type: none"> Development of projects and new schemes
	Need based surveys	Annual/Quarterly	<ul style="list-style-type: none"> Right solutions tailored to the needs of rural communities
	Flagship CSR Program	Continuous	<ul style="list-style-type: none"> Improve the quality of life
	Livelihood training	Continuous	<ul style="list-style-type: none"> Access to range of financial products
	Health camps	Annual	
	Media & Press releases	Continuous	
 Regulators	Financial literacy program	Continuous	
	Public disclosure	Annual	<ul style="list-style-type: none"> Stable and well-regulated financial system
	Reporting and compliance	Periodic	<ul style="list-style-type: none"> Transparent relationship with regulators
	Public disclosure	Annual	<ul style="list-style-type: none"> Stay compliant and manage risks
Regulatory audits	Periodic		
Meetings and communication	Continuous		

Materiality Assessment

Delving into the intricacies of our value creation journey, Ujjivan Small Finance Bank recognizes the pivotal role of materiality assessment – a compass guiding us through the landscape of both immediate and future impacts. This thoughtful exercise is our way of identifying the issues that truly matter, ones that wield substantial influence over our business performance, reputation, and the interests of our stakeholders. The process followed for materiality assessment is stated below:

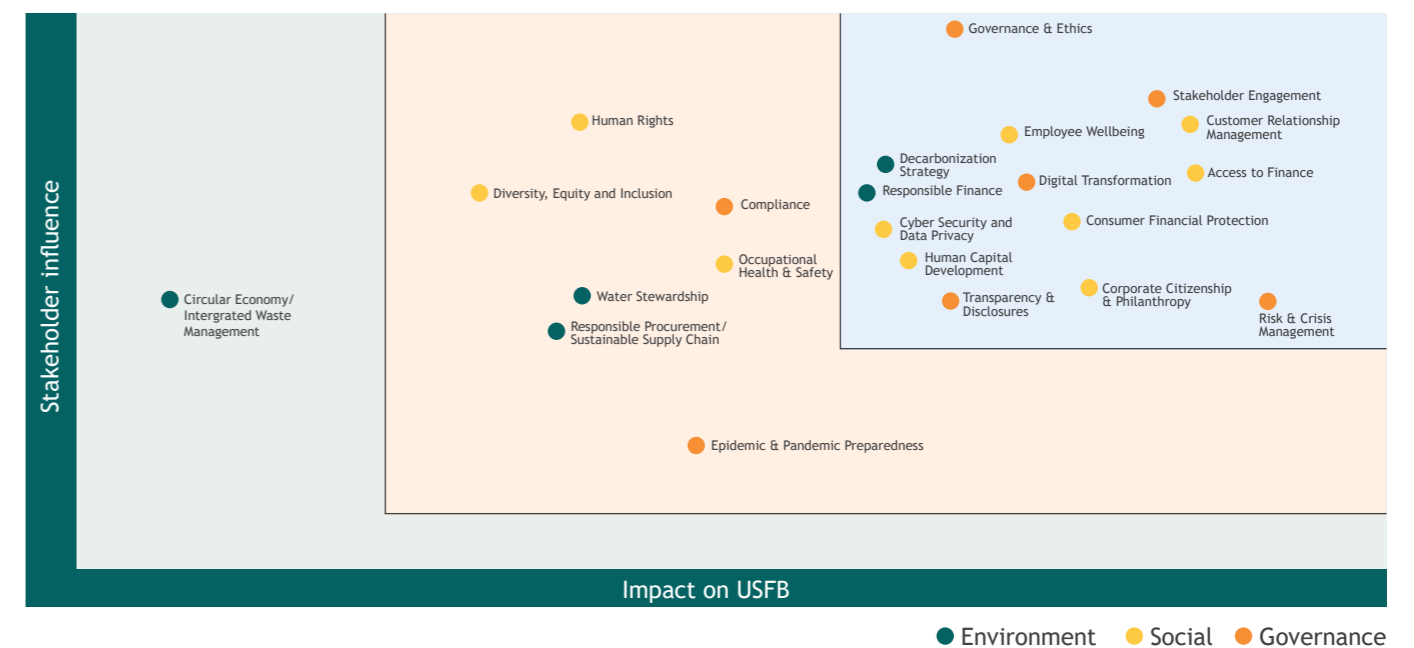
Potential Material Issues Unveiled: We kick start the process by curating a list of environmental, social, and governance issues relevant to our banking operations. Global reporting standards (cue GRI, UN SDGs, DJSI), peer benchmarking, and a deep dive into secondary research help us build this foundation.

Stakeholders Take the Spotlight: It's not a solo act; it's a collaboration. We engage both internal and external stakeholders in meaningful conversations. From Senior Management and department heads within our family to the external maestros - investors, customers, NGOs, and suppliers. Through surveys and interviews, we decode their perspectives and expectations, giving us a clearer picture of the importance of these material issues in their eyes.

Materiality Matrix - The Visual Symphony: Armed with insights, we craft a materiality matrix - a visual masterpiece that categorizes issues into quadrants like high materiality-high impact, high materiality-low impact, and so on. The X-axis mirrors issues pertinent to Ujjivan Small Finance Bank, while the Y-axis reflects those significant to our stakeholders. This matrix isn't just a chart; it's a roadmap, plotting issues in the upper right quadrant, signifying the material concerns demanding our attention, action, and disclosure.

In essence, this process isn't just about identifying issues; it's a dynamic dance between our operations and the expectations of those we serve and partner with. The materiality assessment isn't a snapshot; it's a living document, evolving with our journey towards greater impact and transparency.

Materiality Matrix – Outcome of Materiality assessment



The performance of Ujjivan Small Finance Bank on the material issues depicted in materiality matrix is as below:

S. No.	Material Issue	Linkage with GRI standard	Performance description
1.	Governance & Ethics	GRI 2: General disclosures 2021	Ujjivan Small Finance Bank has implemented all mandatory and necessary policies to promote transparent and efficient functioning, supported by a robust governance structure through the Board of Directors, and Management Committees.
2.	Risk and Crisis management	GRI 2: General disclosures 2021	Ujjivan Small Finance Bank has a strong risk management framework in place to identify, mitigate, and monitor material risks across all its functions. A dedicated risk management team, led by Chief Risk Officer (CRO) is present to implement the directions of the Board. For the emerging risks in the areas of climate risk and ESG compliance, the Bank has constituted a research-based approach culminating into policy advocacy.
3.	Access to finance	GRI 406: Non- discrimination 2016	Ujjivan Small Finance Bank is a mass market focused bank in India, catering to financially unserved and underserved segments. The bank is committed to the objective of ensuring financial inclusion for the underserved sectors by granting them access to comprehensive banking facilities.
4.	Stakeholder engagement	GRI 2: General disclosures 2021	Ujjivan Small Finance Bank engages with a diverse group of stakeholders to understand their expectations and requirements. The Bank has constituted a Stakeholders Relationship Committee which is chaired by an Independent Director of the bank.
5.	Consumer financial protection	GRI 418: Customer Privacy 2016	Ujjivan Small Finance Bank ensures that consumers are treated fairly, transparently, and responsibly. The bank conducts educational campaigns to help consumer make informed decisions. The bank ensures responsible lending practices, data privacy and grievance redressal mechanism to safeguard the interests and rights of consumers.
6.	Customer relationship management	GRI 416: Customer Health and Safety 2016	Ujjivan Small Finance Bank has tailored its services to meet the specific needs of dominant customer segments to enhance customer relationship and engagement. The bank has implemented various digital enablers, such as enhanced business net banking, QR solutions, and physical propositions such as customer relationship management (CMS), to improve customer experiences.

S. No.	Material Issue	Linkage with GRI standard	Performance description
7.	Responsible Finance	GRI 2-22 GRI 203	Ujjivan Small Finance Bank is exploring opportunities for introduction of green deposits (RBI guidelines published) and increase green financing initiatives in Micro banking, Housing and MSME segments. The Bank is offering water and sanitation loans to its customers. Micro-banking loans cover 85% of the Bank's loan portfolio. It is looking to integrate ESG factors into the credit lending and decision-making processes.
8.	Corporate citizenship & philanthropy	GRI 411: Rights of Indigenous Peoples 2016 GRI 413: Local Communities 2016	Ujjivan Small Finance Bank (SFB) recognizes the formidable obstacles faced by individuals with disabilities, particularly the youth, in securing employment due to factors such as poverty, limited access to education and opportunities, as well as enduring stigma and discrimination. Committed to community development and fostering financial literacy, the bank actively engages in outreach programs and collaborates with various partners. To ensure the effective implementation of its social initiatives, the bank has established a Corporate Social Responsibility (CSR) Committee tasked with overseeing and evaluating the economic and social impact of the programs on society. In the fiscal year 2022-23, Ujjivan Small Finance Bank successfully implemented 21 projects, positively impacting approximately 0.73 Mn individuals.
9.	Cyber security & data privacy	GRI 418: Customer Privacy 2016	Ujjivan Small Finance Bank has implemented defense-in-depth technologies to safeguard the interests of customers. The Bank has established robust information security policies and procedures to manage the risks related to cyber security and data privacy.
10.	Transparency & disclosures	Complete Set of GRI Standards	Ujjivan Small Finance Bank adopts the best practices and highest standards of Corporate Governance through transparency in business, ethics and accountability to its stakeholders. In compliance to the Pillar-III requirements of BCBS/RBI, the Bank has in place a Board approved policy on Disclosures that addresses its approach for determining what disclosures it will make and the internal controls over the disclosure process. The Bank is currently in the process of enhancing the scope of coverage in compliance to requirements stated by Task Force for Climate Related Disclosures (TCFD framework).

S. No.	Material Issue	Linkage with GRI standard	Performance description
11.	Digital transformation	GRI 305: Emissions 2016	In FY 2022-23, Ujjivan's IT team engaged in major upgrades across the core infrastructure in Finacle CBS and BR.Net, Branch links, phone banking, and the enterprise service bus (ESB). 283 new Intel servers and 22 SPARC servers were procured for CBS, creating a total of 252 new environments across the application stack for 8960 Mn and 800 TB of storage space.
12.	Compliance	GRI 2: General Disclosures 2021	Ujjivan Small Finance Bank maintains a high level of corporate governance and compliance culture. The compliance framework is well-strengthened with Risk Assessment, certifications, monitoring, and testing. The Bank has a zero-tolerance policy on regulatory compliance breaches and non-adherence to statutory compliances in both, letter and spirit.
13.	Decarbonization strategy	GRI 305: Emissions 2016	Ujjivan Small Finance Bank has framed its sustainability strategy which includes goals and targets to reduce greenhouse gas emissions and transition towards a carbon-neutral economy. Focus area includes adoption of renewable energy, resource-efficient operations, waste management etc.
14.	Human Capital development	GRI 401: Employment 2016 GRI 404: Training and Education 2016 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016	During FY 2022-23, Ujjivan Small Finance Bank has focused on comprehensive people development and enhancing organizational capabilities to provide a 360-degree growth journey for employees. Trainings and skill enhancement programs are conducted for the employees. The bank also emphasizes on continuous engagement through feedback, surveys, performance review and various other forums and events.
15.	Employee wellbeing	GRI 403: Occupational Health and Safety 2018	Ujjivan Small Finance Bank places a strong emphasis on the welfare of its workforce through comprehensive physical and emotional well-being initiatives. The bank has bolstered employee insurance benefits, implemented a noteworthy 50% augmentation in maternity benefits, and introduced cutting-edge robotic advancements for enhanced cancer treatment benefits. Additionally, Ujjivan Small Finance Bank has elevated the accidental medical expense limit by a substantial 67% across the board for all its employees.



ESG Strategy

Sustainability Approach of Ujjivan

Ujjivan Small Finance Bank endeavors to harmonize financial achievements with social accountability and environmental guardianship. The bank's sustainability strategy delineates its course of action, aligning operational practices with prevailing ESG trends, regulatory standards, and stakeholder

anticipations. The integration of sustainable banking practices plays a pivotal role in fortifying the resilience of the financial system, effectively addressing environmental and social challenges, and facilitating the evolution towards a sustainable and inclusive economy.

The Bank's sustainability framework is based on a clear understanding of the material issues identified by materiality assessment. This ESG framework is structured around six major pillars which are as follows:



• Transparency & Disclosure • Stakeholder Engagement • Digital Transformation

To provide financial services to the unserved and underserved Customers as a responsible mass market bank focused on building a sustainable tomorrow

This methodical approach enables purposeful initiatives, open reporting, and ongoing enhancements, fostering favorable results for both the business and the wider community.

ESG Performance Matrix – Goals and Targets

Each pillar is divided into focus areas to address specific goals and targets as sustainability initiatives of the Bank.

S. No.	Pillar	Focus Areas	Goals for 2030
1.	Sustainable operations	Sustainable by Operations	20% reduction in Power consumption
		Sustainable by Design	10% of total office area (Ujjivan offices) to achieve 'Green Building' certification
2.	Empowering communities	Corporate Social Responsibility	Disclose the social value through Social Return on Investment study
3.	Human Capital	Talent Management	34 hours per employee training
		Diversity, Equity & Inclusion Human Rights	Achieve gender diversity up to 30%
		Health, Safety and Wellness	Zero Accidents - Ujjivan office locations
4.	Effective governance	Data Privacy & Cyber Security	Zero Data Security Breaches
		Governance	Robust Governance Structure, beyond compliance
		Ethics & Compliance	Zero fines / penalties
		Risk Management	Achieve transformative stage in the risk maturity ladder
5.	Customer centricity	Customer Relationship Management	Top quartile in Customer Satisfaction Survey Score
6.	Responsible Finance	Green Finance	Exploring the green finance opportunities specific to MSME sector and Electric Vehicle (EV) financing
		Inclusive Finance	Expanding reach & impact
7.	Aspects cutting across	Transparency & Disclosures	Aspire to reach top quartile on S&P Global CSA (DJSI)
		Stakeholder Engagement	100% digital invoices from suppliers with spend of 10 Mn or higher
		Digital Transformation	Bringing 10 Mn customers into digital banking space and achieve digital transactions (volume) of 1000Mn.

Governance Performance

Governance Structure

Ujjivan Small Finance Bank remains steadfast in its dedication to maintaining the utmost levels of Corporate Governance, conducting operations in alignment with robust corporate practices.

A robust code of conduct and ethics, integral to the bank's structure, establishes unambiguous benchmarks for behavior and elucidates the guiding principles governing internal interactions and engagements with external entities.

The bank has diligently implemented all obligatory and essential policies aimed at elevating transparency and efficiency. These initiatives are fortified by a robust governance framework that actively engages the Board of Directors and various Management Committees.



Banavar Anantharamaiah Prabhakar
Part-time Chairman & Independent Director



Samit Kumar Ghosh
Non-Executive, Non-Independent Director



Ittira Davis
Managing Director & CEO



Rajesh Jogi
Independent Director



Sudha Suresh
Independent Director



Rajni Mishra
Independent Director



Ravichandran Venkataraman
Independent Director



Anita Ramachandran
Independent Director



Satyaki Rastogi
Non-executive nominee director*



P N Raghunath
Additional Director nominated by RBI**

Status of Board Members as on date is given in the table below:

FY 2022-23		
Age	Above 50	
Gender	Male	Female
Board of Directors	7	3
Total	10	

*Ceased to be a Director w.e.f. July 17, 2023
**Ceased to be a Director w.e.f. May 29, 2023



Mr. Banavar Anantharamaiah Prabhakar

Designation: Part-time Chairperson-Independent Director

Tenure: Appointed w.e.f. August 20, 2021, for 3 years

Directorship in other companies:

1. ASREC (India) Ltd
2. Conatus Finserve Pvt Ltd
3. Infomerics Valuation and Rating Private Limited
4. Arhatech Machinery Private Limited
5. Finagg Capital Private Limited

Gender: Male



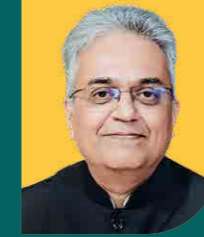
Mr. Ittira Davis

Designation: MD & CEO

Tenure: January 14, 2022, till January 13, 2025

Directorship in other companies: NA

Gender: Male



Mr. Ravichandran Venkataraman

Designation: Independent Director

Tenure: Appointed w.e.f. August 20, 2021, for 3 years

Directorship in other companies:

1. Floretz Academy Private Limited
2. Smrti Academy Private Limited
3. Outpost Visual Effects Private Limited

Gender: Male



Mr. Rajesh Kumar Jogi

Designation: Independent Director

Tenure: Appointed w.e.f March 13, 2021, and recategorized as Independent Director w.e.f August 25, 2021

Directorship in other companies:

1. Futura Techpark Private Limited
2. Xander Finance Private Limited
3. Noida Towers Private Limited
4. Eleanor Realty Holdings India Private Limited
5. Nv Projects Private Limited
6. Food Space Technology Private Limited

Gender: Male



Mr. Samit Kumar Ghosh

Designation: Non-Independent, Non-Executive Director

Tenure: Appointed w.e.f. August 20, 2021, for 3 years on a retire by rotational basis

Directorship in other companies:

Ujjivan Financial Services Limited

Gender: Male



Ms. Rajni Mishra

Designation: Independent Director

Tenure: Appointed w.e.f. December 16, 2020, for 3 years

Directorship in other companies: NA

Gender: Female



Ms. Sudha Suresh

Designation: Independent Director

Tenure: Appointed w.e.f August 20, 2021, and later recategorized as an Independent Director w.e.f April 01, 2022

Directorship in other companies: NA

Gender: Female



Ms. Anita Ramachandran

Designation: Independent Director

Tenure: Appointed w.e.f. July 01, 2022

Directorship in other companies:

1. Grasim Industries Ltd
2. Blue Star Limited
3. FSN E-Commerce Ventures Limited
4. Happiest Minds Technologies Limited
5. Metropolis Healthcare Limited
6. Godrej And Boyce Manufacturing Company Limited
7. Aditya Birla Housing Finance Limited
8. Cerebrus Consultants Private Limited
9. Aragen Life Sciences Limited
10. Nykaa Foundation

Gender: Female



Leadership Oversight

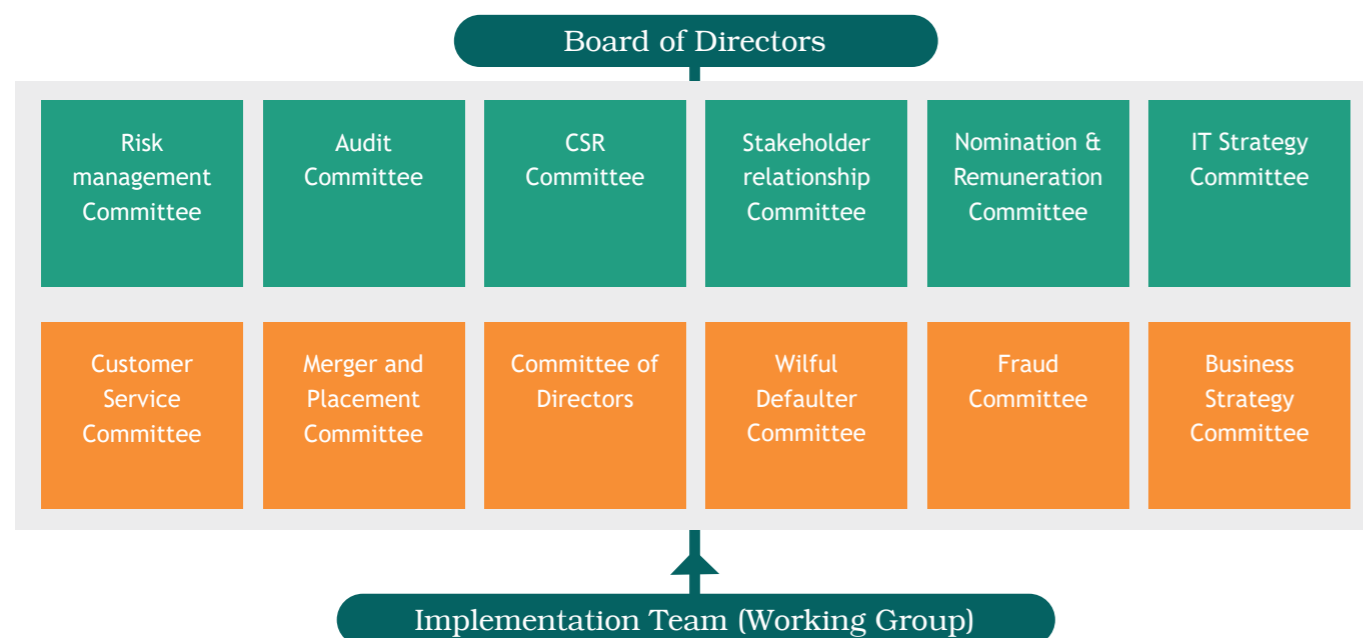
The Board assumes a pivotal role in directing and supervising how the management caters to the interests of stakeholders. The Bank consistently assesses its governance practices, aligning itself with industry best practices.

As the highest governing authority, the Board of Directors is committed to proactively enhancing initiatives to elevate ESG and sustainability standards. The senior management is equally committed to advancing the Bank's performance across economic, environmental, and social dimensions, continually exploring and implementing new initiatives.

Quarterly assessments by the Board and Board Committees scrutinize the Bank's functions and performance. Delegating responsibilities, these committees empower Management Level Committees, Senior Management, and Departments, fostering a cascading effect down to the executive level employees of the Bank.

Committees of the Board

The Board Committees are dedicated to specific areas, making well-informed decisions within their prescribed authority. In adherence to regulatory frameworks such as the Companies Act 2013, SEBI LODR 2015, and RBI guidelines, the Bank has established all mandatory committees. These encompass the Audit Committee, Enterprise Risk Management Committee, Nomination and Remuneration Committee, Shareholder Relationship Committee, Customer Service Committee, Fraud Committee (a specialized Board committee monitoring high-value frauds), Corporate and Social Responsibility Committee, Committee of Directors, IT Strategy Committee, Review Committee on Wilful Defaulter, Business Strategy Committee, and Merger and Placement Committee. Each committee plays a crucial role in ensuring comprehensive governance and strategic decision-making within the organization.



During quarterly review sessions, the Board and its respective Committees receive comprehensive presentations on the overall business performance and functional updates of the Bank. Following these updates and ensuing discussions, the Board and Committees formulate action points, the progress of which is subsequently assessed in subsequent meetings.

The Risk Management Committee of the Board, including the Board itself, assumes the crucial responsibility of identifying and managing a spectrum of risks faced by the Bank. These risks encompass economic, environmental, and social factors. The Board and its committees play a pivotal role in addressing and mitigating these risks.

The engagement with stakeholders, including investors, internal management employees, and customers, is an integral aspect of the process. Any inputs received from these stakeholders are duly noted and brought up for discussion in the relevant forums. This inclusive approach ensures that the perspectives and concerns of all key stakeholders are considered in the decision-making and risk management processes of the Bank.

Nominating & Selecting the Highest Governance Body

The Nomination and Remuneration Committee (NRC), as the principal governance authority, proposes the appointment of Bank directors to the Board, pending

approval from the Board itself, Shareholders, and, in the case of executive directors, the Reserve Bank of India (RBI). In the director selection process, the NRC and the Board conduct a comprehensive evaluation encompassing factors such as professional competence, standing, knowledge, qualifications, experience, gender diversity, expertise, other directorships, and any potential conflicts of interest.

A meticulous review of disclosures and declarations is undertaken in accordance with various regulations, including those stipulated by RBI, SEBI, and MCA. This encompasses declarations of independence and adherence to Fit & Proper criteria outlined by regulatory bodies. The NRC and the Board diligently consider these aspects during the appointment process. Additionally, regulatory green lights for director appointments are diligently secured as and when required.

Conflict of Interest

The NRC and the Board diligently address and mitigate potential conflicts of interest related to Directors during their appointment. Directors are required to provide specific disclosures and declarations regarding conflicts of interest at the time of appointment and annually thereafter. The NRC and Board thoroughly review and acknowledge the annual disclosures and declarations submitted by the Directors.

To enhance transparency, the Bank discloses the directorships and committee memberships of its Directors in both listed and public unlisted entities through quarterly and annual corporate governance reports, ensuring accountability to Stock Exchanges and the general public. Additionally, the Annual Report of the Bank contains comprehensive information on the shareholdings of Directors and Key Management Personnel (KMP) in the Bank.

The Bank upholds stringent policies on Related Party Transactions and Code of Conduct, both accessible on the Bank's website, providing a framework for addressing pertinent matters. Furthermore, the Bank submits a half-yearly report on Related Party Transactions to Stock Exchanges, ensuring public access to this information and reinforcing transparency in its operations.

Performance Evaluation

Annually, the Board, individual directors, and Board Committees undergo a comprehensive performance evaluation conducted by fellow Board members. This evaluation encompasses a thorough assessment and rating of each director based on predetermined standard parameters. The Nominations and Remuneration Committee (NRC) and the entire Board collaborate in this process, soliciting input from individual directors to compile a comprehensive report.

Presently, the Bank is in the early stages of developing and implementing Environmental, Social, and Governance (ESG) initiatives. As the Bank advances in this domain, ESG criteria will be integrated into the annual performance evaluation of the Board, individual directors, and Board Committees. This progressive approach reflects the Bank's commitment to incorporating evolving standards and practices in its governance and performance assessment processes.

Remuneration

The Nomination and Remuneration Policy for the Board regulates the compensation provided to Directors. Currently, apart from the MD & CEO, no director receives remuneration, except for sitting fees at Board Meetings. The MD & CEO's remuneration, covering fixed pay, variable pay, stock options, retirement benefits, and other perks, is endorsed by the NRC and Board based on performance evaluations. Any adjustments to the MD's remuneration necessitate prior approval.

Compensation benchmarking is conducted on a case-by-case basis, considering pay packages of MDs in comparable Small Finance Banks (SFBs). Non-Executive Directors receive appropriate compensation through sitting fees, aligning with industry standards.

Stakeholder involvement in remuneration includes obtaining shareholders' approval through Postal Ballot or General Meetings when necessary. The Bank conducts regular investor calls addressing investor concerns openly. All matters related to director appointments and their remuneration are presented to shareholders for approval. Stakeholders' votes are considered, influencing adjustments to remuneration policies and proposals accordingly.



Sustainability Governance

The bank has framed a sustainability governance structure with the following purposes:

- Define strategic direction to guide & implement the sustainability roadmap
- Effective management of stakeholders & promote collaborative approach
- Foster a culture of sustainability

The sustainability governance structure comprises of Board of Directors, Risk Management Committee of the Board, Enterprise Risk Management Committee & Implementation team.

This multi-tier sustainability governance structure has been designed to ensure successful integration and monitoring of Environmental, Social & Governance (ESG) principles within the Bank. This structure aims to facilitate the strategic execution of sustainable practices while providing robust oversight to ensure compliance and meaningful impact in areas related to environmental conservation, social responsibility, and ethical governance.

Board of Directors

- The Board shall act as the ultimate authority & approver for all sustainability interventions - including Strategy & Sustainability Report.

Risk Management Committee of the Board

- To ensure that the Bank has a sound system of risk management and internal controls in place, the Board has established the Risk Management Committee of the Board (RMCB).
- While the Board of Directors will be responsible for overall governance and oversight of core risk management activities, execution strategy is delegated to the Risk Management Committee of the Board.

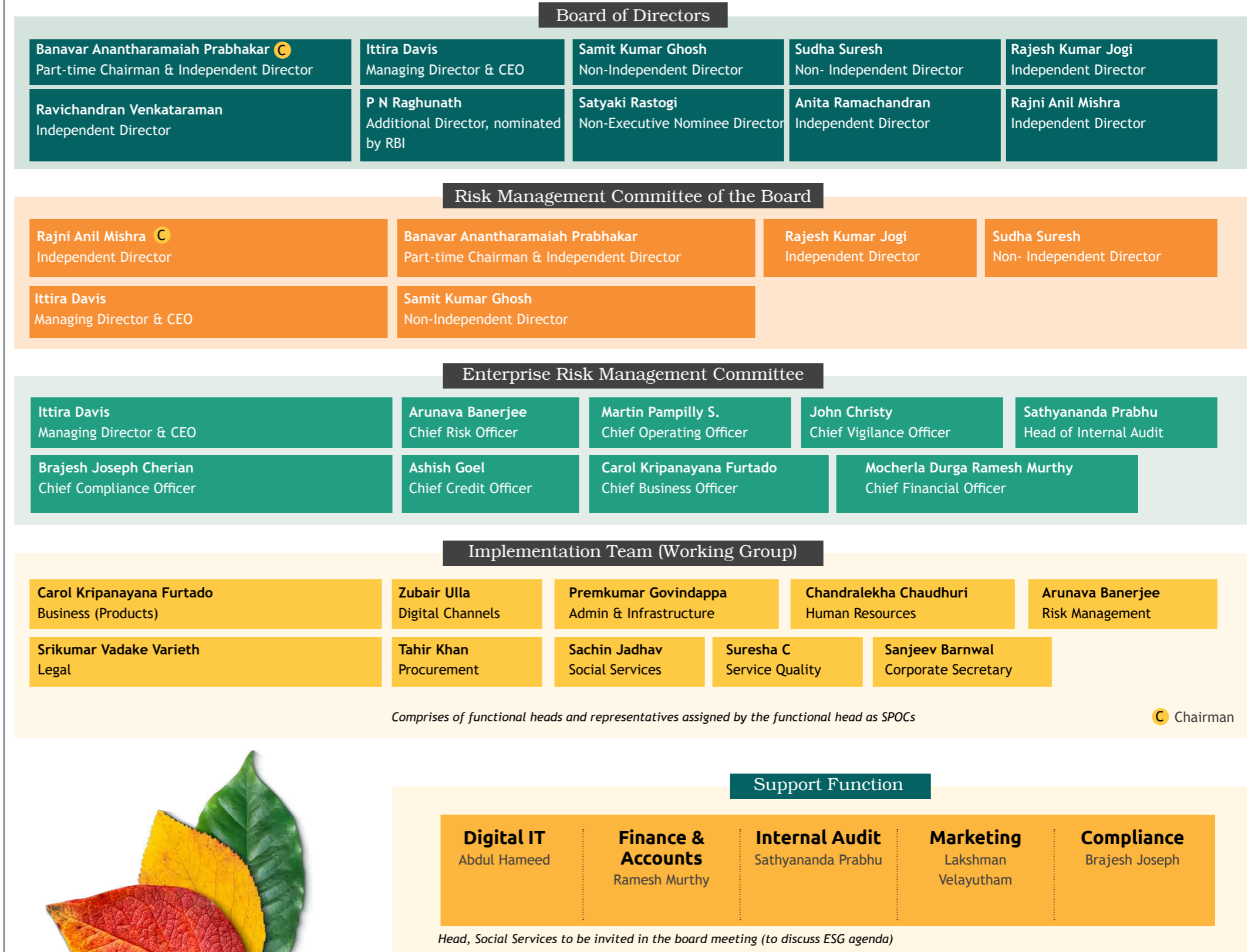
Enterprise Risk Management Committee

- The Enterprise Risk Management Committee is the Steering Committee, which will support and advise the Board on the company's policies, strategies and programs related to matters of ESG.
- Responsible for strategy development, goal setting, resource allocation (budget, human resource and other support), performance review and paves way for continual improvement on the overall sustainability goals.

Implementation Team (Working Group)

- The implementation team will identify the ESG opportunities at all applicable areas and is responsible for implementing the ESG programs across the organization relevant to their functions and responsibilities.

Sustainability Governance Structure of Ujjivan Small Finance Bank



Responsibilities at three distinct levels of Authority is as below:

A. Board of Directors

- The Board of the Bank has overall responsibility, including culture, governance framework and approving as well as overseeing management’s implementation of the Bank’s strategic objectives.
- As part of overall governance framework, the Board is responsible for overseeing a strong risk governance framework.
- The Board shall take an active role in defining the risk appetite, ensuring its alignment with the Bank’s strategic, capital, financial plans and compensation practices.
- The Board shall approve and oversee the implementation of key policies pertaining to the bank’s risk management.
- The Board shall structure itself in terms of leadership, size and the use of committees to effectively carry out its oversight role/other responsibilities pertaining to Risk Management.

B. Risk Management Committee of the Board

The key responsibilities of the Risk Management Committee of the Board (RMCB) relating to overall risk management of the Bank is to ensure that all the current and future material risk exposures of the Bank are assessed, identified, quantified, appropriately mitigated and managed.

- Establish a framework for the risk management process and to ensure its implementation in the Bank.
- Review and recommend changes, from time to time, to the Risk Management plan and/ or associated frameworks, processes, and practices of the Bank.
- Enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices.
- Evaluate overall risks faced by the bank and determining the level of risks which will be in the best interest of the bank.
- Identify, monitor, and measure the risk profile of the Bank.
- Design stress scenarios to measure the impact of unusual market conditions and monitor variance between the actual volatility of portfolio value and that predicted by the risk measures.
- Overview the functions and performance of the Risk Management Committee of the management.

The Risk Management Committee also oversees the ESG aspects as listed below:

- To define specific commitments, goals, and targets to be set by the Bank in terms of ESG parameters along-with performance assessment parameters for the same.
- To approve and oversee the implementation of the Bank level policy on the ESG parameters.
- To ensure that the business of the Bank is being carried out in concurrence to the applicable principles of the ‘National Guidelines on Responsible Business Conduct’ (NGBRCs), as follows:
 - ❖ Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.
 - ❖ Businesses should provide goods and services in a manner that is sustainable and safe.
 - ❖ Businesses should respect and promote the well-being of all employees, including those in their value chains.
 - ❖ Businesses should respect the interests of and be responsive to all its stakeholders.
 - ❖ Businesses should respect and promote human rights.
 - ❖ Businesses should respect and make efforts to protect and restore the environment.
 - ❖ Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.
 - ❖ Businesses should promote inclusive growth and equitable development.
 - ❖ Businesses should engage with and provide value to their consumers in a responsible manner.
 - ❖ To approve the reporting done by the Bank to regulatory authorities, such as but not limited to SEBI, RBI, MCA etc. on the ESG parameters.

C. Enterprise Risk Management Committee

The Enterprise Risk Management Committee plays a crucial role in providing targeted governance and oversight for the ESG (Environmental, Social, and Governance) agenda. Its core responsibility involves vigilant monitoring and review of the risk management plan, sustainability framework, and other delegated functions, as assigned by the Board. The committee’s primary objective is to actively assess both current and emerging risks, ensuring the adequacy of risk management systems and overseeing the implementation of

strategic measures. Additionally, the committee focuses on evaluating risks and opportunities from an ESG perspective and ensuring preparedness for future ESG regulations. To achieve these goals, the committee convenes quarterly to monitor progress, make strategic decisions, and contribute to the organization’s overall success.

D. Implementation Team (Working Group)

The Implementation team plays a pivotal role in spearheading sustainability initiatives within our organization. Tasked with overseeing on-the-ground teams and assessing program suitability, the committee is dedicated to meticulously monitoring and documenting both quantitative and qualitative benefits derived from these initiatives. This ensures effective communication of program statuses to the Committee and other stakeholders. Comprised of functional heads and nominated Single Points of Contact (SPOCs), the committee is steadfast in

facilitating data provision and the execution of initiatives at the grassroots level, with the ultimate goal of translating approved plans into tangible improvements.

At its core, the group aims to provide essential data for performance indicators, fostering transparency in sustainability data management and disseminating sustainability indicators through departmental channels. Functioning as a driving force for ground-level execution, the group actively identifies opportunities and risks, promoting cross-functional collaboration for efficient implementation. Its unwavering commitment to Environmental, Social, and Governance (ESG) best practices is evident through continuous engagement with the Enterprise Risk Management Committee, where insights are studied and shared. Monthly meetings serve as a platform for improvement and development, reflecting our dedication to advancing sustainability within our organization.

Policies

To infuse ESG considerations throughout its operations, the bank has implemented a range of crucial policies, code of conduct, and guidelines that actively cultivate and uphold its commitment to responsible banking across the entire organization.

Governance Focused Policies

Terms and Conditions of Appointment of Independent Directors	Policy on Determination of Materiality of Event and Information	Nomination And Remuneration Policy	Policy on Code of Conduct
Code of Conduct for Insider Trading	Policy on Board Diversity	Policy on Archival of Documents	Policy on Appointment of Statutory Auditors
Whistle Blower Policy - Statement disclosed on anti-discrimination, anti-harassment, fair treatment	Anti-Corruption / Anti-Bribery Policy (for internal purpose only)	CSR Policy	POSH Policy
Customer Service Policy	Privacy Policy	Risk Governance Policy	

Development of Sustainability Policy, Occupational Health & Safety Policy, Supplier Code of Conduct and Human Rights Policy are underway.

Ethics & Compliance

Ujjivan Small Finance Bank places utmost importance on compliance and adherence to corporate governance principles, aligning closely with the financial inclusion mission set forth by the Reserve Bank of India (RBI). The Bank has conscientiously met the Small Finance Bank Licensing guidelines and upholds a robust corporate governance and compliance culture across all levels, from field functionaries to top management.

The compliance framework is fortified with comprehensive elements such as Risk Assessment, certifications, monitoring, and testing. A strong commitment to fostering adherence culture is evident throughout the organization, with a zero-tolerance policy towards regulatory breaches and non-compliance with statutory requirements. The compliance unit plays a pivotal role in maintaining this ethos, conducting compliance risk assessments across business, support, and control functions. Continuous evaluations within the monitoring and testing framework ensure the quality of compliance.

Underlining their dedication to regulatory conformity, Ujjivan Small Finance Bank subjects all marketing communications to meticulous scrutiny by its Compliance team. Only after obtaining approval from the Compliance team are these communications disseminated to customers through various touchpoints.

Furthermore, the Bank proudly reports an unblemished record, with no legal actions taken against it in relation to anti-competitive behavior, anti-trust, or monopoly practices in the fiscal years 2020-21, 2021-22, and 2022-23. This underscores Ujjivan Small Finance Bank's unwavering commitment to ethical business practices and regulatory compliance.

Tax Compliance

The Bank's tax policies and strategy undergo rigorous approval processes involving the Board of Directors, Managing Director (MD), and Chief Financial Officer (CFO), ensuring a comprehensive alignment with overarching business objectives. The commitment to tax compliance

with prevailing Tax Laws in India is emphasized, given the exclusive operations within the Indian landscape. Transparency is prioritized with stakeholders, offering insights into taxes paid and employed strategies.

Adherence to regulatory guidelines is integral to the Bank's taxation approach, with a steadfast refusal to engage in artificial tax arrangements or tax havens, demonstrating a commitment to integrity. The Bank recognizes the importance of guiding tax principles to its workforce and implementing them through operational systems to minimize human interventions and associated risks, foundational to timely compliance with all tax provisions.

In commitment to responsible tax governance, the Bank actively participates in the Indian Banks' Association (IBA), engaging with a taxation working group comprising representatives from various banks. This collaborative effort enables an informed approach to industry-wide tax issues, fostering collective responsibility in the banking sector. Soliciting and addressing views & concerns from diverse stakeholders, including customers, suppliers, and employees, is a prime priority for the tax team in the Branch Banking and Service Quality. The Bank emphasizes prompt issue resolution and proactively identifies areas for enhancement.

Furthermore, the Bank is in the process of establishing a formal structure for receiving tax-related complaints from customers, highlighting its commitment to responsive tax governance. These initiatives extend beyond government stakeholders, showcasing the Bank's holistic approach to tax management.

For further details, please refer to Annual Report 2023 (Pg 282) >> Significant Accounting Policies >> Sub-section 3.13: Taxes on Income

Environmental Performance

Key environmental performance highlights of Ujjivan Small Finance Bank are as follows:

3 kW

Solar Power Plant - 0.077 GJ Electricity Consumption

0.727 MT

of electronic equipment refurbished and sent for education purposes for school children

Water Intensity
21.62 KL

per Crore turnover

Energy Intensity
11.37 GJ

per Crore turnover

Integrating ESG Consideration into Operations

Ujjivan recognizes the importance of environmental issues and their impact on sustainable development and economic growth. With the current environmental challenges such as human induced climate change, water scarcity, resource consumption, and carbon emissions, it is imperative to analyze the interconnection between the environment and economic considerations. Addressing these challenges and meeting climate commitments is crucial for long-term value creation.

By integrating environmental sustainability into the financial segment, Ujjivan Small Finance Bank thrives to contribute significantly to global efforts and thereby enhance the economic resilience and foster long-term value creation, benefiting not only the business but also the broader society.

Key Highlights

3,15,061

Nos of E-Franching

LED Lights

implementation at corporate and branch offices

Energy & Emissions

Addressing energy consumption and emissions stands as a pivotal stride in contributing to a sustainable planet and attaining national targets for Greenhouse Gas (GHG) reductions. The bank undertakes a proactive approach by meticulously monitoring and analyzing energy usage, thereby identifying areas of inefficiency and implementing measures to optimize energy utilization. This multifaceted strategy encompasses adopting energy-efficient technologies, refining operational processes, and instilling a culture of energy conservation among employees.

Ujjivan maintains a vigilant eye on its energy consumption pattern, ensuring that energy usage is effectively managed alongside the monitoring of GHG emissions. Monthly monitoring and recording of electricity consumption occur at the corporate level for all offices, facilitating a comprehensive overview. The bank categorizes emissions into Scope 1 and Scope 2, demonstrating

a commitment to addressing its environmental impact holistically. In line with this commitment, Ujjivan is currently in the process of developing tracking and management systems to monitor the bank's Scope 3 emissions, with plans to report on these in subsequent years.

Aligned with prevalent practices in the banking sector, the use of grid electricity predominantly serves offices and ATMs, while diesel generators come into play during power outages. These activities are appropriately classified under Scope 2 and Scope 1 emissions, respectively, adhering to GHG emission classification standards. At the business level, Ujjivan consolidates Scope 1 and Scope 2 emissions, proactively undertaking steps to minimize its overall GHG emissions. This steadfast commitment reflects the bank's dedication to environmental responsibility and sustainability.



Table 1: Energy and emission data

S.No.	Parameter	FY 2022-23	FY2021-22	FY2020-21
1	Total electricity consumption* (A) (GJ)	45,684.54	53,060.46	49030.55
2	Total **fuel consumption (B) (GJ)	8,407.51	7,002.68	5260.60
3	Energy consumption through ***other sources (C) (GJ)	0.077	0.0526	0
4	Total energy consumption (A+B+C) (GJ)	54,092.13	60,063.19	54291.16
5	Energy intensity per rupee of turnover (Total energy consumption/ turnover) (GJ per INR crore turnover)	11.37	19.21	17.41

*The electricity consumption data provided in the table above is based on the amount spent towards electricity purchased for FY 2021 and FY 2022
 **refers to fuel consumption refers to the diesel consumption in Diesel generator sets
 ***refers to the energy generated from renewable energy

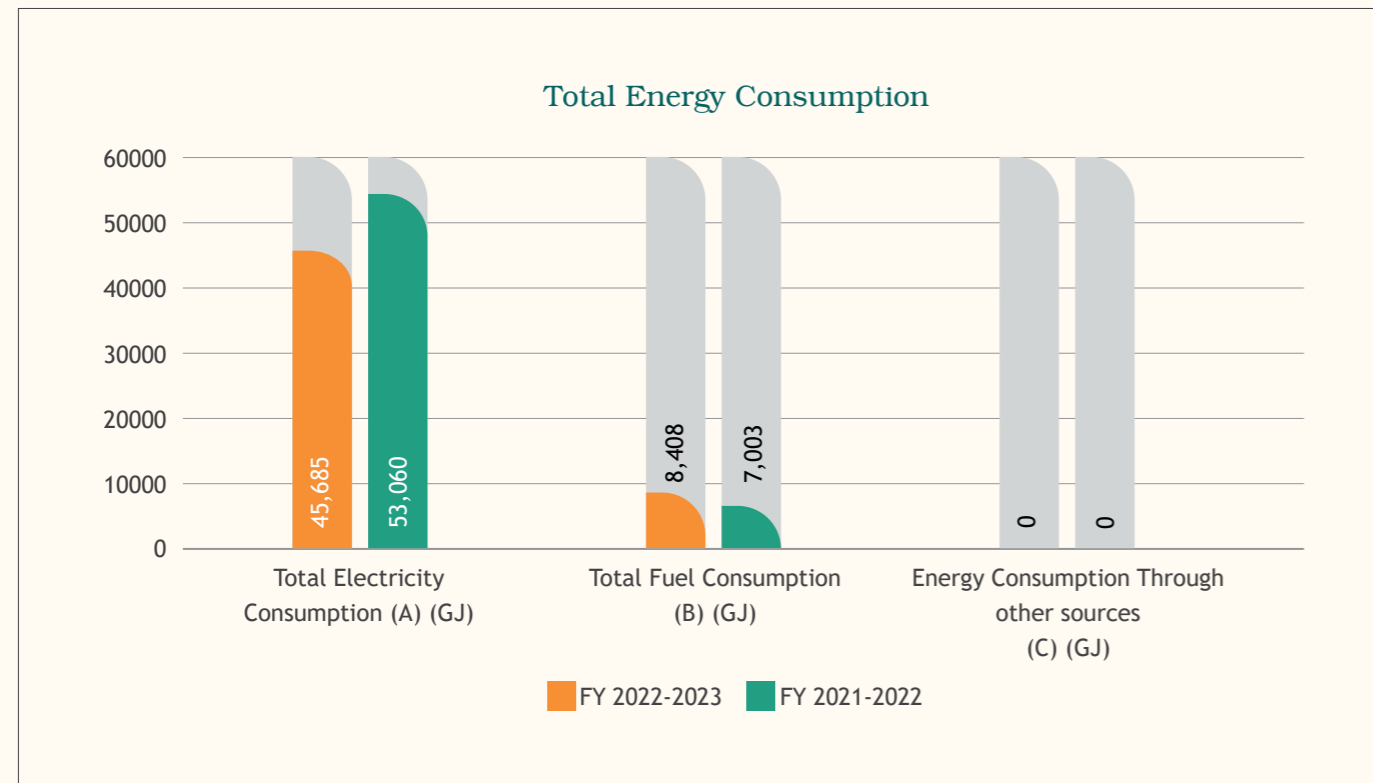


Figure 1: Total energy consumption data for FY 2022-23 and FY 2021-22

Ujjivan currently operates a 3 KW solar power plant under the Operational Expenditure (OPEX) model, contributing to energy consumption of 0.077 GJ and 0.0526 GJ in the fiscal years 2022-23 and 2021-22, respectively. The bank is actively exploring the feasibility of implementing rooftop solar panels at relevant office locations.

In the reporting period, Ujjivan Small Finance Bank diligently analyzed and accounted for all Scope 1 and Scope 2 emissions using the Greenhouse Gas (GHG) protocol, with factors derived from The Intergovernmental Panel on Climate Change (IPCC). The specifics of Scope 1 and Scope 2 emissions are outlined in the provided table. Notably, the bank is in the process of expanding its emissions accounting to include Scope 3 emissions, aiming to establish a more comprehensive and robust GHG inventory.

Table 2: Total Scope 1 and Scope 2 emissions data

S.No.	Parameter	Unit	FY 2022-23	FY 2021-22	FY 2020-21
1	Total Scope 1 emissions	tCO2e	591.15	492.37	369.88
2	Total Scope 2 emissions	tCO2e	10,279.02	11,938.60	10,759.48
3	Total Scope 1 & Scope 2 emissions per crore of turnover	tCO2e	2.28	3.97	3.57

Sanchaya – Use Energy Wisely

The “Sanchaya” program, an initiative by Ujjivan focuses on the theme of “Use Energy Wisely. By involving everyone in the organization, Ujjivan has successfully implemented practical measures to make smart changes around the workplace, leading to improved energy efficiency and sustainability.

As a result of this energy-saving initiative, a 6% year-on-year (YoY) reduction in energy consumption was achieved indicating a consistent effort in energy conservation over time. Furthermore, the program’s success is even more pronounced when considering the overall impact on energy usage for the entire fiscal year (FY), resulting in an impressive 8% reduction in energy consumption.

Beyond the financial and environmental benefits, “Sanchaya” intends to foster a culture of sustainability within the organization. The employees’ active involvement in energy-saving measures cultivates a sense of ownership and responsibility towards the environment and demonstrates Ujjivan’s commitment to corporate social responsibility (CSR).



Waste & Circularity

Ujjivan’s banking operations meticulously classify generated waste into hazardous and non-hazardous categories. Hazardous waste encompasses E-waste and waste batteries, while non-hazardous waste includes packaging, food, and paper waste. It’s crucial to note that banking operations yield no other waste types. Ujjivan prioritizes waste management as integral to eco-efficiency, developing an effective system to mitigate operating waste impacts. The organization is committed to minimizing environmental and public health risks, aligning with waste management best practices for a circular and responsible economy.

to authorized recyclers, with documentation meeting regulatory requirements. Waste batteries from server rooms and company vehicles are handled through a take-back scheme with manufacturers or dealers.

Ujjivan adopts the “waste reduction at source” concept, pivotal for sustainable and environmentally conscious waste management. Monitoring and reporting waste reduction and recycling initiatives yield insights, aiding continuous improvement. Engaging employees, suppliers, and stakeholders fosters a sustainability culture, encouraging broader adoption of environmentally friendly practices.

All waste quantities are monitored, recorded, and disposed of in an environmentally friendly manner. E-waste goes

Table 3: Waste management data

S.No.	Parameter	Unit	FY 2022-23	FY 2021-22	FY 2020-21
1	E-waste sent to authorized recyclers	In Metric Tonnes	3.70	4.14	2.01
2	Re-used waste (usable materials are refurbished and reused)	In Metric Tonnes	0.727	0.05	0.025

Circular Economy

Disposal of One-time use paper cups and introducing digital visiting cards

Disposable paper cups, often used for beverages, and paper-based visiting cards contribute to environmental concerns such as excessive paper consumption, waste generation, and the depletion of natural resources. By eliminating or significantly reducing the use of these paper-based products, the Bank has made a meaningful contribution to waste reduction and environmental conservation. The removal of one-time use paper cups and shifting to digital cards is a positive step towards reducing waste and promoting sustainability within the bank, thereby reducing GHG emission of 20 MT of CO₂e per year.

Re-Using used digital devices

Refurbishing and repurposing laptops, desktops and tablets for educational purposes is an initiative that aligns with the principles of sustainability, digital inclusion, and social responsibility. By extending the lifecycle of electronic devices and providing access to technology for underserved communities, Ujjivan is contributing to positive social and environmental outcomes. The pre-used tablets are provided to the children for their educational purpose.



Digitalization in Banking

Ujjivan is committed to advancing its operations through digital transformation, aligning with a strategic and environmentally conscious initiative to decrease paper usage and limit waste. By leveraging technology, the organization optimizes internal procedures and provides banking services, ultimately boosting operational efficiency and actively participating in sustainability endeavors.

By focusing on digitizing feasible internal processes and services, Ujjivan Small Finance Bank aligns itself with the broader trend towards a digital and sustainable future. The Bank has recently implemented several initiatives aimed at reducing its environmental footprint. These initiatives encompass:

- Implementation of the Smart Statement facility to replace traditional paper-based statements.
- Introduction of Missed Call & SMS Banking services for feature phone users.
- Deployment of a Video Banking solution for services such as Re-KYC/Video KYC and Stand-alone Digital FD, hosted on AWS cloud infrastructure.
- Automation of processes through Robotic Process Automation (RPA) to minimize human intervention.

- Use of software application, “Bliss” (FY 2021-22) by Secretarial department to share Notice & Agendas, Minutes and other material with the Board before or after the Board or Board Committee meetings resulting in reduced usage of paper.

Embracing digitalization not only reduces paper consumption and waste but also positions the organization as an innovative leader in the banking industry. In addition to the environmental benefits, these initiatives enhance convenience, security, and affordability for customers, making Ujjivan a green Bank committed to both environmental sustainability and customer satisfaction.

Ujjivan aims to inspire other organizations to adopt similar sustainable approaches by sharing its successes and outcomes, contributing to a broader movement towards sustainability and responsible business practices.



Water Management

Water stewardship plays a pivotal role in operations due to the increasing global need for water and the escalating scarcity of resources. Ujjivan recognizes the importance of efficiently harnessing this invaluable resource and aligns with a management strategy focused on minimizing waste

by prioritizing reduction, recycling, and reuse wherever feasible, thereby preventing unnecessary depletion.

The bank is cognizant and practices responsible management of water and monitor to ensure applicable compliances to state and central regulatory bodies.

Table 4: Water consumption and intensity data

S.No.	Parameter	FY 2022-23	FY2021-22	FY2020-21
1	Total volume of water consumption* (in kiloliters)	1,02,818	84,367	73,236
2	Water intensity per rupee of turnover (Water consumed / turnover) (KL per crore INR of revenue)	21.62	26.98	23.49

*The water consumption data provided in the table above is based on the amount spent towards water purchased. However, Ujjivan Small Finance Bank is planning to monitor the consumption in subsequent years.

The initial step in comprehending water consumption patterns and pinpointing areas for enhancement is the consistent monitoring and documentation of water usage. To mitigate water wastage, the installation of sensor taps and fountain taps, engineered to dispense water in a regulated

manner, is implemented. These taps possess an automatic shut-off feature after a predetermined period, effectively curbing unnecessary water flow. This ensures that water is utilized judiciously, fostering efficient consumption practices.



Community Projects and Initiatives

Ujjivan actively engages in a range of environmental and social initiatives designed for the benefit of its employees and the community, with the aim of promoting environmental sustainability and social accountability. Committed to bringing about positive change within the communities it serves, the institution consistently undertakes initiatives that align seamlessly with its overarching mission. Some of these initiatives are outlined below:



World Environment Day

Ujjivan Small Finance Bank has been at the forefront of environmental consciousness, evident in their remarkable initiatives celebrated on World Environment Day since the fiscal year 2020. One of the flagship initiatives, 'Green Paatshala', was launched in the vicinity of Bengaluru, encompassing a multifaceted approach to engage customers and enhance awareness regarding E-waste management. Ujjivan Small Finance Bank reached out to over 2500 customers, imparting valuable insights into responsible e-waste disposal methods, thus minimizing adverse environmental impacts. In parallel, the bank took a proactive stance with their 'Plantation Drive', an effort that saw the planting of 150 saplings across rural areas in the South zone, in

collaboration with local government authorities. Customer engagements were facilitated in the Northern and Eastern sectors of Ujjivan Small Finance Bank through the thoughtful gesture of presenting plants.

In line with its dedication to holistic environmental education, Ujjivan organized engaging drawing competitions within schools within their branch catchment areas. This creative initiative not only allowed the bank to directly engage with students but also fostered connections with parents, consequently amplifying awareness about the pressing need for environmental preservation. Looking ahead, the year 2023 marked a significant milestone for these initiatives, showcasing tangible benefits that extended beyond environmental goodwill. The business impact reflected the bank's ability to align ecological responsibility with financial success. Moreover, these efforts brought about a heightened consciousness regarding e-waste disposal methods, fortifying the bridge between responsible banking practices and sustainable living.

In Maharashtra & Gujarat, Planter kits with seeds, soil and eco-friendly pots made of coco-pit were distributed among 650+ customers across 64 branches.



Road Safety Month

Ujjivan Small Finance Bank actively embraced the significance of National Road Safety Month, spanning from January 18, 2021, to February 17, 2021, by leveraging the power of social media to advocate for responsible road behaviors. During this period, the bank shared three impactful themes, each meticulously designed to raise awareness and inspire mindful actions among the public. The results were remarkable, with the campaign effectively reaching a broad audience and leaving a lasting impact. The themes and their corresponding reach counts are as follows:

"A motorbike is for two. Not too many." - Reached 23,535 individuals.

"Helmet costs < Hospital bills." - Reached 26,070 individuals.

"Don't let a fast ride become your last ride." - Reached 20,514 individuals.

These numbers highlight the effectiveness of Ujjivan Small Finance Bank's engagement strategy and its commitment to fostering road safety consciousness within the community. In the times ahead, Ujjivan Small Finance Bank intends to embark on additional endeavors aimed at fostering environmental sustainability and social accountability. The bank is resolute in its commitment to being a conscientious corporate entity and will persist in utilizing its platform to create a beneficial influence on the global stage.



World No Tobacco Day

Ujjivan Small Finance Bank's East Zone actively engaged in a "No Tobacco Day" Campaign, reflecting its dedication for raising awareness among the public towards living a healthy lifestyle. The Bank ingeniously executed a theme-based internal sales drive, leveraging Facebook frames and effective WhatsApp communication. The outcomes of this strategic effort in 2021 were impressive, resulting in very good lead generation and conversions. These numbers underscore the bank's prowess in leveraging innovative campaigns to drive engagement and translate leads into meaningful conversions.



Ganesh Ecotsav

Ujjivan Small Finance Bank launched a unique initiative called Ganesh Ecotsav in 2021 to promote eco-friendly immersion of Ganesh idols during Ganesh Chaturthi. The initiative was a collaborative effort between Ujjivan Small Finance Bank, Kalyan-Dombivli Municipal Corporation (KDMC), Pune Municipal Corporation (PMC), and National Chemical Laboratory (NCL) and was launched in response to the growing environmental concerns associated with Ganesh Chaturthi celebrations. Mobile vans equipped with eco-ponds were deployed to different locations in Mumbai and Pune. The eco-ponds used in the

initiative were developed by NCL, a leading scientific research institute in India. Devotees could visit these vans to immerse their idols in a safe and convenient manner. The eco-ponds used ammonium bicarbonate (NH₄HCO₃), a natural substance that dissolves idols made of Plaster of Paris (PoP) and clay without harming the environment.

The Ganesh Ecotsav initiative was a huge success. This initiative built goodwill for Ujjivan Small Finance Bank among stakeholders and the community, attracting over 10,000 visitors and gaining over 100 customer testimonials. The initiative had a significant business impact and also received extensive media coverage, including articles in The Times of India, The Economic Times, and NDTV.



Senior Citizens Walkathon

In June 2022, Ujjivan Small Finance Bank organized a walkathon event for senior citizens in Ahmedabad. The event was a great success, with over 540 senior citizens participating. The walkathon helped to promote physical fitness among senior citizens, and it also raised awareness about the importance of healthy living. Leveraging the power of digital integration, the event witnessed the enthusiastic involvement of more than 35 senior citizens who shared their experiences and insights through social media posts, fostering a sense of collective participation and camaraderie. The event also received

extensive media coverage and helped strengthen the brand awareness for Ujjivan Small Finance Bank.

The event demonstrated Ujjivan's ability to synergize social responsibility with economic growth. The initiative significantly bolstered the bank's brand awareness, positioning it as an institution with a deep commitment to the well-being of its community members. Moreover, the event's focus on promoting health and fitness among senior citizens underscored Ujjivan's dedication to holistic community development, fostering a culture of wellness and vitality.



Eco Friendly Ganesha Activity: 2022

The initiative was aimed at promoting eco-friendly Ganesha festival and encouraging customers to adopt ecofriendly celebrations. It was conducted across 75 branches in South India. By promoting the use of clay idols with seeds, the campaign educated people about sustainable practices.

Since these idols contained seeds, customers were encouraged to plant these idols, after the conclusion of the Ganesh Chaturthi festival. This innovative approach ensured that the Bank contributed to the growth

of plants and trees and thereby towards a greener and cleaner environment. These dual-purpose idols served as a symbol of reverence to the deity while also fostering sustainable and eco-friendly practices.

The initiative was a commendable success as Ujjivan Small Finance Bank distributed over 1000 eco-friendly Ganesha idols across South India.



World Earth Day

Ujjivan Small Finance Bank marked World Earth Day with enthusiasm, spanning 50 branches within its South region, all united under the theme “World Earth Day-Go Healthy Go Immune”. Moreover, this dedication extended to 75 branches, within the South region, with the theme “World Earth Day- Grow Forward”. This showcases Ujjivan’s commitment to fostering eco-consciousness while translating engagement into meaningful results.

In 2023, the Bank launched an initiative across 100+ branches, with the theme of ‘Refuse, Replace and Reuse of Plastic.’ Ujjivan Small

Finance Bank promoted the usage of cloth bags instead of single use plastic covers and educated customers to replace plastic bags with reusable cloth bags. For this initiative the Bank collaborated with Red FM that helped create awareness across Bengaluru.

As part of World Earth Day initiative in Ahmedabad, Ujjivan Small Finance Bank gifted planters to spread awareness towards more sustainable living and a Greener Planet. More than 300 people participated in the event, that was conducted across 4 branches.



Customer Connect Program – Rakhi

Ujjivan North team came up with a unique concept of Seed Rakhi, which featured celebrating Rakhi with the help of an eco-friendly & plantable Rakhi. The Bank had an exclusive tie-up with an NGO called Beej Patra - to source Eco Friendly & Plantable Rakhis. These Rakhis were distributed across 100+ branches connecting 1000+ customers through the initiative.

Rakhi Bands used in these Seed Rakhis were handcrafted by 200+ women in Paradsinga & 10 other adjacent villages of Madhya Pradesh & Maharashtra.



DIWALI Seed Patakha Campaign

As part of Meet & Greet activity conducted among existing customers, the Bank distributed Seed Crackers. The central theme and messaging of the campaign was ‘Barood nahi, Beej laiye’, thereby promoting eco-friendly Diwali celebration among customers. The event was conducted across 70+ branches in Gujarat & Maharashtra and witnessed participation of over 1000 customers.

Sustainable Supply Chain

Ujjivan Small Finance Bank is dedicated to upholding robust environmental, social, and governance standards for all stakeholders. In alignment with this commitment, the bank aims to engage exclusively with environmentally responsible suppliers. This entails conducting business with suppliers who adhere to relevant local environmental laws and regulations and possess the capability to address any environmental issues arising from their operations.

Imposing environmental and social criteria within suppliers’ terms and conditions serves as a potent strategy to extend the bank’s sustainability commitment beyond its internal operations. By stipulating that suppliers adhere to these standards, the organization actively fosters responsible business practices across its entire supply chain.

Sustainable Sourcing

Ujjivan has maintained a commendable record, sourcing 100% of its procurements from local suppliers over the past three fiscal years. This deliberate choice aligns with Ujjivan’s commitment to bolstering the local economy, particularly in and around Bengaluru, fostering job creation, elevating income levels, and contributing to overall economic development. The organization’s dedication to supporting local businesses not only enhances its reputation as a community advocate but also cultivates positive relationships with local stakeholders and customers.

Opting for 100% local procurement enables Ujjivan to establish closer collaboration and easier oversight of its suppliers. This proximity has the potential to result in improved product quality, adherence to ethical standards, and heightened accountability. The strategic decision necessitates meticulous planning, ongoing monitoring, and active stakeholder engagement. Ujjivan’s approach ensures that its purchasing power is aligned with local values and priorities, continuously making a meaningful contribution

to economic development, sustainability, and community well-being.

The supplier selection mechanism for Ujjivan Small Finance Bank prioritizes best value, giving preference to suppliers who adhere to sustainable practices and offer materials with a reduced environmental impact. The bank has successfully streamlined its procurement process, leading to quicker turnaround times and improved overall value. This optimization has resulted in significant cost savings, amounting to approximately 260 Mn. Demonstrating its commitment to ethical and responsible sourcing, Ujjivan includes mandatory provisions in all supplier agreements addressing critical issues such as the prohibition of child labor, upholding human rights, and ensuring health and safety standards. These principles lie at the core of Ujjivan’s procurement strategy, highlighting the bank’s dedication to both efficiency and ethical responsibility. As part of its ongoing initiatives, the bank is actively strengthening its supplier assessment procedures, particularly focusing on environmental and social criteria for both existing and new suppliers.

Digitization

Some of the initiatives that have been proposed with respect to digitization of services includes:

- i. Digitization of invoices
- ii. Workflow management tool
- iii. Mandatory e-invoices for suppliers with spend above 20 Mn
- iv. Robotics Process automation (RPA) process for - Supplier notifications (Purchase Order and Invoice)
- v. ESG compliance clause along with timelines to be included in Agreements



Sustainable Design

Ujjivan Small Finance Bank aims to minimize resource depletion, reduce energy consumption, create healthier and comfortable living spaces. Ujjivan is focusing on sustainable or eco-friendly design of the buildings to minimize its environmental impacts while maximizing the efficiency and longevity. The Bank has defined its goals and targets to create a “Model Green Branch” by FY 2025 encompassing various aspects such as energy efficiency, renewable energy source, material selection, water conservation, site planning, and indoor air quality. Ujjivan Small Finance Bank will obtain Leadership in Energy & Environment Design (LEED) certification, a green building rating system developed by U.S. Green Building Council. Other offices/branches of the Bank will be developed in alignment with the model branch to enhance the sustainability efforts.

The Bank will also educate the building occupants about sustainable practices and encourage their active participation in reducing energy and resource consumption. Ujjivan Small Finance Bank will establish a system for monitoring of energy and resource usage and regularly report the branch’s performance against sustainability goals. It will solicit feedback from employees, customers, and stakeholders to continually improve and refine the branch’s sustainability features and operations.

This initiative has the potential to attract environmentally conscious customers and contribute to long-term cost savings through reduced resource consumption.

Sustainable Finance

Ujjivan Small Finance Bank is committed to responsible finance, integrating social and environmental factors into financial decisions for positive outcomes. This commitment is a cornerstone of the bank’s corporate governance, seen as an opportunity in dealings with customers, lenders, investors, and employees.

In the Micro Banking vertical, Ujjivan is dedicated to improving the lives of underserved individuals with tailored products addressing security, liquidity, and convenience. The bank envisions a transition to a paperless and signature-less loan process, pre-approved loans, and innovative features in the Hello Ujjivan app. Emphasizing digital expansion, initiatives like Ujjivan Pay QR and value-added services are pursued, exploring loan offerings based on QR transaction behavior.

In Agriculture & Rural Banking, Ujjivan serves the unserved rural population with dedicated unbanked rural center branches offering comprehensive financial services. The bank’s strategic expansion plan targets untapped rural potential, backed by a secure agriculture portfolio for financial inclusion in ‘Bharat.’ Ujjivan is also exploring green finance by considering the incorporation of green products into its portfolio.

Social Performance

Key social performance highlights by Ujjivan Small Finance Bank are as follows:

17,870	22	50%	19%
Employee Strength	differently abled employees	gender diversity in the Board Independent Directors	overall women diversity
7625	29.5	96%	Top 50
new hires	training hours per employee	return to work rate after parental leave	'Great Place to Work' in the general category and BFSI Industry

“Chai pe Charcha” and “Lunch with the Captain” to engage with Top Management



Human Capital

In the realm of the banking industry, human capital serves as a pivotal element in ESG considerations. At Ujjivan, the focus is primarily on developing the human capital to enhance talent, competence, and maximize the workforce’s productivity. To foster an innovative and creative workforce, the organization adopts a transparency policy that encourages employees to provide feedback for continuous improvement. Ujjivan Small Finance Bank is a Great Place to Work-Certified™ organization and has created a Great Place to Work FOR ALL their employees by excelling on the 5 dimensions of a High-Trust, High-Performance Culture™ - Credibility, Respect, Fairness, Pride and Camaraderie. The Bank’s GPTW data for the last three years is listed below:

Table 5: Great Place to Work Scores

Great Place to Work-Certified™ (GPTW) Scores for Ujjivan Small Finance Bank		
Year	% of employees that provided the feedback	Score
2020	61%	88
2021	86%	85
2022	90%	91

The organization has implemented various measures to enhance employee welfare and is fully committed to ensuring the security and safety of its workforce. Right from the induction process, an employee undergoes various training sessions on human rights and related social aspects thereby ensuring that the rights of both employees and other stakeholders are well protected.

Ujjivan Small Finance Bank currently maintains a workforce of 17,870 employees (permanent), holding diverse positions both with the office premises and in field roles.

The organization upholds the core value of diversity and treats all employees fairly across all dimensions of work, encompassing talent attraction, job allocation, remuneration, promotion, disciplinary actions, and access to benefits and training opportunities. To foster a camaraderie among the employees, regular team engagement activities are carried out such as team picnics and enjoyable workplace activities.

Human Rights

In the financial year 2022-23, Ujjivan prioritized the promotion of human rights and anti-corruption measures by providing extensive training to 100% of its employees. This included two-hour sessions covering human rights policies and procedures. Looking ahead to the next financial year, the organization aims to enhance its commitment by conducting Due Diligence to identify potential human rights impacts and risks. To achieve this, Ujjivan plans

to undertake a comprehensive Human Rights Impact Assessment, involving key stakeholders such as employees and NGOs. The assessment will prioritize and identify potential human rights risks across various business activities based on severity and likelihood. A detailed report on Human Rights Mitigation and Remediation Activities will be published at the conclusion of this assessment period.

Ujjivan has already implemented an advanced Human Resource Management System (HRMS), providing employees with easy access to their personal information and relevant HR services. Additionally, a dedicated HR helpdesk is in place to address employee concerns efficiently. In the event of an incident, a step-by-step HR procedure ensures that impacted employees receive the necessary support. During ongoing investigations by the vigilance team, affected employees will be provided assistance through the State HR.

The organization is committed to fairness and upholding principles of natural justice. To ensure this, Ujjivan follows a structured disciplinary process in alignment with its Code of Conduct and values. Various committees, including the Regional Disciplinary Committee (RDC), Central Disciplinary Committee (CDC), and Appellate Committee, are in place to handle disciplinary matters. These committees are specifically designed to safeguard employees’ rights and ethics, providing a fair opportunity for them to present their case and receive justice.

Wages and Compensation

Equal pay for equal work is a fundamental principle that aims to eliminate pay disparities based on gender, race, or any other protected characteristic. By implementing a policy of providing equal minimum wages across all genders, Ujjivan takes an important step towards creating a more inclusive and equitable work environment.

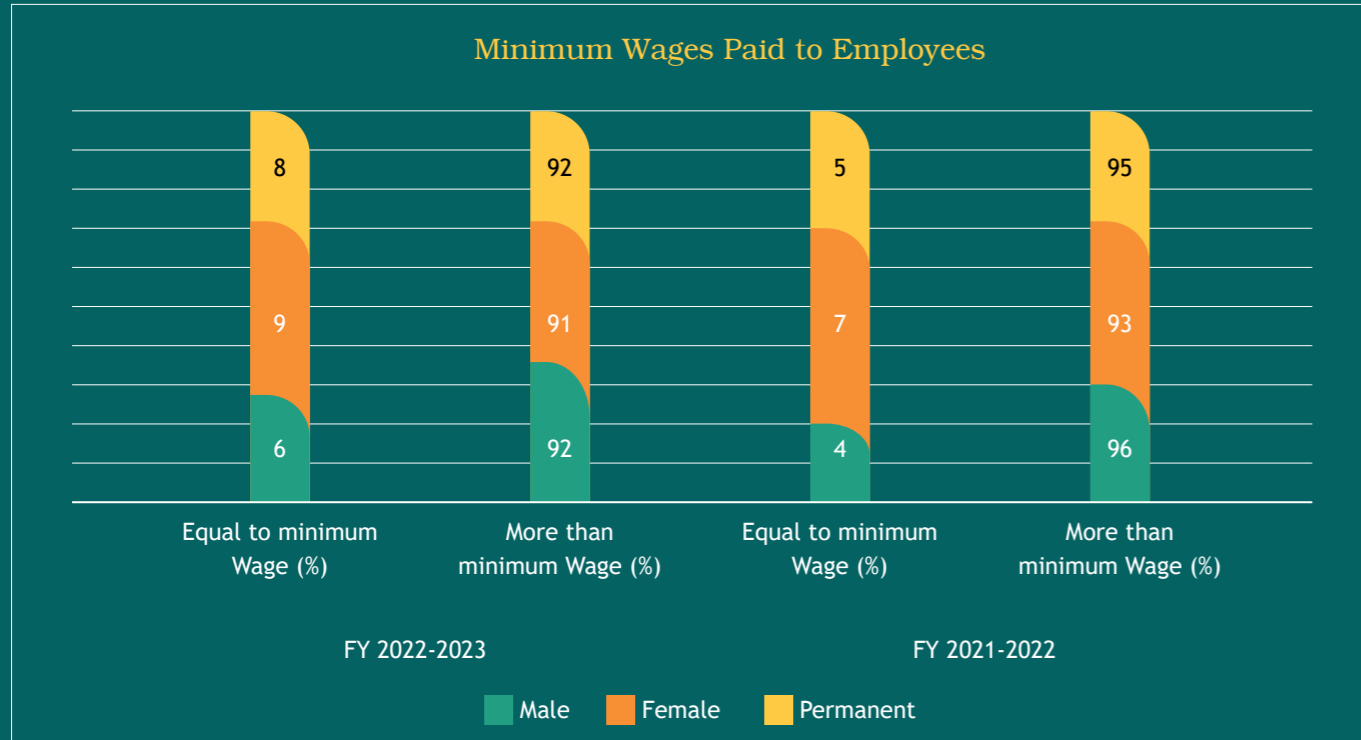


Figure 2: Minimum wages paid to employees for FY 2022-23 and FY 2021-22

The relevant ratio of the entry level wage by gender at significant locations of operation to the minimum wage was analyzed. In FY 2022-23, out of 2,019 entry level employees, 1,593 male employees and 426 female employees received compensation equal to minimum wage.

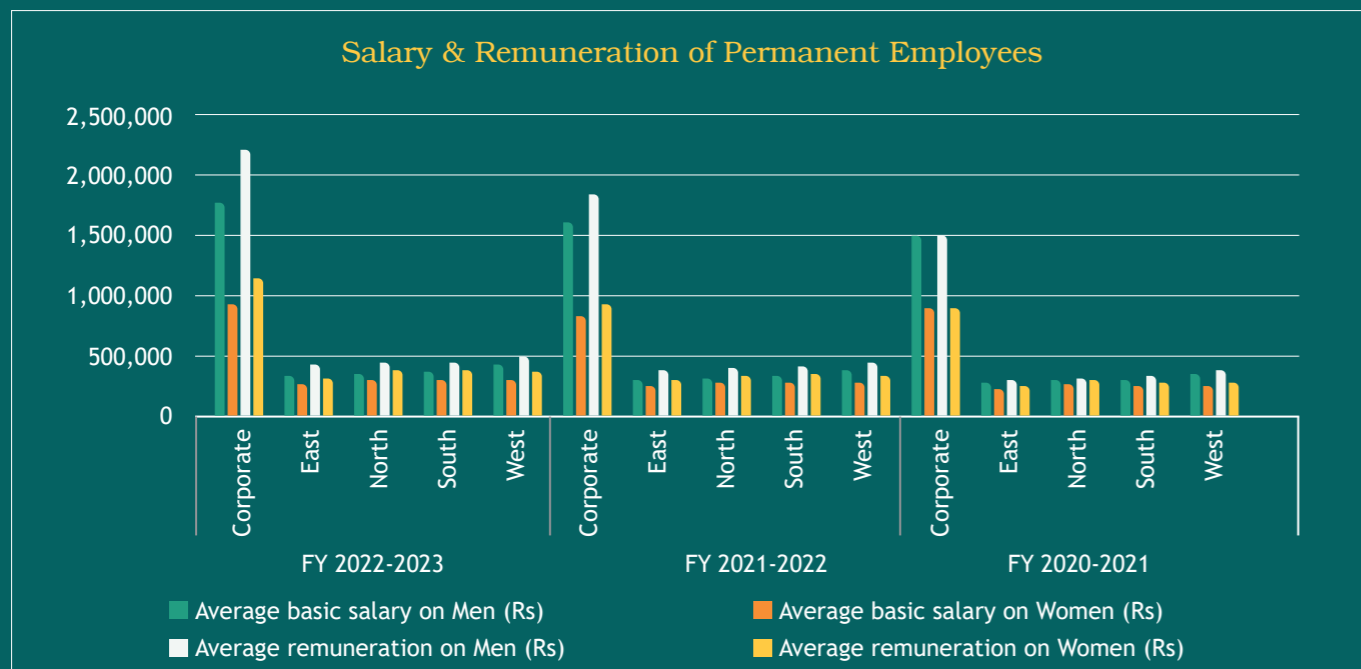


Figure 3: Salary & Remuneration of all permanent employees of Ujjivan Small Finance Bank across all zones

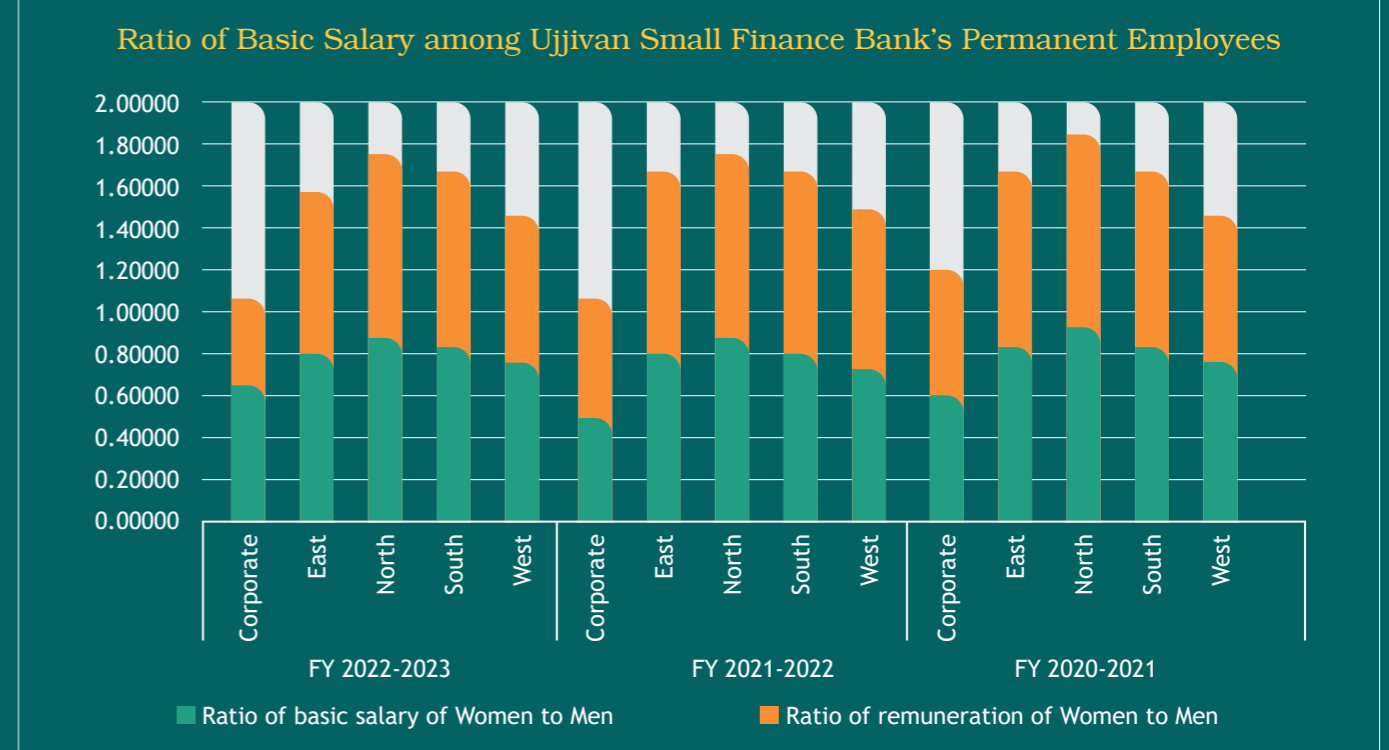


Figure 4: Ratio of Basic Salary among Ujjivan Small Finance Bank's Permanent Employees

Diversity, Equity & Inclusion

Promoting diversity, equity, and inclusion within organizations is crucial as embracing diverse perspectives fuels innovation, while equal opportunities ensure fairness. An inclusive environment enhances engagement and productivity, fostering a strong organizational culture and global achievement.

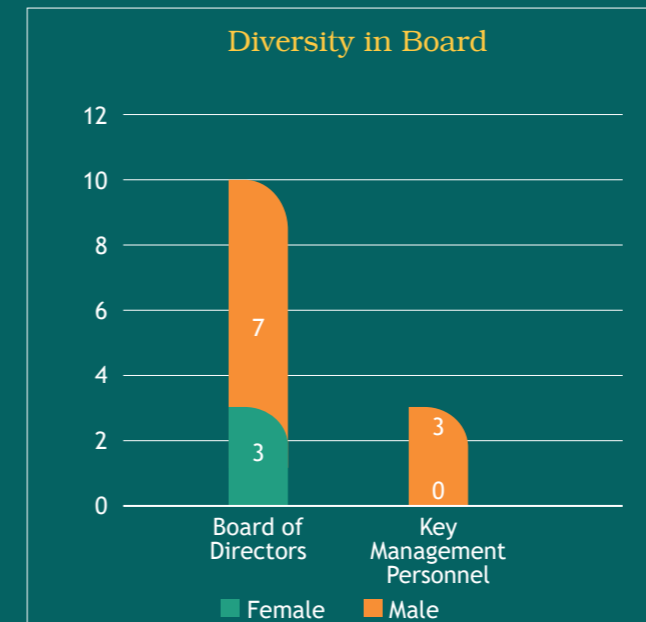


Figure 5: Representation of Diversity in Ujjivan Small Finance Bank's Board

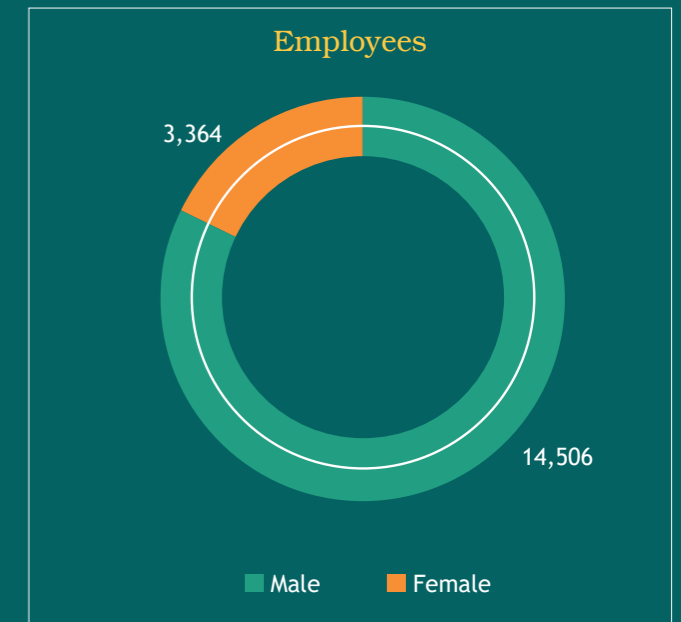


Figure 6: No. of employees at Ujjivan Small Finance Bank

Ujjivan places significant importance on prioritizing diversity, equity, and inclusion, recognizing the potential for gaining a competitive advantage, fostering a positive workplace culture, and driving innovation. In order to promote diversity and inclusion, Ujjivan implements inclusive hiring practices from the initial stages of recruitment, avoiding discrimination based on attributes unrelated to job requirements, such as ethnic origin, nationality, physical challenges, age, gender, religion, marital status, sexual orientation, socioeconomic class, or any other irrelevant feature.

As evidence of its commitment to inclusivity, Ujjivan maintains a diverse Board, including three women independent directors, accomplished professionals, and leaders from various fields of expertise such as Banking, Finance, Micro-Finance, Accounts, Human Resources, Risk Management, Information Technology, among others.

Ujjivan has successfully achieved a 50% gender diversity in the Board's Independent Directors and currently maintains an overall women diversity of 19% in the workforce.

Presently, there are a total of 4060 female employees in the organization. The distribution of women employees across different roles in the organization is as follows:

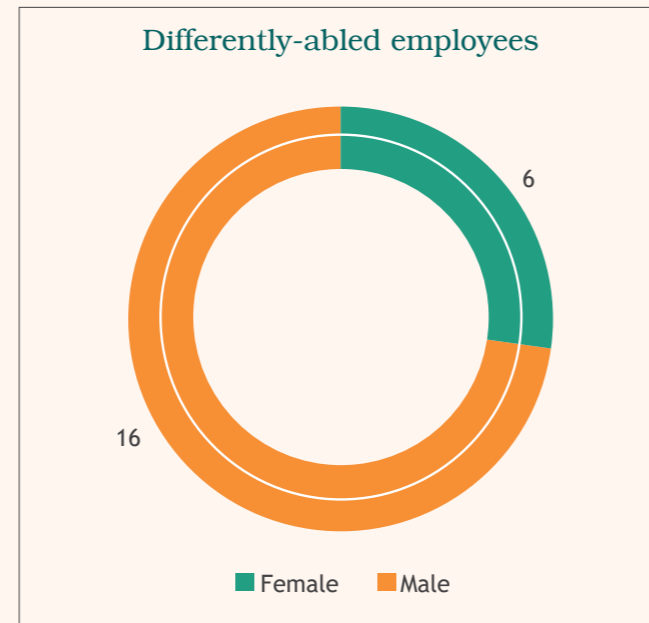


Table 6: No. of female employees at different positions at Ujjivan Small Finance Bank

Roles in the Organization	Number of female employees (As of March 2023)
Junior Management Positions (Officer to Senior Vice President Level)	3362
Top Management Positions (Executive Vice President)	2
Management Positions in revenue-generating functions	3364
STEM-related positions	42* (IT department)

* This number is part of total 3364 Female head count

The bank has also employed 22 differently abled individuals, and provided them with a safe and inclusive work environment for all to develop and thrive in. Throughout the workforce, employee health and safety, career development, and human rights protection are areas within which no stone is left unturned.

Holistic Inclusion and Diversity

Ujjivan places a strong emphasis on fostering a culture that champions diversity, equity, and inclusion, integral

to the company's identity. These fundamental principles are embedded in the organization's values and dedicated commitments to employees, customers, and stakeholders. The steadfast organizational culture not only draws in top-tier talent but also ensures the retention of valuable team members, contributing to heightened employee satisfaction and decreased turnover rates. Ujjivan takes pride in the continual expansion of its workforce, a testament to the company's enduring commitment to these principles.

Table 7: New employee hires (gender-wise)

New employee hires				
S.No.	Gender	FY 2022-23	FY 2021-22	FY 2020-21
		Number	Number	Number
1	Male	6165	5207	1960
2	Female	1460	1178	402

Table 8: New employee hires across all zones

New employee hires				
S.No.	Region	FY 2022-23	FY 2021-22	FY 2020-21
		Number	Number	Number
1	Corporate	394	272	161
2	East	1637	1428	583
3	North	1996	1703	567
4	South	2340	1832	654
5	West	1258	1150	397

Ujjivan SFB is committed to fostering diversity in the workplace, recognizing its positive impact on overall employee performance. The organization has implemented a comprehensive policy to ensure a diverse, engaged, and equitable workforce, addressing aspects such as ethnic origin, nationality, disability, age, gender, religion, marital status, family responsibilities, sexual orientation, social class, or any other distinction unrelated to job requirements.

New hires by Age:

New employee hires				
S.No.	Age Category	FY 2022-23	FY 2021-22	FY 2020-21
		Number	Number	Number
1	<30	5267	4319	1706
2	30 - 50	2350	2058	655
3	>50	8	8	1

New Hires by management level

New employee hires				
S.No.	Management Category	FY 2022-23	FY 2021-22	FY 2020-21
		Number	Number	Number
1	Junior Management	6242	5,236	1,868
2	Middle Management	1381	1,142	488
3	Senior Management	2	7	6

Ujjivan firmly believes that by encouraging diversity in the workforce can have a profound influence on overall employee performance. All the employees of Ujjivan hold Indian nationality. A comprehensive policy has been established to create a diverse, engaged, and equitably treated workforce for the organization in any matter pertaining to employment based on ethnic origin, nationality, disability, age, gender, religion, marital status, family responsibilities, sexual orientation, social class, or other distinction unrelated to the requirements of the job.

Zero cases of incidents on discrimination and incidents of violations involving rights of indigenous peoples were reported in FY 2022-23.

All policies are available in this link <https://www.ujjivansfb.in/policies>

Health & Safety

Key highlights in the domain of health, safety, and wellness at Ujjivan Small Finance Bank are as follows:

- 20+ branches offices in the North have installed RO water purifiers
- For the specially-abled customers & employees, 29 ramps have been constructed across PAN India branches
- Doctor on call facility for the employees across regional & corporate offices
- 1600+ chairs replaced for work comfort considering the ergonomic design

As an organization that prioritizes its employees, Ujjivan conducts annual health check-ups for all its staff every two years, followed by free consultations and guidance for those with high-risk reports. Additionally, the Bank offers a 24x7 "Doctor on Call" teleconsultation service to support employees and their dependents during emergencies. Recently in FY 2022-23, Ujjivan extended its services beyond physical health by introducing an emotional wellness program, allowing employees and their families to teleconsult specialists in this field. The program received positive feedback, with over 700 employees and their families utilizing the service. Additionally, Ujjivan's Welfare Trust provided financial aid to more than 1000 employees impacted by natural calamities and the COVID-19 pandemic.

Table 9: Employed covered under Health & Safety Trainings

Category	Health & Safety Training					
	FY 2022-23			FY 2021-22		
	Total employees	Employees covered	% Employees covered	Total employees	Employees covered	% Employees covered
Male	14506	46	0.3	13823	362	2.7
Female	3364	140	4.2	3072	1560	51.0
Total	17870	186	1.0	16895	1922	11.4

The Employee Benefits' Policy strives to protect employee health and the health of their families against occupational, non-occupational, and safety-related risks. Employees can avail financial assistance through this initiative.

As a promotion to worker health, Ujjivan provides access to a Health Insurance portal with Single Sign-On (SSO) login for all employees which is a significant step towards promoting worker health and well-being. This initiative demonstrates the company's commitment to supporting the physical and mental wellness of its workforce and their dependents.

Table 10: Data on work-related fatalities and injuries

S.No.	Description	FY 2022-23	FY 2021-22	FY 2020-21
		Number	Number	Number
For all employees	The number and rate of fatalities because of work-related injury	1	4	0
	The number and rate of high-consequence work-related injuries (excluding fatalities)	12	16	10
	The number and rate of recordable work-related injuries	50	30	60

Exposure to workplace hazards in the banking domain has not resulted in any adverse effects on employees' health and safety. However, special attention is given to road safety for field staff. The bank is committed to ensuring the well-being of its employees by providing comprehensive training programs that focus on various aspects of road safety. These programs cover defensive driving techniques, speed management, vehicle maintenance, emergency response, and first aid. To reinforce safe driving habits, the bank conducts periodic refresher courses that also update employees on the latest road safety regulations and best practices. By actively promoting road safety training and awareness, the bank aims to minimize the risk of accidents, safeguard lives, and foster a culture of responsibility among its workforce.

Employee Wellness

Ujjivan places utmost value on its workforce, considering them a pivotal asset in propelling the organization to new heights. The company is unwavering in its commitment to providing a supportive and motivating work environment that contributes to the overall growth of its employees.

Demonstrating its dedication to employee well-being,

Ujjivan has implemented a range of comprehensive wellness initiatives. Notably, the organization has introduced a 24/7 Medical Helpline and Emotional Wellness programs for both employees and their families. Additionally, Ujjivan has reinstated free annual health check-ups for all employees, extending discounted options for their families across its extensive network of more than 300 branches.

In an effort to enhance employee insurance benefits, Ujjivan has increased maternity benefits by 50%, introduced advanced benefits for cancer treatment, and raised accidental medical expense coverage by 67%. The organization has also undertaken initiatives to promote health awareness, conducting online programs covering various topics such as road safety, cardiovascular disease, yoga, and cervical cancer.

Recognizing the importance of proactive measures, Ujjivan has launched a year-long road safety awareness campaign in response to a concerning number of accidents involving its employees. The figure below illustrates the extensive coverage of healthcare and well-being facilities provided by Ujjivan, underscoring the organization's steadfast commitment to the health and welfare of its workforce.

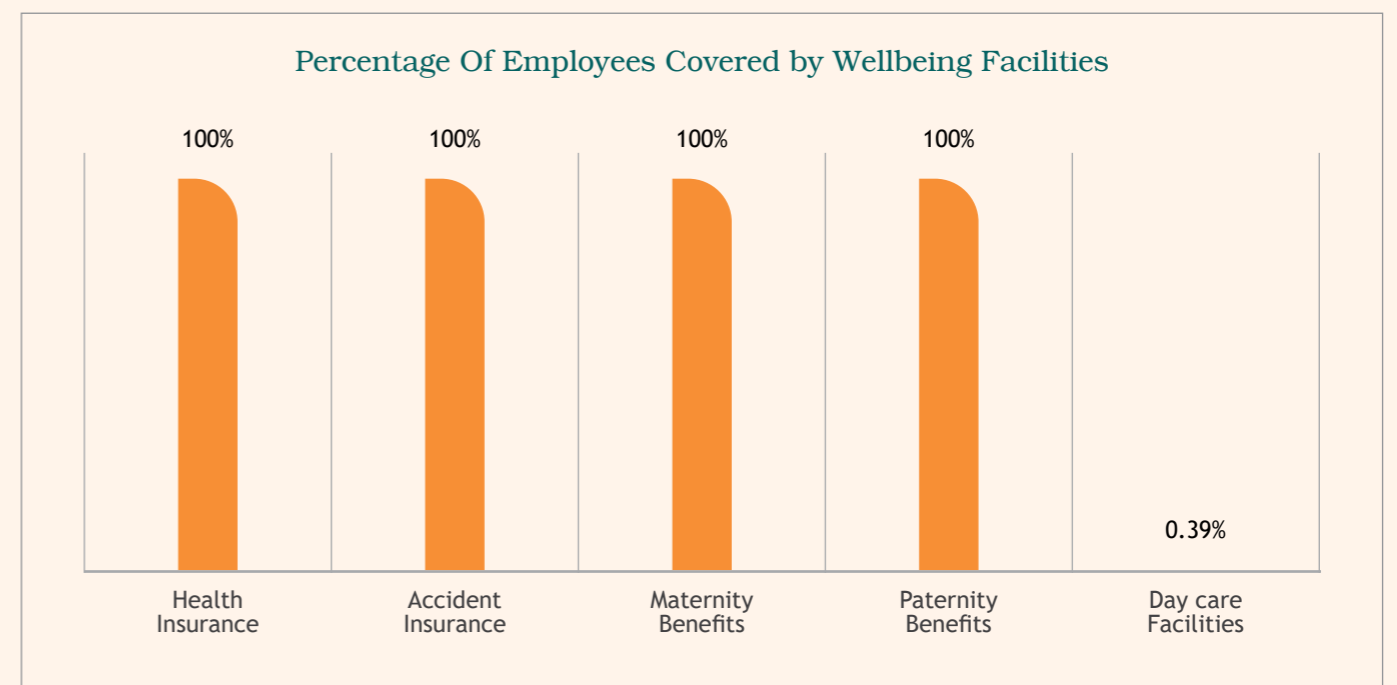


Figure 7: Percentage of Employees Covered by Wellbeing Facilities

Table 11: Data on parental leave for employees

S.No.	Description of Parental Leave	Unit	No of Employees, by gender, entitled to Parental Leave		No of Employees, by gender, taken Parental Leave		Total number of employees that returned to work in the reporting period after parental leave ended, by gender		No. of Employees returned to work after parental leave ended (in FY 2021-22), who were still employed 12 months after their return to work	
			Male	Female	Male	Female	Male	Female	Male	Female
1	Parental leave	No.	16458	3745	505	227	484	219	394	142

Leave Benefits

Ujjivan's Tenured Leave initiatives are designed to ensure that employees' accrued leaves do not go unused by consolidating all lapsed earned leaves into the Tenured Leave category. This approach provides greater flexibility for employees, promoting a healthier work-life balance.

In a concerted effort to support female employees during crucial life stages, Ujjivan extends maternity leave up to an impressive 2 years, allowing new mothers to prioritize their well-being and focus on bonding with their child without the immediate pressure of returning to work. Furthermore, the company recognizes the significance of adoption by offering a generous 3-month leave period for female employees from the date of receiving their adopted child. Notably, male employees are also granted 10 days of adoption leave, underscoring the company's commitment to acknowledging the vital role of fathers in the adoption process.

Ujjivan demonstrates a compassionate approach to the diverse needs of its workforce, offering single parent employees 3 months of adoption leave, affirming its support for all types of families. In a move to promote work-life balance for male employees, the introduction of 5 days of paternity leave for the third child is a positive step forward.

Furthermore, the company recognizes the importance of personal growth and well-being beyond traditional work responsibilities. Ujjivan provides Sabbatical leave, allowing employees to explore other interests such as studies, research, volunteering, travel, or other activities. This leave may be granted for a period ranging from 60 to 180 days. In times of medical exigencies, the organization extends Special Leave to employees requiring additional support during such challenging periods.

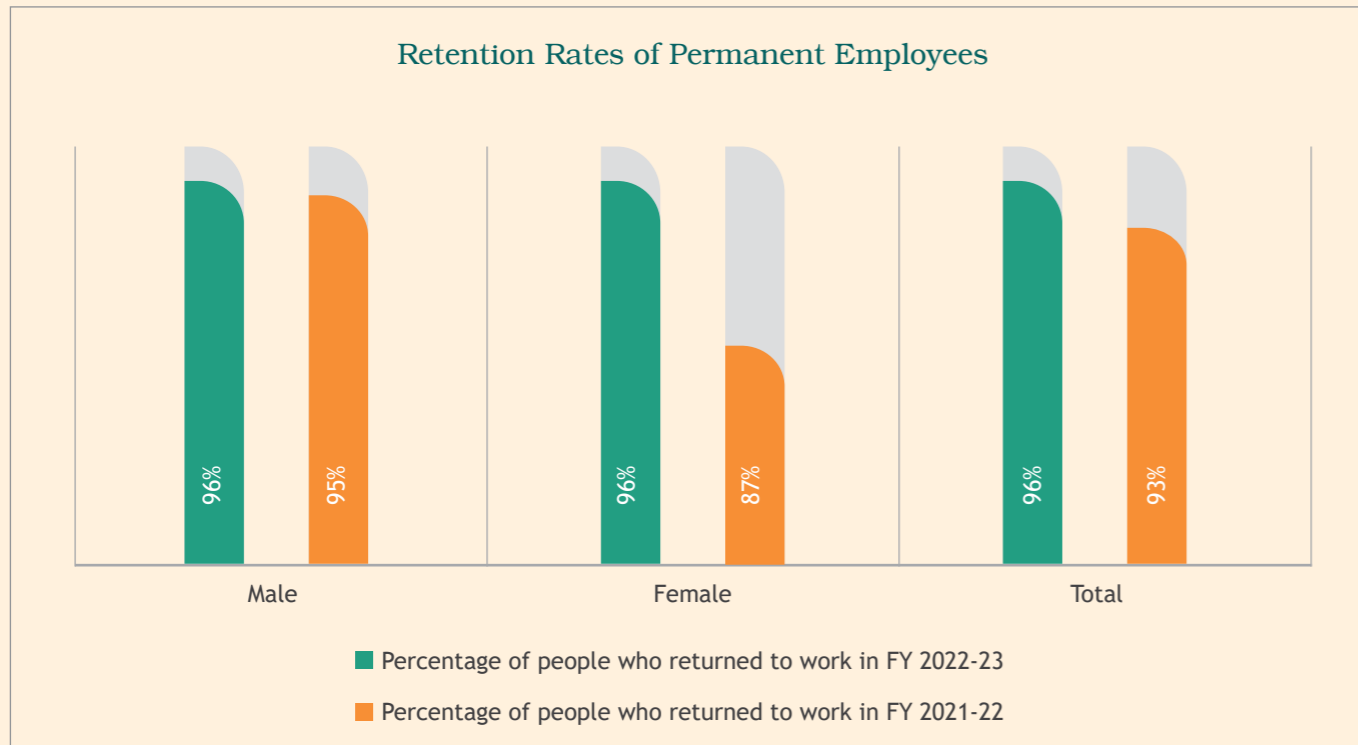


Figure 8: Retention Rates of Permanent Employees

Loan Benefits

Ujjivan Small Finance Bank prioritizes the financial well-being of its employees by providing a range of loan benefits. These benefits are designed to cater to various personal needs and circumstances. The type of loan categories include:

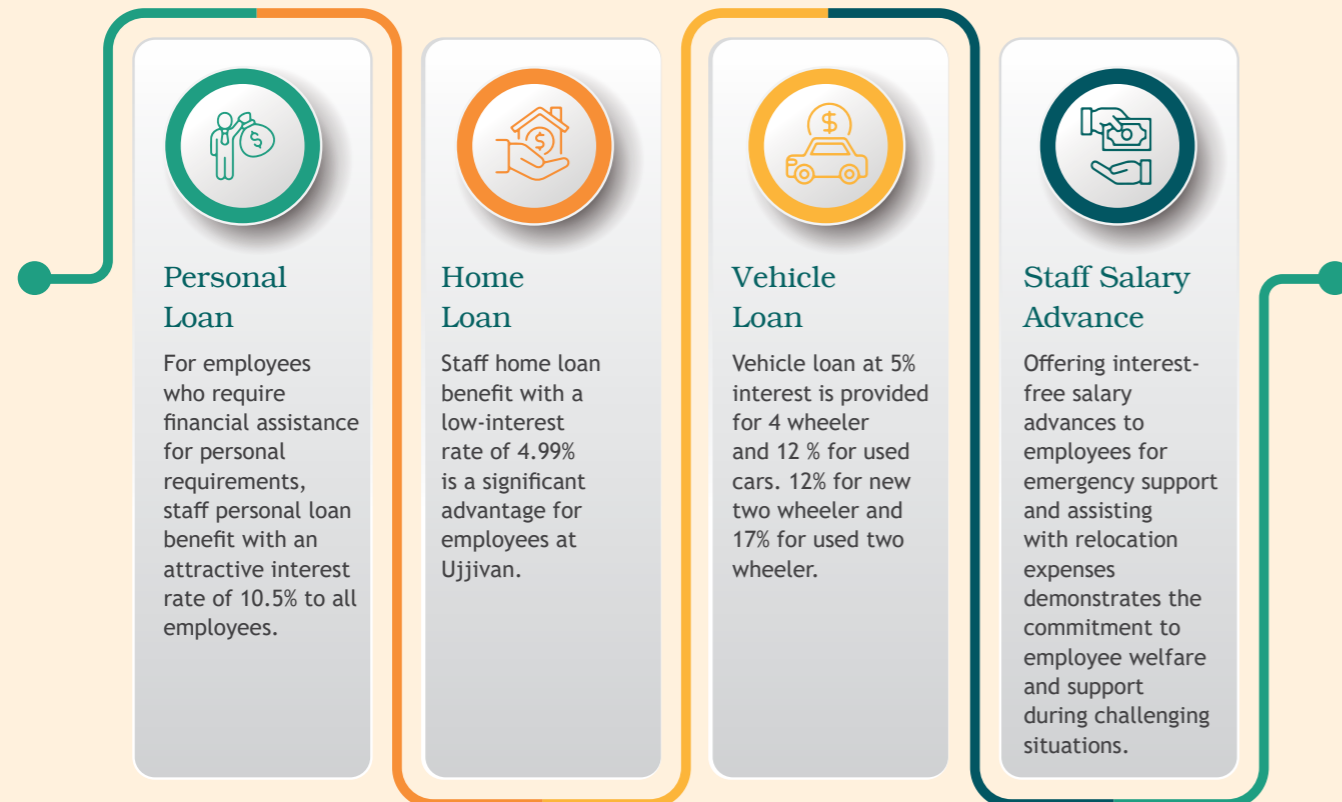


Figure 9: Loan benefits provided to Ujjivan Small Finance Bank's employees

Compensation & Benefits

Ujjivan Small Finance Bank places a strong emphasis on recognizing and rewarding its employees through a comprehensive compensation and benefits program. This program is designed not only to attract top talent but also to foster long-term commitment.

At department level, incentives are provided based on the performance & the metrics are defined by the respective teams. Specific and measurable performance metrics are outlined that align with the strategic goals of the organization. The incentive program is clearly communicated to the employees. Ujjivan has implemented a regular and fair performance review process to assess the progress and adjust metrics if necessary.

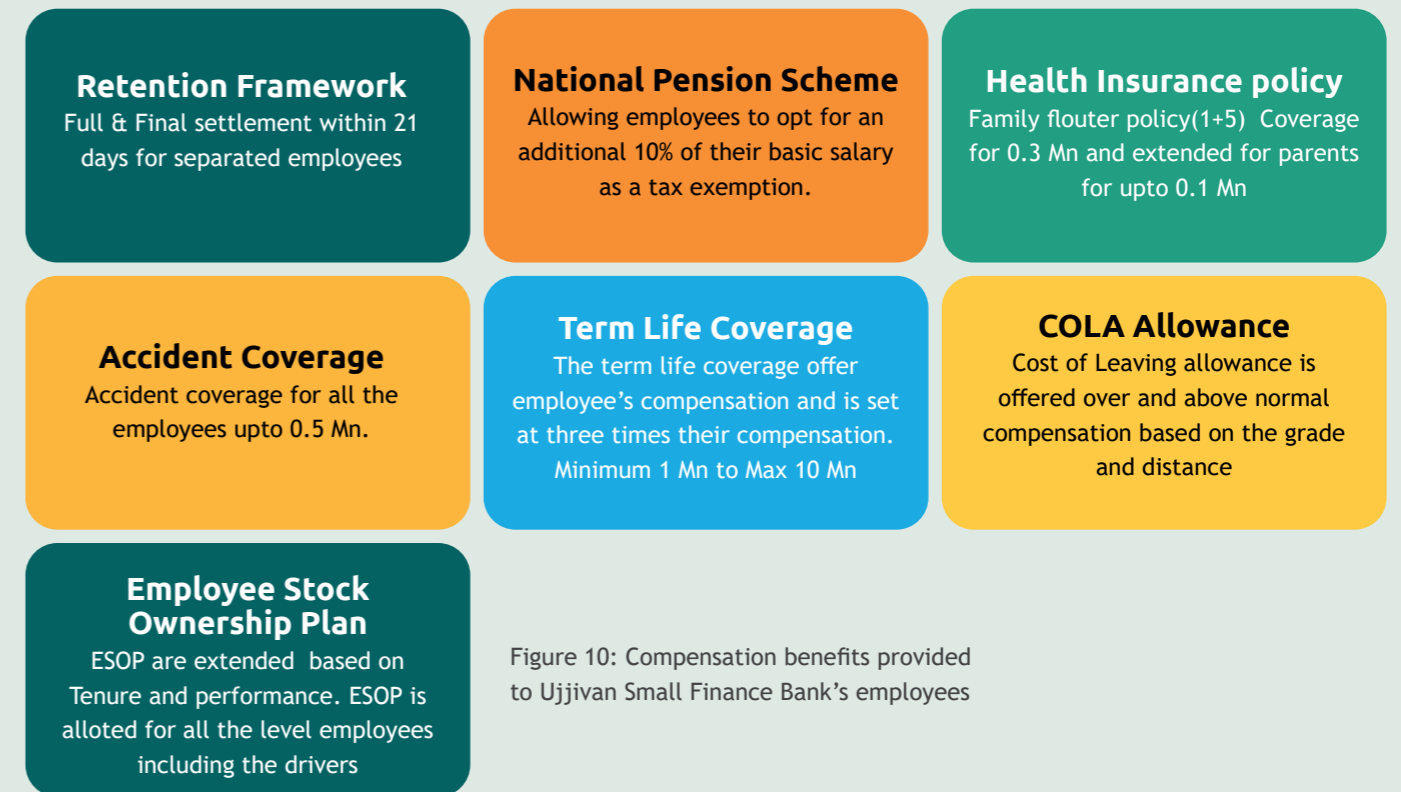


Figure 10: Compensation benefits provided to Ujjivan Small Finance Bank's employees

Employee Engagement

The implementation of an AI chatbot named "Amber" has been introduced to enhance employee engagement and facilitate continuous improvement within the organization. Amber connects with employees at specific work milestones, gathering valuable feedback on various aspects of their work-life. This initiative underscores the organization's dedication to valuing the opinions and experiences of its workforce, providing a platform for open communication.

Notably, the feedback collected through Amber is accessible exclusively to the MD & CEO, Head HR, and Corporate Employee Experience (EE) Manager, emphasizing a strong commitment to privacy and confidentiality. This approach ensures that employees can freely express their thoughts and concerns without compromising confidentiality.

To further strengthen employee connections, HR

representatives conduct regular branch visits, fostering a more personal and inclusive workplace environment. Additionally, Branch Representative Meetings (BRM) are organized to proactively address employees' issues and concerns, demonstrating a proactive approach to problem-solving.

Ujjivan reinforces its commitment to transparency, communication, and organizational alignment through bi-annual town-hall meetings for all employees. These gatherings serve as valuable platforms for both corporate and regional leadership teams to address employees directly, share pertinent business updates, and highlight key focus areas. This comprehensive approach to communication and feedback underscores Ujjivan's dedication to fostering a positive and collaborative work environment.

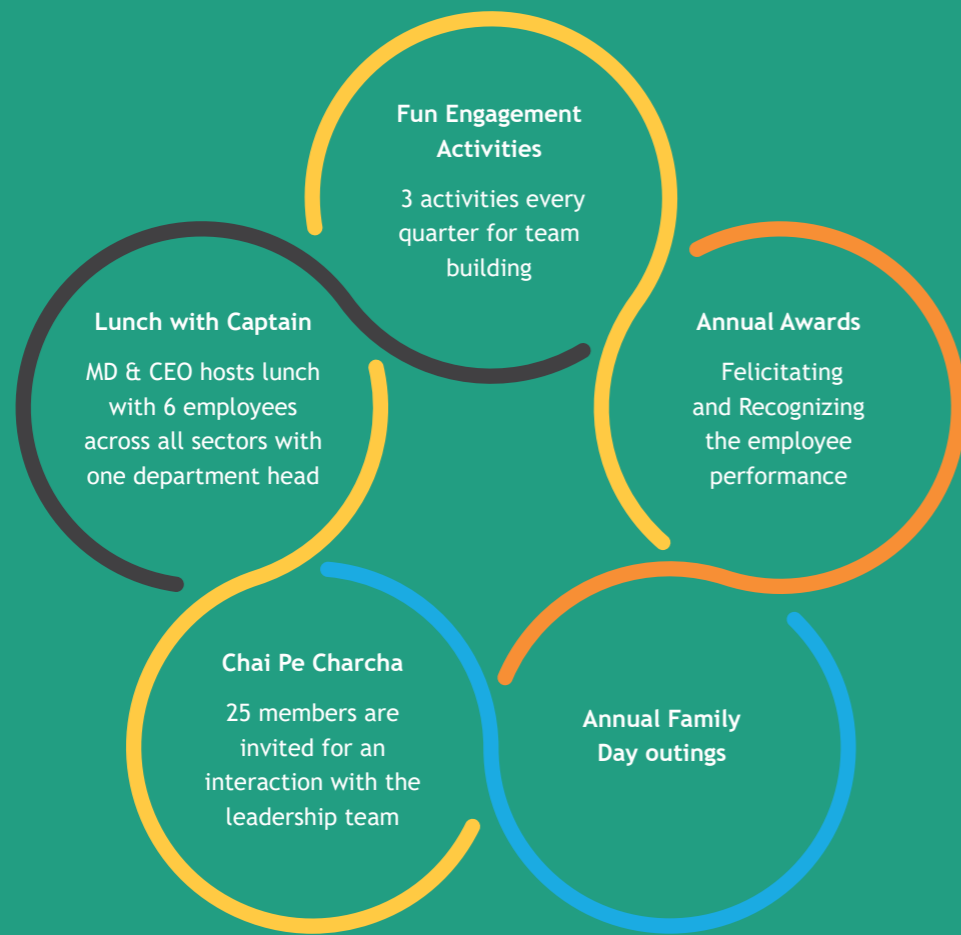


Figure 11: Employee engagement activities at Ujjivan Small Finance Bank

Retirement

Ujjivan ensures the financial well-being and security of its employees through comprehensive coverage under schemes such as Provident Fund (PF) and Gratuity. The Provident Fund requires contributions from both the employee and employer, steadily accumulating over time to serve as a retirement savings fund. Upon retirement, employees can withdraw the accumulated amount, inclusive of both contributions and earned interest.

As part of the Gratuity benefit, each employee is entitled to receive a gratuity amount equivalent to 15 days of their last drawn salary for every completed year of service with the company. The last drawn salary is defined as the employee's

salary at the point of separation or retirement. This dual system of Provident Fund and Gratuity not only provides a structured retirement savings avenue but also recognizes and rewards employees for their dedicated years of service with Ujjivan.

In FY 2022-23, Ujjivan spent 113.8 Mn on Gratuity and 486 Mn on Leave encashment, covering all employees. The employer's contributions for both Gratuity and Leave Encashment ranged from 4% to 6%, based on factors such as closing headcount, salary escalation, attrition rate, assets, discount rate, and salary details.

Table 12: Retirement benefits provided to Ujjivan Small Finance Bank's employees

S.No.	Benefits	FY 2022-23		FY 2021-22	
		No. of employees covered as a % of total employees	Deducted and deposited with the authority (Yes/No/NA)	No. of employees covered as a % of total employees	Deducted and deposited with the authority (Yes/No/NA)
1	PF	100%	Yes	100%	Yes
2	Gratuity	100%	NA	100%	NA
3	ESI	NA	NA	NA	NA
4	Others (Leave Encashment)	100%	NA	100%	NA

Talent Management

Ujjivan places a strong emphasis on consistently delivering quality services, attributing its success to the highly skilled workforce. Recognizing the importance of long-term success and employee retention, the organization prioritizes employee development and engagement. This involves offering ample opportunities for professional growth, implementing training programs, and introducing recognition initiatives to inspire and retain high-performing employees. Starting October 2023, Ujjivan has initiated attrition assessments.

The organization utilizes internal jobs as a platform to showcase opportunities for professional advancement, with promotions determined by factors such as lateral

mobility postings, assessment center scores, and individual performance. Ujjivan actively maintains a talent pool of internal candidates, particularly targeting leadership positions, and employs a transparent process to identify internal potential.

Ujjivan has established a structured succession planning program to identify successors, high-potential individuals, and positions critical for future requirements. To support talent development, the organization utilizes initiatives like Assessment Centres and Individual Development Programs, contributing to the enhancement of traditional talent development processes.

Table 13: Ujjivan Small Finance Bank's Employee Turnover

S.No.	Gender	Employee turnover		
		FY 2022-23 Number	FY 2021-22 Number	FY 2020-21 Number
1	Male	5478	4931	2902
2	Female	1172	1130	730

Learning and Development

The organization's strength lies in the key competencies of its employees. With shifting customer preferences, technological advancements, and banking techniques, the organization needs to keep employees' competencies and skillset up-to-date. Ujjivan takes consideration in providing the necessary on-the-job trainings to all employees on a regular basis, enhancing their skillset and enabling their professional growth. The Bank has prepared an Annual

Training Calendar for the fiscal year 2023-24, wherein the training across Corporate, East, North, South and West regions have been planned to be conducted. Additionally, a Training-Need Analysis (TNA) is conducted every year to identify the necessary upskilling requirements among the employees. Some of the key ESG-related training requirements for the Bank's different departments are listed below.

S.No.	Department/ Function	ESG-related Training Requirements
1	Admin & Infrastructure	POSH, Agile Training, Training for State Admin, Capacity Building Training for People Managers, Facilitation Skills, Parichay
2	Alliance & Electronic payments	Lateral Thinking & Customer Centricity
3	Audit	POSH, Programs on issues in digital lending
4	Branch Banking	Financial Inclusion Officer Induction, Online Sensitization Program on Fraud Mgmt., POSH
5	Digital Banking	Program on Digital Banking & Payment Systems
6	Human Resources	People Matters Talent Acquisition Conference 2023, Tech HR Conference, POSH, Employer Branding & Communications
7	IT	Training for technical professionals
8	Marketing	Training on Social Media & Financial Services, Digital Marketing Channels
9	MSME	Customer Education for MSMEs
10	Risk	Training Risk Mgmt. in Banks, Computer hacking forensic investigator, Cyber security program with the academic support of IIM-A, and IIM-NSB, Climate change risk & regulatory developments
11	Rural banking	Risk in agriculture finance
12	Service Quality	Digital payment services & products - consumer protection, financial inclusion & financial literacy
13	Social Services	Saksham- Upskilling Ujjivan's Prerakas (Financial literacy trainers)
14	Vigilance	Disciplinary enquiry proceedings, report writing skills

Each department and function within Ujjivan identifies training needs for their units, teams, and individual employees, establishing priorities and creating training and development plans. The initiation of training initiatives occurs at the beginning of each fiscal year.

Ujjivan's Learning Management System (LMS) provides ongoing training opportunities in various formats, including classroom, virtual, and self-paced, covering areas such as process and product knowledge, communication skills, selling skills, supervisory skills, coaching, and feedback. The "Learning Grant" program incentivizes reskilling and upskilling, aligning with market trends and reducing attrition rates. Collaborations with international learning sites like Udemy, IIHT-Techademy, and SHRM offer a wide range of technical, functional, and professional courses. Financial assistance supports relevant training and education, encouraging continuing education and advanced degrees related to the workplace.

The Bank emphasizes compulsory and regulatory education in Code of Conduct, Information Security, prevention of sexual harassment, and KYC/AML. To ensure participation

and successful completion, a 5% performance weighting is integrated into each employee's Key Result Area (KRA). Employees are sent to training programs recommended by the Reserve Bank of India (RBI) institutes such as IIBF, IDRBT, CAB, NIBM, and CAFRAL, ensuring specialized education from trusted institutions.

Skill enhancement is a focal point, with 17,870 employees engaged in diverse training and skill enhancement programs, averaging 30.5 hours of learning per employee. Training dashboards record data from these programs. Flagship programs target branch managers in Branch Banking and Rural Banking, alongside re-skilling initiatives for Affordable Housing, MSME, and Credit function employees. A customer-centricity program enhances the customer experience for branch-level employees. First-time supervisory skills training is reintroduced, supported by pre- and post-training impact assessments. Additional programs on risk ownership and 'First Line of Defense' empower branch supervisors. Annual programs for credit underwriting, vigilance, and auditing teams focus on skill honing and certification acquisition.

Table 14: No. of training hours by employee category

Description	Unit	FY 2020-21	FY 2021-22	FY 2022-23
Employee Categories				
Hours of training by employee category				
Senior Management (General Manager & Above)	No of participants	33	12	89
	Hours	4.5	18	14
Middle Management (Senior Manager to Deputy General Manager)	No of participants	222	180	372
	Hours	8.2	16	18
Junior Management (Assistant Manager, Deputy Manager & Manager)	No of participants	2425	2500	4785
	Hours	13	21	22
Staff (All Executives, Assistants & Trainees)	No of participants	3594	6126	8316
	Hours	19.5	29	34.5
Gender				
Hours of training by gender				
Male	No of participants	4985	7041	11299
	Hours	16.7	24.6	29.4
Female	No of participants	1310	1785	2320
	Hours	16.3	25.8	30.0

Table 15: No. of employees who underwent skill upgradation trainings

Category	Skill Upgradation Training					
	FY 2022-23			FY 2021-22		
	Total employees	Employees covered	% Employees covered	Total employees	Employees covered	% Employees covered
Male	14506	10825	75	13823	6701	48.48
Female	3364	2108	63	3072	1558	50.72
Total	17870	12933	72	16895	8259	48.88

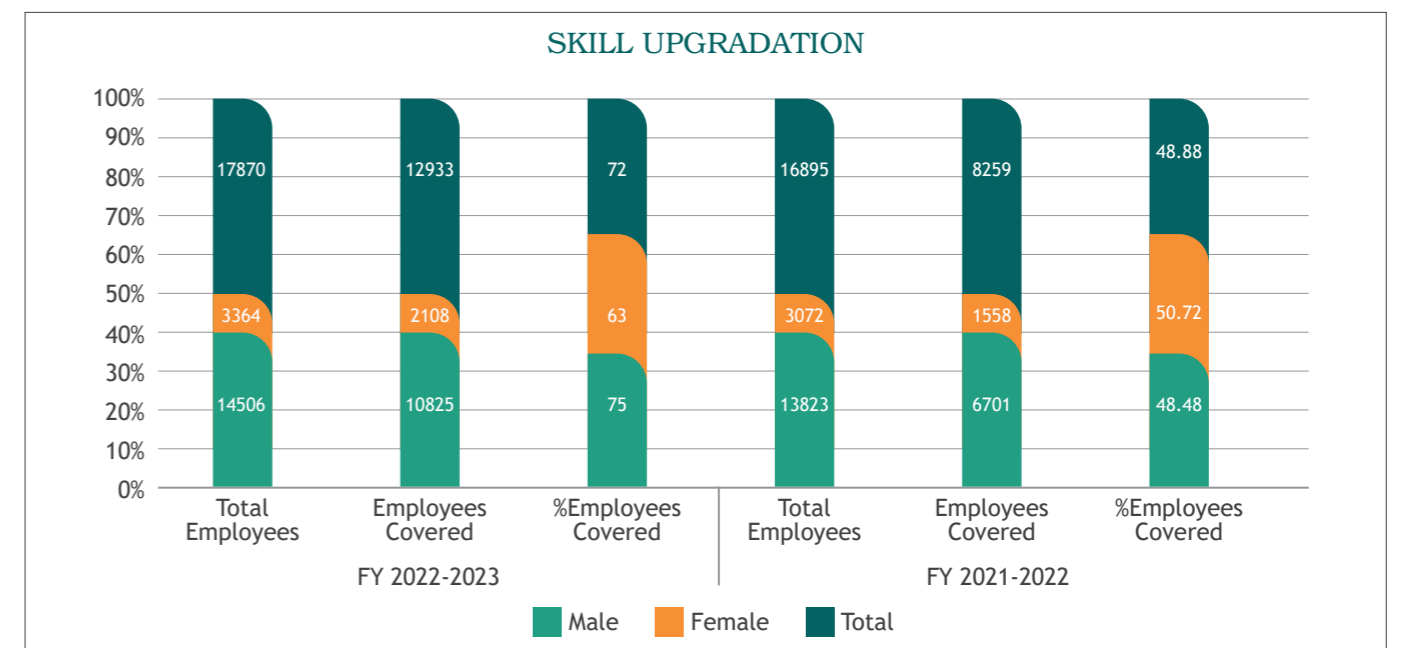


Figure 12: No. of employees who underwent skill upgradation in FY 2022-23 and FY 2021-22

Corporate Social Responsibility (CSR)

The Bank remains committed to fostering a robust corporate culture that underscores the integration of Corporate Social Responsibility (CSR) values with its business objectives. The Corporate Social Responsibility Policy ("CSR Policy") serves as the overarching framework guiding the Bank's CSR initiatives. It delineates the governance structure, operational framework, monitoring mechanisms, and outlines specific CSR activities to be undertaken.

The Bank has achieved noteworthy success in implementing over 141 projects, positively impacting the lives of more than 4.9 Mn beneficiaries. In the ongoing financial year (2022-23), 21 CSR projects have been successfully executed, resulting in a positive impact on the lives of 7,30,520 individuals.

Ujjivan Small Finance Bank is actively exploring opportunities to expand its CSR footprint in economically challenged states, particularly focusing on the BIMARU states (Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh) and aspirational districts identified by NITI Aayog. This strategic approach reflects the bank's dedication to making a meaningful difference in the communities it serves.

Key CSR highlights at Ujjivan Small Finance Bank are as follows:

CSR expenditure of

8.1 Mn

in FY 2022-23

17 projects

completed under Ujjivan's flagship program 'Chote Kadam', benefitting 7,30,170 lives in FY 2022-23

COVID Relief programs

16,60,000+

beneficiaries so far

Disaster Relief

1,27,000

beneficiaries so far

Livelihood programs

350+

beneficiaries so far

CSR Governance

In adherence to Section 135 (1) of the Companies Act, 2013, Ujjivan Small Finance Bank had established a CSR Committee comprising 5 (Five) Directors, with 4 (Four) being Independent Directors by March 31, 2023. The Corporate Governance Report, included in the Annual Report for FY 2022-23, contains the details of changes in the CSR Committee's composition during that period. The Bank has developed a CSR policy, as per the provisions of Section

135(4) of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. The formulation of this policy was guided by the Bank's Board, considering the recommendations of the CSR Committee, and includes guiding principles for activity selection, implementation, monitoring, and the annual action plan.

S.No.	Name of Director	Designation/ Category	No. of meetings of CSR Committee held during the year	No. of meetings of the CSR attended
1	Ms. Sudha Suresh	Chairperson - Independent Director	2	2
2	Mr. Rajesh Jogi	Independent Director	2	2
3	Mr. Ittira Davis	MD & CEO	2	2
4	Ms. Rajni Mishra	Independent Director	2	1
5	Ms. Anita Ramachandran	Independent Director	2	1
6	Mr. Ravichandran Venkataraman	Independent Director	2	1





CSR Thematic Areas

Serving the unserved and the underserved of the country has always been at the heart of everything being done at Ujjivan Small Finance Bank. With Community Development being a key focus area and a vital part of CSR initiatives, the Bank specializes in Infrastructure Development, health care, education, livelihood development and Aid programs.

Theme 1:

Community development

Year on year, Ujjivan formulates the CSR project plan based on the specific needs of the communities that the bank operates in. The needs are gathered from the regional teams at the ground level and the projects are selected based on the criticality and the impact outlook. Ujjivan has been of constant support to the communities through Chote Kadam, the bank's flagship community development program and the disaster relief activities. At present, a total of 31,58,590+ beneficiaries from vulnerable and marginalized groups have been covered under Chote Kadam program.

The Infrastructure Development Program - Chote Kadam focuses on the broad categories of public infrastructure facilities such as:

- Infrastructural support for the educational institutions
- Renovation of healthcare facilities
- Construction of community centres and bus stands
- Catering to safe drinking water needs of the communities
- Provision of sanitation in the community
- Provision of solar-powered street lighting

Ujjivan Small Finance Bank has a strategic partnership with Parinaam Foundation to carry out social welfare efforts. The bank volunteers work along with Parinaam Foundation for a better and well-built India. Till date, the Bank has successfully concluded 47 projects in 17 states & UTs.

Some of high impact Chote Kadam Projects include:

- ❖ Construction of the Patient Waiting Area, Patient Toilets & Renovation of Primary Healthcare Center, Grampanchayat Rabdal, Dahod
- ❖ Renovation of PHC at Bhadarabad, Dhandoor village, Hissar
- ❖ Construction of New Toilets & Compound Wall at Z. P. School Sakari Village, Bhusawal
- ❖ Provision of Garbage Truck & Bins to the Mapusa Municipal Corporation
- ❖ Construction of Drinking Water Platform with Water Purifier at Swami Pranavananda Centenary Girls Residential School
- ❖ Renovation of Anganwadi at Morlipura Village
- ❖ Renovation of orphanage at Uttarahalli





Theme 2:

Livelihood Enhancement

Training and Placement of PWDs with Cheshire Disability Trust:

Partnering with Cheshire Disability Trust towards empowering differently abled people in Jamshedpur and Mumbai locations, the bank through its CSR initiative trained 200 candidates, of which 124 of them were placed with Square Meal foods, Qness Corp, Bellona Hospitality Services, DHL Logistics, etc., with an average monthly income of INR 12000/-

Livelihood training to youth with Divya Nur Foundation:

Through the association with Divya Nur Foundation in Bhubaneswar, Ujjivan offered livelihood training to 100 unemployed youth affected by Fani & Yaas cyclone in 2021-22 and successfully placed 59 of them in the retail sector such as Khadims, HDB Finance, Hunger Box, Monginis, Veggieskart, etc. The training was aimed at imparting basic computer knowledge, English language skills and retail industry domain knowledge.

Sustainable livelihood for women:

Through a partnership with Savera society in Purnea, Bihar, Ujjivan have installed 16 machines to make significant change in the lives of rural women on techniques for manufacturing jute and banana fibre products including jute bags. This empowerment serves another noble social cause. By training more people in the making and use of such biodegradable products, Ujjivan is also helping to build an alternate ecosystem for sustainable products. Though the initial batch consisted of 50 women, this initiative has continued to add more and more beneficiaries.

At present, a total of 350+ beneficiaries from vulnerable and marginalized groups have been covered under the livelihood enhancement programs.



Theme 3:

COVID Relief

In 2020-21, Ujjivan extensively worked towards supporting communities during the pandemic with over 26 projects across India being executed, benefiting the frontline workers (doctors and paramedical staff, police personnel, corporation and municipality workers and transport workers). Ujjivan dedicated 52% of the CSR expenditure towards the cause and reached approximately 7,74,000+ public, 49,000+ police personnel, 10,500+ hospital staff, 12,100+ corporation/ municipal/ panchayat workers and 200 transport workers. Masks, sanitizers, dry rations, sprayers, and PPE kits were distributed among many.

In 2021-22, as part of COVID relief measures, the bank contributed through distribution of beds, bedspreads, oximeters, oxygen concentrators, oxygen cylinders, ITU beds, Ventilator beds, PPE kits, gloves, mask, thermal scanners, COVID safety gears for frontline workers, etc. which includes funding for 6 ITU beds to St John's Hospital, Bengaluru and 40 D Type oxygen cylinders to CMC Vellore.

A total of 16,60,000+ beneficiaries were covered as part of Ujjivan's COVID relief programs, out of which 3,57,000+ beneficiaries have been educated across the country. The total beneficiaries count is inclusive of beneficiaries from vulnerable and marginalized groups, accounting to a percentage of 95.

Sanjeevani Kavach (COVID Vaccination Drive):

Ujjivan created a program with the help of their internal team and launched the Ujjivan Sanjeevani Kavach Program to vaccinate the public in their operational areas. The program was successfully executed at 478 operational areas and was able to inoculate over 80,000 vaccines through PHCs, UPHCs, Government Hospitals & privately set-up camps.

Awareness camps:

The bank also started a COVID-19 education program, primarily designed to create awareness about the pandemic. It provided information on how to remain safe, RT-PCR testing and relevant government insurance schemes and clarified misconceptions.



Theme 4:

Disaster Relief

Under disaster management, the Ujjivan Small Finance Bank supported lives affected by Yaas cyclone in Jaynagar and heavy floods at Tamluk and Panskura by providing affected communities with adequate relief material during their time of need. During the Yaas cyclone, the Jaynagar region of West Bengal was severely affected. Teams from the bank's Jaynagar branch reached out to affected families, assessed needs and provided help in the form of dry rations, plastic buckets, mosquito nets, etc. At present, a total of 1,26,700+ beneficiaries from vulnerable and marginalized groups have been covered under the disaster relief programs.

In August 2021, there were heavy floods in the Tamluk and Panskura areas in West Bengal. While the state government provided relief in the most severely affected areas, Ujjivan worked with government agencies to provide help in the form of dry rations, tarpaulin, phenyl liquid and mosquito nets, and thereby helped to check the spread of disease in the prevailing flood ridden unhygienic

conditions. More than 8,000 beneficiaries received help collectively.

In 2022, Ujjivan undertook relief activities in the East region by organizing health camps in Kamrup, Nagaon, Mirza, Baihata locations of Assam which were badly affected by floods in the month of September and impacted about 700+ beneficiaries.



Theme 5:

Health Care

While Ujjivan has contributed towards renovation of several PHCs / hospitals under Chote kadam, the bank has been contributing significantly in the health care domain making the health care facilities available and affordable to the challenged sector of the society.

Infrastructure for CMC, Vellore:

As part of health care initiatives, Ujjivan Small Finance Bank partnered with CMC Vellore, and provided 4 ICU units to their facility, especially designed to cater to a large number of COVID-19 affected patients. The units were procured and made operational, slated to impact about 500 lives a year.

Infrastructure for St. John's Hospital (CBCI Society):

Ujjivan contributed for 6 High Dependency Unit (HDU) Beds at St. John's hospital when several patients were rushed to HDU during the second wave of COVID benefitting hundreds of patients.

NICU at Marwari Hospital:

Ujjivan partnered with Marwari hospital in Guwahati to establish a Pediatric and Neonatal Setup dedicated to enhancing healthcare for children.



Theme 6:

Education

Several initiatives have been undertaken by Ujjivan Small Finance Bank to improve educational access for disadvantaged groups as stated below:

Partnered with **Maithree Society** and adopted an education center in Chennai that works with children, who are categorized as persons with intellectual and developmental disability (PwIDD).

The center has 45 children with special needs and had purchased two smart boards with grants given to them.

b. Helped **Maria Nivas School** in Harihara, Karnataka, to set up an IT laboratory. Ujjivan has donated 18 computers to the school which will benefit the school's 1,100 students.

Theme 7:

Environment

Project Swachh Neighbourhood:

The Project started as a cleanliness pilot campaign covering areas near Koramangala branch in Bengaluru. The initiative was later scaled to more locations during the FY 2019-20, actively involving employees and communities in The Swachh Neighborhood project. As the first step towards cleanliness, the dirtiest streets and areas in the locality were identified. After that, the debris, garbage dumping areas, and littering spots were cleared. To further ensure that these clean areas don't turn into dumping areas again, the walls were painted.

The Bank went hand-in-hand with the local community and the municipal bodies to monitor the clean areas and assured that it doesn't turn into a garbage dumping spot again. In addition, the bank's employees reached out to local schools and involved

little children in cleanliness campaign. Involving children in this social cause raised awareness in the little ones, and they realized the importance of maintaining a clean environment. Many schools supported the drive and even organized awareness marches with placards designed by their students.

The Swachh Neighborhood projects have witnessed overwhelming participation - volunteers, including Ujjivan employees, students, members from the local community and municipal authorities. Ujjivan Small Finance Bank also carried out Project Swachh Neighborhood drive in Pune Municipal Corporation areas. Later, Pune Municipal Corporation organized 'Swachh Puraskar 2019-20' and Ujjivan Small Finance Bank bagged the consolation prize in the Best Swachh Private Organization category.



Theme 8:

Other Initiatives around Medical Assistance

Wheelchairs through ProVision Asia:

As a part of Ujjivan's partnership with ProVision Asia, Ujjivan distributed specially designed 40 wheelchairs amongst the differently abled community in Bengaluru. ProVision Asia helped to identify needy persons who would be greatly empowered by the mobility they gained through wheelchair use and could better support their families & themselves.

Shelter for the Leprosy & HIV patients:

Ujjivan collaborated with Sumanahalli Society, an organization that provides shelter and care for people affected with leprosy and HIV aids. The Bank also sponsored food and daily needs for 75 inmates for six months.

Financial Literacy and Inclusion

Ujjivan Small Finance Bank through its financial literacy programs contributes to the overall economic wellbeing of individuals and communities. These programs empower individuals with the knowledge and skills needed to make informed financial decisions. Following are the programs conducted by Ujjivan as a part of inclusion strategy:

i. Diksha+ Financial Literacy Program (MicroBanking):

Ujjivan Small Finance Bank has focused on empowering women from low-income households by equipping them with knowledge and tools for safe savings, minimising financial risk, and making informed financial decisions. In FY 2022-23, the Bank's financial literacy program, Diksha+, trained over 1,19,222 customers across 278 branches.

ii. Chillar Bank Financial Literacy Program (Children of MicroBanking Customers):

The Chillar Bank program primarily focusses on providing financial literacy to children between the ages of 11 and 17 who are customers of Ujjivan Small Finance Bank's MicroBanking services. In FY 2022-23, the Bank successfully educated approximately 40,525 parents and their children. Through the combined efforts of the Diksha+ and Chillar Bank programs, more than 31,823 customers gained access to a range of financial products offered by the bank.

iii. Financial Literacy for MSME Customers:

To support this initiative, Ujjivan Small Finance Bank has partnered with Haqdarshak, the first Indian social enterprise to digitalise welfare programs on a single platform. Recently, the Bank conducted a pilot run of the program for its MSME customers in Coimbatore (Tamil Nadu), and Aligarh (Uttar Pradesh). During the pilot run, the program was implemented in two states/Union Territories, and a total of 64 beneficiaries were trained.

iv. Financial Literacy Camps for Rural Banking Customers

The Financial Literacy Camps have been established at 132 URC branches across 11 states with the purpose of providing financial education. To enhance the impact of these camps, Ujjivan Small Finance Bank has partnered with the Parinaam Foundation. Through this collaboration, a savings initiative has been integrated into the camps. The Diksha program implemented has garnered recognition from the Reserve Bank of India (RBI) as a pioneering initiative in the field of financial literacy. The total number of beneficiaries from these Financial Literacy Camps exceeds 11,609, with a coverage of 132 URCs.

v. Financial Literacy Program - Beyond Ujjivan

Ujjivan Small Finance Bank has been expanding its flagship financial literacy program to reach beneficiaries beyond its own customer base. This program has been specifically tailored to cater to their unique needs. In FY 2022-23, the Bank conducted a pilot training program in collaboration with Marwari Hospital, Anahat Clinic, Mantri Society, and TNS India Foundation. The total number of beneficiaries reached through this pilot program was 128.

Customer Centricity

Customer Relationship Management

Ujjivan prioritises the fulfilment of client needs above all, and to ensure this, the organisation has undertaken various initiatives such as campaigns focused on enhancing financial literacy, investing in personnel training and development, and creating innovative products. These efforts reflect Ujjivan's commitment to maintaining strong client relationships and delivering value that meets or exceeds their expectations.

To enhance the customer satisfaction and provide effective services, Ujjivan has developed a strong grievance redressal mechanism.



Figure 13: Grievance Redressal Mechanism at Ujjivan Small Finance Bank at different levels

Escalation to Banking Ombudsman

If customers are still unsatisfied with the registered office or if the issue is still unresolved at the end of one month, they may file a complaint right away with the Banking Ombudsmen at Reserve Bank of India, which oversees banking financial institutions for resolution of their grievances.

The grievance redressal policy is given below:

[Grievance-Redressal-Mechanism-Website.pdf \(ujjivansfb.in\)](#)

Economic Impact through Banking Products

During the fiscal year 2020-21, MSMEs prioritized customer service and support for companies affected by COVID-19. The Emergency Credit Line Guarantee Scheme (ECLGS) played a crucial role in providing relief funds to borrowers. Presently, more than 1100 active borrowers are leveraging ECLGS offerings, aiding in business stabilization. Specific policies tailored for affordable housing products were implemented in response to COVID-19, benefiting approximately 6,350 customers.

In the fiscal year 2021-2022, additional offerings under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and through Progcap were introduced to support micro, small, and medium-sized enterprises, focusing on financing small and micro borrowers. The introduction of the Micro-Mortgages (Vikas Loan) product category aimed to cater to the needs of individuals in Tier 2 and Tier 3 locations, impacting 9140 clients.

In FY 2022-2023, Ujjivan expanded its product line with the Prime LAP-Semi Formal offering, aligning with the redesign plan to better serve the semi-formal section of the borrower population. The priority sector lending criteria applied to 79% of the MSME portfolio, enabling assistance to borrowers in managing their enterprises successfully. The bank's efforts in 2022-23 extended to Tier 2 and Tier 3 industries, benefiting approximately 10,631 customers. Ujjivan's establishment of Retail Asset Centres aimed to streamline processes and enhance business impact.

In recent years, Ujjivan Small Finance Bank has implemented various initiatives to streamline its banking processes, reduce its environmental impact, and align its practices with external benchmarks and stakeholder priorities. These initiatives on term deposit include:

FY 2021-22:

- Introduced the shortened Savings Account Opening Form to just two pages.
- Launched Platina Deposits to enhance customer convenience and offer higher interest returns.

FY 2022-23:

- Transitioned to a SR-based mechanism for generating POS leads.
- Eliminated physical PINs for ATM/Debit Cards.
- Discontinued physical FD Confirmation receipts for Senior Citizens.
- Introduced Digital Leaflets for Liability products.
- Launched CA Documents on the go, allowing customers to send CADOC to 9243300155.

These initiatives have resulted in reduced paperwork, faster processing times, and a more environmentally friendly approach to banking, increased customer accessibility, and reduced errors, leading to increased customer satisfaction.

Ujjivan Small Finance Bank provides an extensive array of loans to address various needs, including financing for livestock acquisition, construction of sheds, purchase of ancillary equipment, expenses related to fodder, sanitation facility construction or renovation, medical costs, educational expenses, and agricultural purposes. These loan offerings are strategically crafted to empower both individuals and businesses, contributing to financial inclusion and fostering socio-economic development.



Futureproofing Risk Management

Ujjivan Small Finance Bank (SFB) has implemented a robust risk management framework designed to identify, measure, mitigate, and monitor material risks across all functions. The Enterprise Risk Management Committee of the Board (RMCB) directs these efforts, overseeing a well-staffed risk management team led by the Chief Risk Officer (CRO). This dedicated team, operating independently from business sourcing units, assesses and monitors various risks, including credit, operational, market, liquidity, and information security.



The bank has extended the charter of the Enterprise Risk Management Committee to include a focus on climate risk and Environmental, Social, and Governance (ESG) risks. Similarly, the Risk Management team at the management level has an enhanced charter, acting as the central point for decision-making and endorsement related to climate change and risk actions.

The risk management team operates primarily from the corporate office, with a presence in regional offices to facilitate the implementation of the operational risk framework at a granular level. The hallmark of the Risk Management function is its independence, with convergence occurring only at the Board level.

Ujjivan Small Finance Bank's risk management framework is grounded in a clear understanding of material risks, disciplined assessment and measurement procedures, and continuous monitoring. Policies and procedures are consistently benchmarked against best practices, and the team oversees material risks through regular monitoring of indicators, policy management, and control testing for design and effectiveness. Identified breaches and gaps undergo thorough analysis to determine root causes, leading to the initiation of corrective actions. Additionally, the bank has established a framework to comprehensively understand inherent risk exposure due to climate-induced physical risks.



Climate Risks:

The Bank has analyzed the impact of climate change and associated financial losses in its portfolio. Historically, natural disasters or physical risks have affected portfolio performance. Various reports from the scientific community indicate that the frequency and severity of such physical events is expected to increase with climate change and increase in Green House Gas (GHG) emissions.

Given that climate risk is an emerging topic, the best practices are yet to emerge. The Bank had developed an assessment framework as a 'Proof of Concept' with continuous plans for improvement. These assessment frameworks are developed under the principle of Common but Differentiated Responsibilities (CBDR) and respective capabilities. By virtue of being a new bank and focused on retail segment, transition risks by way of changes in policy, technology, legal and consumer sentiments are low due to negligible exposure in the top three polluting sectors namely power generation, transportation, and steel. It was therefore imperative to identify the exposure at risk/exposure at default (EAD) subject to physical risks such as floods, cyclones, droughts and heatwaves. The risks are however expected to impact the bank on a decade scale.

Climate induced risks is a transverse risk having its impact largely on credit and operational risk within the Bank. The potential impacts include increase in default risk leading to higher capital and operational costs. The non-availability of climate adaptation or mitigation products and policies can cause adverse impact on capital availability as most of the FII investors now have ESG goals. The likelihood and magnitude is expected to be low on both counts over the short term.



Financial implication of risk

Initial analysis indicated that 58 districts, covering 149 branches with a total outstanding balance of 70,960 Mn are exposed to Very High or High risk as per the Climate Vulnerability Index classification. This accounts for ~41% of the total exposure in the Micro Banking and Rural Banking portfolio. The assessment focuses only on the severity aspect, should a climate induced physical risk event occur. Here again, the assessment is factored using simple summation under the assumption of a nationwide impact at the same time. The Bank takes cognizance of the industry level challenges in assessing the probability aspects of physical risks. Given that Climate Risk is a Green Swann event, in that, there is certainty that the risk will occur more and more often in the future with little clarity on the timing, there is little relevance in relying on historical data, as is the case in assessment of traditional risks. Since, physical climate risks and its resultant impact are assessed on a decadal scale and shares a strong inverse correlation with transition risks, the assessment of loss can only be undertaken through some form of stress testing or scenario analysis.



Opportunity:

While much of the Bank's business operations is skewed towards meeting and enhancing social goals and justice today, it is imperative that the Bank also makes its contribution in the areas of environment management and climate change adaptation/mitigation. To that effect, the Bank welcomes India's commitment to Panchamrit for climate action and also adopts the mantra of LIFE- Lifestyle for Environment to combat climate change. The Bank is internally deliberating on ways to make meaningful contribution to these marathon goals through its products, policies and processes within the contours of the triple bottom line. Here again, the Bank shall be guided under the CDDR principle in its ESG journey.



Risk Management:

Accept, Avoid, Limit and Transfer are some of the methods available in mitigating the risks. The Bank is currently exploring a limitation strategy through introduction of exposure limits at a district level to avoid unwarranted build up in unexpected losses. For transition risks, the Bank is in the process of gathering intelligence to assess its impact thereof on the Bank's portfolio.

For the emerging risks in the areas of climate risk and ESG compliance, the Bank has constituted a research-based approach culminating into policy advocacy. The policies and procedures established for this purpose are continuously benchmarked with international best practices. The Bank has oversight on all the risks through regular monitoring of Key Risk Indicators, thematic reviews, root cause analysis and tolerance/appetite statements against major risks.



Cost of actions to manage risks

The Bank has developed simple stress tests to assess the likely impact on credit quality in the event of short-term physical risk events. Initial findings show that the impact on profitability in the event of physical risks can lead to an additional credit cost of 1180 Mn without considering any risk mitigation measures.

Data Privacy & Cyber Security

Securing customer data and defending against cyber threats are crucial imperatives for financial institutions, given the extensive sensitive information they handle. The implementation of strong data privacy measures and cybersecurity protocols not only fosters confidence and trust among customers but also serves as a safeguard for the bank's reputation and integrity. By giving paramount importance to data security, banks can adeptly reduce risks, thwart financial fraud, and uphold their dedication to delivering a secure and dependable banking experience for their clients.

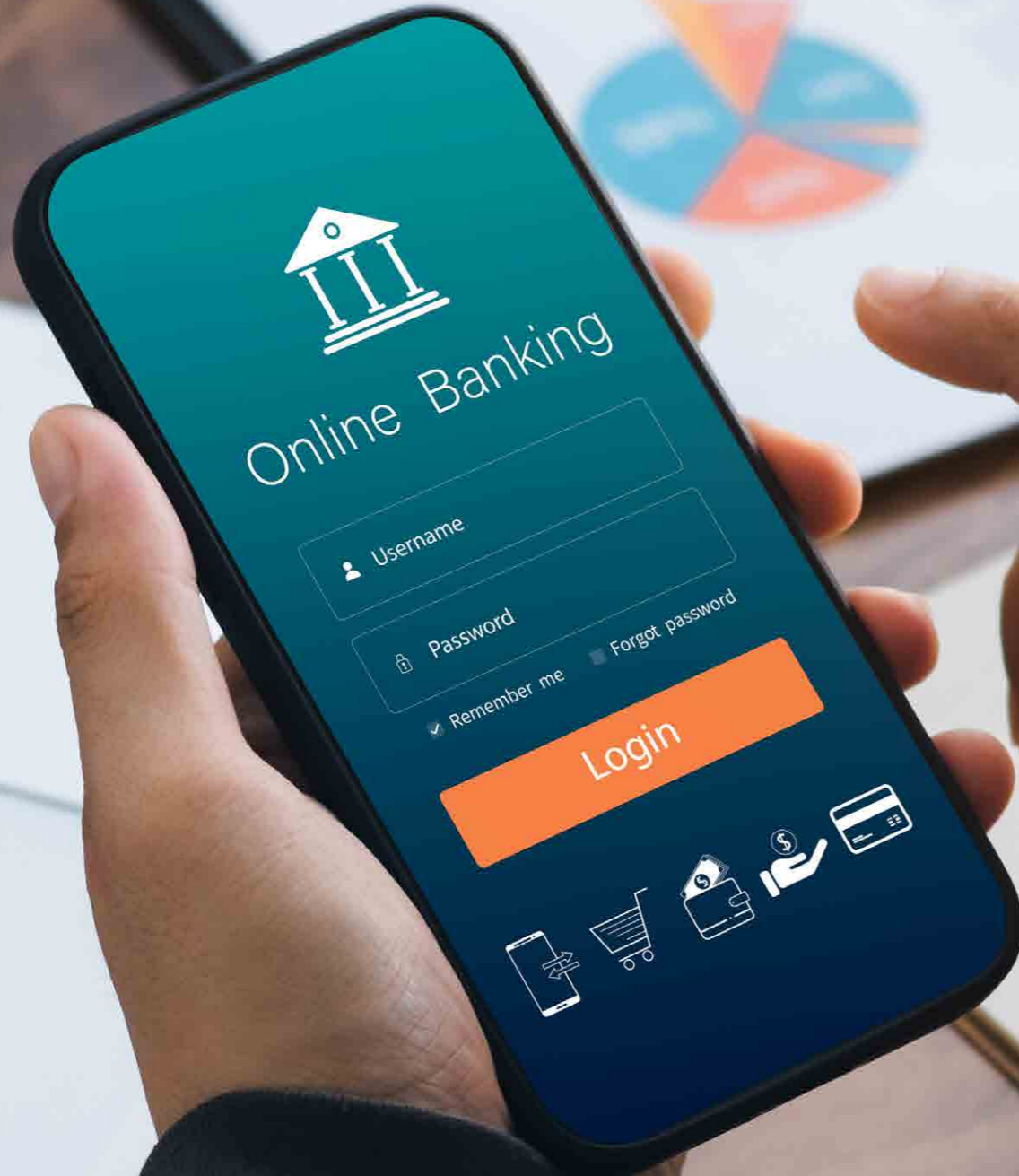
Ujjivan Small Finance Bank reported zero cases of cyber data breaches in both FY 2022-23 and FY 2021-22, and it has a framework/ policy on data privacy. <https://www.ujjivansfb.in/privacy-policy>

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

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

The Bank has meticulously orchestrated the deployment of each tool to ensure that no acts by malicious intruders go undetected. The key elements and the teams working in a chain fashion for managing information security risks are as follows:

- i. **Risk Assessment and Management:** Regular risk assessments help identify potential vulnerabilities and threats to the bank.
- ii. **Policies and Procedures:** Robust information security policies and procedures guide every individual within the organization towards secure practices.
- iii. **Security Awareness and Training:** Regular training and awareness programs educate employees about emerging threats and promote security best practices.
- iv. **Red Team:** Maintained an independent group of experts who simulate real-world attacks to identify vulnerabilities and enhance security.
- v. **Blue Team:** 24/7 Security Operations Centre (SOC) team detects and analyzes potential incidents, responding effectively to mitigate risks.
- vi. **GRC Team:** A dedicated Governance, Risk, and Compliance team ensures effective management of regulatory requirements and operational controls.



Digital Transformation

Key highlights in the space of digitization at Ujjivan Small Finance Bank are as follows:

Distributed

0.296 Mn+

Ujjivan Pay QR solutions to merchants

82.91%

digital transactions as on March 31, 2023

105.26%

increase in digital repayment

Reached

2.39 Mn+

unique customers registered on any digital platforms as of March 31, 2023

First Voice Visual Vernacular Mobile Banking App – Hello Ujjivan Application

Ujjivan Small Finance Bank is dedicated to advancing Green Banking solutions by consistently harnessing cutting-edge technologies for its clientele. The focal point of its digital banking solutions is the establishment of a secure, reliable, and user-friendly banking environment through the automation of operational procedures, the integration of robotic platforms, utilization of data analytics, and the creation of tailored offerings that align with customer preferences. As part of this commitment, the bank has launched several digital initiatives, including "Hello Ujjivan," India's inaugural Voice Visual Vernacular Mobile Banking App. This innovative app caters specifically to the unserved and underserved populations, extending digital Micro Banking services to over 5 Mn individuals. Furthermore, Ujjivan provides an extensive array of customer-centric Payments Channels/Services, encompassing Mobile and Net Banking for both retail and corporate clients, UPI, and Payment Gateway. These offerings are meticulously designed to address the diverse digital requirements of the bank's customer base.

In its quest to become a Green Bank, Ujjivan has replaced physical paper-based statements with Smart Statements and introduced Missed Call & SMS Banking for feature phone users. The bank has integrated Video Banking solutions for services such as Re-KYC/Video KYC, Stand-alone Digital FD, etc., on AWS cloud infrastructure, and implemented Automation of processes through RPA to reduce human intervention. These initiatives have significantly reduced the bank's usage of paper, energy consumption, and their overall carbon footprint.

Ujjivan's "Hello Ujjivan Application" has been recognized and nominated for several prestigious awards, including the Aegis Graham Bell Awards 2022 (Innovation in Consumer Tech.), Skoch Award 2023 (Mobile Banking Solution), and has been acknowledged as a Semi-finalist in the MIT Solve Global Challenge.

Currently, Ujjivan has reached 2.39 Mn+ unique digital customers, providing approximately 32.46% coverage, with 82.91% digital transactions. The bank has outlined its future initiatives, aiming to introduce new digital solutions, as listed below:


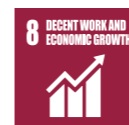


- End-to-end Digital Fixed Deposit, Digital Savings/Current Account, and personalized banking services using video banking solutions.
- Launch complete digital solutions for both Asset & Liability business and Digital Lending, promoting paperless banking.
- Aims to add 1.2 Mn+ new unique users on any digital platform, reaching a total digital customer base of 3.5 Mn+ with 350 Mn digital transactions in FY 2023-24.
- Seeks to add 1.5 Mn+ new unique users, reaching a total of 5 Mn+ unique digital customers, with 500 Mn digital transactions in FY 2024-25.
- In FY 2025-26, the bank intends to add 1.8 Mn+ new unique users, expanding the total digital customer base to 6.5 Mn+ with 750 Mn digital transactions.
- The bank's long-term vision is to achieve 1000 Mn digital transactions with 10 Mn digitally registered customers by FY 2030.


**Offers voice, visual and vernacular feature under one mobile banking app. Based on the research conducted by AGR Knowledge Services Private Limited as on January 24, 2023.*

Appendices/ ESG Disclosures

UN SDG Mapping

SDGs	Ujjivan Small Finance Bank Activities in FY 2022-23
 <p>SDG 3: Good Health & Well-Being</p>	<ul style="list-style-type: none"> The Infrastructure Development Program - Chote Kadam focuses on renovation of healthcare facilities. In 2021-22, as part of COVID relief measures, Ujjivan Small Finance Bank had initiated activities such as distribution of beds, bedspreads, oximeters, oxygen concentrators, oxygen cylinders, ITU beds, Ventilator beds, PPE kits, gloves, mask, thermal scanners, COVID safety gears for frontline workers, etc. which includes funding for 6 ITU beds to St John's Hospital, Bengaluru and 40 D-Type oxygen cylinders to CMC Vellore. Ujjivan Sanjeevani Kavach Program successfully executed at 478 operational areas and was able to inoculate over 80,000 vaccines through PHCs, UPHCs, Government Hospitals & privately set-up camps. In June 2022, Ujjivan Small Finance Bank organized a walkathon event for senior citizens in Ahmedabad where over 540 senior citizens participated. Ujjivan Small Finance Bank strongly supported National Road Safety Month from Jan 18 to Feb 17 2021, using social media to promote responsible road behaviour. 24x7 "Doctor on Call" teleconsultation service to support Ujjivan Small Finance Bank employees and their dependents during emergencies. The program received positive feedback, with over 700 employees and their families utilizing the service.
 <p>SDG 4: Quality Education</p>	<ul style="list-style-type: none"> Refurbishing and repurposing usable digital devices are provided to children for educational purposes. This initiative aligns with the principles of sustainability, digital inclusion, and social responsibility. Chote Kadam program focuses on infrastructural support for educational institutions. Through the association with Divya Nur Foundation in Bhubaneswar, Ujjivan offered livelihood training to 100 unemployed youth affected by Fani & Yaas cyclone in 2021-22 and successfully placed 59 of them in the retail sector such as Khadims, HDB Finance, Hunger Box, Monginis, Veggiekart, etc. The training aimed at imparting basic computer knowledge, English language skills and retail industry domain knowledge. Ujjivan Small Finance Bank initiated a COVID-19 education program to raise awareness about the pandemic, offering guidance on safety measures, RT-PCR testing, government insurance schemes, and dispelling misconceptions.
 <p>SDG 5: Gender Equality</p>	<ul style="list-style-type: none"> Partnering with Cheshire Disability Trust towards empowering differently abled people in Jamshedpur and Mumbai locations, the bank through its CSR initiative trained 200 candidates, of which 124 of them were placed with Square Meal foods, Quess Corp, Bellona Hospitality Services, DHL Logistics, etc. with an average monthly income of INR 12000/-
 <p>SDG 6: Clean Water & Sanitation</p>	<ul style="list-style-type: none"> Chote Kadam program focuses on provision of sanitation and safe drinking water needs of the communities.

SDGs	Ujjivan Small Finance Bank Activities in FY 2022-23
 <p>SDG 7: Affordable & Clean Energy</p>	<ul style="list-style-type: none"> Chote Kadam program focuses on provision of solar-powered street lighting
 <p>SDG 8: Decent Work & Economic Growth</p>	<ul style="list-style-type: none"> Ujjivan Small Finance Bank offered livelihood training to 100 unemployed youth affected by Fani & Yaas cyclone in 2021-22 and successfully placed 59 of them in the retail sector such as Khadims, HDB Finance, Hunger Box, Monginis, Veggiekart, etc. Rakhi Bands used in these Seed Rakhis were handcrafted by 200+ women in Paradsinga & 10 other adjacent villages of Madhya Pradesh & Maharashtra. 100% of Ujjivan's procurements in the last 3 fiscal years were made from local suppliers.
 <p>SDG 10: Reduced Inequalities</p>	<ul style="list-style-type: none"> Through a partnership with Savera society in Purnea, Bihar, Ujjivan have installed 16 machines to make significant change in the lives of rural women on techniques for manufacturing jute and banana fibre products including jute bags. A total of 1,26,700+ beneficiaries from vulnerable and marginalized groups have been covered under the livelihood enhancement programs (Disaster relief). Ujjivan Small Finance Bank worked with government agencies to provide help in the form of dry rations, tarpaulin, phenyl liquid and mosquito nets, and thereby helped to check the spread of disease in the prevailing flood ridden unhygienic conditions. More than 8,000 beneficiaries received help collectively. In 2022, Ujjivan Small Finance Bank undertook relief activities in the East region by organizing health camps in Kamrup, Nagaon, Mirza, Baihata locations of Assam which were badly affected by floods in the month of September and impacted about 700+ beneficiaries. Ujjivan's Welfare Trust provided financial aid to more than 1000 employees impacted by natural calamities and the COVID-19 pandemic.
 <p>SDG 11: Industry, Innovation & Infrastructure</p>	<ul style="list-style-type: none"> Chote Kadam program focuses on construction of community centres and bus stands, and provision of solar-powered street lighting.

SDGs	Ujjivan Small Finance Bank Activities in FY 2022-23
 <p>SDG 13: Climate Action</p>	<ul style="list-style-type: none"> The “Sanchaya” program, an initiative by Ujjivan focuses on the theme of “Use Energy Wisely. As a result of this energy-saving initiative, a 6% year-on-year (YoY) reduction in energy consumption was achieved indicating a consistent effort in energy conservation over time. Furthermore, the program’s success is even more pronounced when considering the overall impact on energy usage for the entire FY, resulting in an impressive 8% reduction in energy consumption. E-waste is disposed to authorized E-waste recyclers and the relevant documentation are maintained as per the regulatory requirements. Waste batteries generated from the server room and the company owned vehicles are disposed through the take back scheme to the manufacturer or dealer. In 2021, Ujjivan Small Finance Bank in partnership with Kalyan-Dombivli Municipal Corporation (KDMC), Pune Municipal Corporation (PMC), and National Chemical Laboratory (NCL), launched “Ganesh Ecotsav” to promote safe Ganesh idol immersion during Ganesh Chaturthi. These eco-ponds in Mumbai and Pune, allowed devotees to dissolve their idols made of PoP and clay using NH4HCO3, an environmentally friendly method. Ujjivan Small Finance Bank conducted a ‘Plantation Drive’, an effort that saw the planting of 150 saplings across rural areas in the South zone, in collaboration with local government authorities. Flagship initiative ‘Green Paatshala’: Launched in the vicinity of Bengaluru, encompassing a multifaceted approach to engage customers and enhance awareness regarding E-waste management. In Maharashtra & Gujarat, Planter kits with seeds, soil and eco-friendly pots made of coco-pit were distributed among 650+ customers across 64 branches. In 2023, Ujjivan Small Finance Bank launched this initiative across 100+ branches, with the theme of ‘Refuse, Replace & Reuse of Plastic’ and promoted the usage of cloth bags instead of single use plastic covers and educated customers to replace plastic bags with reusable cloth bags. Ujjivan Small Finance Bank North team came up with a unique concept of Seed Rakhi, which featured celebrating Rakhi with the help of an eco-friendly & plantable Rakhi. The Bank had an exclusive tie-up with an NGO called Beej Patra - to source eco-friendly & plantable Rakhis.

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203-1	Infrastructure investments and services supported	SR 2023 - CSR Thematic Areas	74
203-2	Significant indirect economic impacts	SR 2023 - Economic Impact through Banking Products	91
GRI 204: Procurement practices			
204-1	Proportion of spending on local suppliers	SR 2023 - Sustainable Supply Chain	55
GRI 205: Anti-corruption			
205-1	Operations assessed for risks related to corruption	BRSR FY 2023 - Principle 1 - Essential Indicator #7	AR 2023: Pg 238
205-2	Communication and training about anti-corruption policies and procedures	SR 2023 - Human Rights	59
205-3	Confirmed incidents of corruption & actions taken	BRSR FY 2023 - Principle 1 - Essential Indicator #7	AR 2023: Pg 238
GRI 206: Anti-competitive Behaviour			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	SR 2023 - Ethics & Compliance	44

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GRI 207: Tax			
207-1	Approach to tax	AR 2023 - Significant Accounting Policies Taxes on Income SR 2023 - Tax Compliance	AR 2023: Pg 282
207-2	Tax governance, control, and risk management	SR 2023 - Tax Compliance	44
207-3	Stakeholder engagement and management of concerns related to tax	SR 2023 - Tax Compliance	44
GRI 302: Energy			
302-1	Energy consumption within the organization	SR 2023 - Energy and Emissions	48
302-3	Energy intensity	SR 2023 - Energy and Emissions	48
302-4	Reduction of energy consumption	SR 2023 - Energy and Emissions	48
GRI 303: Water and Effluents			
303-1	Interactions with water as a shared resource	SR 2023 - Water Management	51
303-3	Water withdrawal	SR 2023 - Water Management	51
303-5	Water consumption	SR 2023 - Water Management	51
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	SR 2023 - Energy and Emissions	49
305-2	Energy indirect (Scope 2) GHG emissions	SR 2023 - Energy and Emissions	49
305-4	GHG emissions intensity	SR 2023 - Energy and Emissions	49
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	BRSR 2023 - Principle 6 - Essential Indicator #6	
GRI 306: Effluents & Waste			
306-3	Waste generated	SR 2023 - Waste & Circularity	49
306-4	Waste diverted from disposal	SR 2023 - Waste & Circularity	49
306-5	Waste directed to disposal	SR 2023 - Waste & Circularity	49
GRI 308: Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria	SR 2023 - Sustainable Supply Chain >> Sustainable Sourcing	55
308-2	Negative environmental impacts in the supply chain and actions taken	SR 2023 - Sustainable Supply Chain >> Sustainable Sourcing	55
GRI 401: Employment			
401-1	New employee hires and employee turnover	SR 2023 - Diversity, Equity, Inclusion >> Inclusion Right from recruitment stage	62
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SR 2023 - Health, Safety & Wellness >> Employee Wellness	67
401-3	Parental leave	SR 2023 - Health, Safety & Wellness >> Employee Wellness	65

GRI Std Disclosure	Description	Section	Page
GRI 403: Occupational Health and Safety			
403-1	Occupational health and safety management system	BRSR 2023 - Principle 3 - Essential Indicator #10	AR 2023: Pg 242
403-2	Hazard identification, risk assessment, and incident investigation	SR 2023: Risk Management Data Privacy & Cyber Security BRSR 2023 - Principle 3 - Essential Indicator #10	AR 2023: Pg 242
403-3	Occupational health services	SR 2023 - Health, Safety & Wellness >> Employee Wellness	63
403-4	Worker participation, consultation, and communication on occupational health and safety	SR 2023 - Health, Safety & Wellness >> Health & Safety	63
403-6	Promotion of worker health	SR 2023 - Health, Safety & Wellness >> Health & Safety	63
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SR 2023 - Health, Safety & Wellness	63
403-8	Workers covered by an occupational health and safety management system	All permanent and contract employees of Ujjivan Small Finance Bank are covered by occupational health and safety management system	
403-9	Work-related injuries	SR 2023 - Health, Safety & Wellness >> Health & Safety	64
403-10	Work-related ill health	SR 2023 - Health, Safety & Wellness >> Health & Safety	64
GRI 404: Training and Education			
404-1	Average hours of training per year per employee	SR 2023 - Talent management >> Learning & Development	71
404-2	Programs for upgrading employee skills and transition assistance programs	SR 2023 - Talent management >> Learning & Development	71
404-3	Percentage of employees receiving regular performance and career development reviews	BRSR FY 23 - Principle 3 - Essential Indicator #9	AR 2023: Pg 241
GRI 405: Diversity and Equal Opportunity			
405-1	Diversity of governance bodies and employees	SR 2023 - Diversity, Equity, Inclusion	61
405-2	Ratio of basic salary and remuneration of women to men	SR 2023 - Human Rights >> Wages and Compensation BRSR 2023 - Principle 5 - Essential Indicator #3	61

GRI Std Disclosure	Description	Section	Page
GRI 406: Non-discrimination			
406-1	Incidents of discrimination and corrective actions taken	SR 2023 - Diversity, Equity & Inclusion	63
GRI 408: Child labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	Ujjivan Small Finance Bank is committed to upholding ethical labour standards and prohibits all forms of child labour	
GRI 409: Forced or Compulsory Labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Ujjivan Small Finance Bank is committed to upholding ethical labour standards and prohibits all forms of forced or compulsory labour	
GRI 410: Security Practices			
410-1	Security personnel trained in human rights policies or procedures	SR 2023 - Human Capital	59
GRI 411: Rights of Indigenous Peoples			
411-1	Incidents of violations involving rights of indigenous peoples	SR 2023 - Diversity, Equity & Inclusion	63
GRI 412: Human Rights Assessment			
412-2	Employee training on human rights policies or procedures	BRSR FY 23 - Principle 5 - Essential Indicator #1	AR 2023: Pg 245
GRI 413: Local communities			
413-1	Operations with local community engagement, impact assessments, and development programs	SR 2023 - CSR Thematic Areas	72
413-2	Operations with significant actual and potential negative impacts on local communities	As per the nature of Ujjivan's operations, no actual or potential negative impacts are laid on local communities	
GRI 414: Supplier Social Assessment			
414-1	New suppliers that were screened using social criteria	SR 2023 - Sustainable Supply Chain >> Sustainable Sourcing	55
414-2	Negative social impacts in the supply chain and actions taken	SR 2023 - Sustainable Supply Chain >> Sustainable Sourcing	55
GRI 415: Public policy			
415-1	Political contributions	Ujjivan Small Finance Bank refrains from making political contributions to any candidates or parties	
GRI 417: Marketing and Labelling			
417-3	Incidents of non-compliance concerning marketing communications	SR 2023 - Ethics & Compliance	44
GRI 418: Customer Privacy			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR 2023: - Data Privacy & Cyber Security	96

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